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Congressional Record

SEVENTY-FOURTH CONGRESS, SECOND SESSION

SENATE

FRIDAY, JUNE 19, 1936

(Legislative day of Monday, June 15, 1936)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, June 18, 1936, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Radcliffe
Ashurst	Connally	Lewis	Reynolds
Bachman	Copeland	Loftin	Robinson
Bailey	Couzens	Lonergan	Russell
Barkley	Davis	McAdoo	Schwellenbach
Benson	Dieterich	McGill	Sheppard
Bilbo	Duffy	McKellar	Shipstead
Black	Frazier	McNary	Smith
Bone	George	Maloney	Steiwer
Borah	Gerry	Metcalf	Thomas, Okla.
Brown	Gibson	Minton	Thomas, Utah
Bulkley	Glass	Moore	Townsend
Bulow	Guffey	Murphy	Truman
Burke	Hale	Murray	Tydings
Byrd	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Van Nuys
Capper	Hatch	Nye	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Holt	Pittman	Wheeler
Chavez	King	Pope	

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Mississippi [Mr. HARRISON], and the Senator from Nevada [Mr. MCCARRAN] are absent because of illness, and that the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Oklahoma [Mr. GORE], the Senator from Kentucky [Mr. LOGAN], the junior Senator from Louisiana [Mrs. LONG], the senior Senator from Louisiana [Mr. OVERTON], and the Senator from South Carolina [Mr. SMITH] are necessarily detained.

Mr. MCNARY. I announce that the Senator from California [Mr. JOHNSON] is absent because of illness, and that the Senator from Vermont [Mr. AUSTIN], the Senator from New Jersey [Mr. BARBOUR], the Senator from Iowa [Mr. DICKINSON], the Senator from New Hampshire [Mr. KEYES], and the Senator from Maine [Mr. WHITE] are necessarily absent.

The VICE PRESIDENT. Seventy-nine Senators have answered to their names. A quorum is present.

TRIBUTE TO THE LATE SENATOR FLETCHER

Mr. LOFTIN. Mr. President, I ask unanimous consent to have printed in the RECORD a tribute to my late colleague, Senator Fletcher, written to me by Mr. George Albert Ingham, of Collingdale, Pa.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COLLINGDALE, PA., *June 18, 1936.*

United States Senator LOFTIN,
Care of the United States Senate,
Washington, D. C.

DEAR SENATOR LOFTIN: The passing of Senator Duncan U. Fletcher came as a great shock when the news of it reached me this afternoon. Every gift of mind and body Senator Fletcher gave freely for the pure love of his fellow creatures, not counting the cost so far as regarded himself. There is no point of our common everyday life as a country which he did not touch, no cause of charity he did not help, no kindness he failed to render when opportunity was his. Some of us wait so long before speaking the generous acknowledgment of kindly deeds, but Senator Fletcher had an insight into the hearts of men and women that was almost wonderful, and he never failed to give the word of appreciation, or to show by some token that he knew, when anybody had striven to do his best, in some little way that perhaps no one else would ever have noticed. Just little deeds of kindness all the day long, little considerate acts and words to the highest and to the lowest, a quick "thank you" for the tiniest service and a warm, quick pressure of his kindly hand when words were sometimes impossible. Never slow to see the good in all he met and always so quick to look for the upward striving in even the weakest of mankind and to give the sadly needed encouragement to a tired heart or overpressed brain. He lived every moment of his life to the full and touched life at every side. He loved the touch of human things, even while the Eternal was his unfaltering guide, and he loved the things of this world as a healthy minded man usually does, wisely and with a happy understanding which made him a most delightful companion. His individuality was charming, with its zest for joy and service.

His passing is too recent for us to gage all that it may yet mean, but a thought comes to me of what a wonderful thing a man's life can be made, when devotion to duty is its ideal.

> "Like warp and woof, all destinies are woven fast,
> Linked in sympathy like the keys of an organ vast,
> Pluck one thread and the web ye mar;
> Break but one of a thousand keys,
> And the paining jar through all will run."

He never let a heart become sad from want of a kind word, or waited to give the roses of joy till it was forever too late. The sweet savor of his life is fragrant in its influence on all our hearts. There are friends from afar who will mourn him with a passion of regret. My sincerest sympathies in your great loss is extended to you and the great State of Florida.

A sincere friend of Senator Fletcher.

GEORGE ALBERT INGHAM.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the bill (S. 4464) to authorize the coinage of 50-cent pieces in celebration of the opening of the San Francisco-Oakland Bay Bridge.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 9485. An act to convey certain lands to Clackamas County, Oreg., for public-park purposes; and

H. R. 10356. An act authorizing the Secretary of the Navy to convey a right-of-way over certain lands situated in Solano County, Calif., to the State of California for State highway purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 9654) to authorize the purchase by the city of Scappoose, Oreg., of a certain tract of public land revested in the United States under the Act of June 9, 1916 (39 Stat. 218).

The message also announced that the House had agreed to the amendment of the Senate to the concurrent resolution (H. Con. Res. 58) affecting the enrollment of H. R. 12624, the First Deficiency Appropriation Act, fiscal year 1936.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8597) to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for

desertion, and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea"; to maintain discipline on shipboard, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2456) to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 3472. An act to amend section 23 of the Immigration Act of February 5, 1917 (39 Stat. 874);

H. R. 7221. An act to authorize the shortening or termination of the stay in the United States of certain aliens not admitted for permanent residence, to authorize the deportation of certain aliens admitted for permanent residence, and for other purposes;

H. R. 12325. An act to protect for American actors, vocal musicians, operatic singers, and orchestral conductors the artistic and earning opportunities in the United States, and for other purposes;

H. R. 12532. An act to authorize the furnishing of steam from the central heating plant to the District of Columbia;

H. R. 12681. An act to amend section 1 of the act of Congress entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, the United States Park Police force, and the Fire Department of the District of Columbia", approved May 27, 1924, and for other purposes; and

H. J. Res. 336. Joint resolution to clarify the provisions of section 4 of the act of May 24, 1934, with regard to period of residence required of an alien husband of a citizen of the United States as a prerequisite to naturalization.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 1794. An act to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925;

S. 2119. An act for the relief of Amos D. Carver, S. C. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard, and/or the widows of such of them as may be deceased;

S. 2127. An act to amend section 4471 of the Revised Statutes of the United States, as amended;

S. 2712. An act to amend section 23 of the Independent Offices Appropriation Act, 1935;

S. 4552. An act to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation;

S. 4622. An act to amend section 2 of the act entitled "An act granting the consent of Congress to the Alabama State Bridge Corporation to construct, maintain, and operate bridges across the Tennessee, Tombigbee, Warrior, Alabama, and Coosa Rivers, within the State of Alabama", approved May 26, 1928;

S. 4737. An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes;

H. R. 5368. An act to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes;

H. R. 8442. An act to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes;

H. R. 12869. An act to liberalize the provisions of Public Law No. 484, Seventy-third Congress, to effect uniform provisions in laws administered by the Veterans' Administration, to extend the Employees' Compensation Act with limtiations to certain World War veterans and other persons, and for other purposes; and

S. J. Res. 278. Joint resolution to modify and extend the act entitled "An act to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, as amended, and for other purposes.

BENEFIT PAYMENTS UNDER AGRICULTURAL ADJUSTMENT ACT

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, transmitting, pursuant to Senate Resolution 265, directing the Secretary of Agriculture to furnish the Senate with certain information concerning producers (submitted by Mr. VANDENBERG, and agreed to Apr. 27, 1936), a part of the material called for in the resolution that could be promptly prepared and stating, "A supplementary report will be submitted covering payments for those 1935 programs where payments are not yet substantially complete", which, with the accompanying papers, was ordered to lie on the table.

Mr. VANDENBERG subsequently said: Mr. President, the Secretary of Agriculture has reported to the Senate in response to Senate Resolution 265.

I ask unanimous consent that the report and all of the tables in connection therewith be printed as a Senate document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a letter in the nature of a petition from the Young Women's Christian Association, Reno, Nev., praying for the enactment of the so-called Kerr bill to strengthen the immigration laws, which was referred to the Committee on Immigration.

He also laid before the Senate a resolution adopted by the board of governors of the Illinois State Bar Association, favoring the enactment of House Joint Resolution 237, for the establishment of a trust fund to be known as the Oliver Wendell Holmes Memorial Fund, which was referred to the Committee on the Library.

He also laid before the Senate a resolution adopted by the Anti-War Conference of the Intermediate Section, Young Circle League of America, New York City, N. Y., protesting against increased appropriations for the Army and Navy, which was referred to the Committee on Military Affairs.

He also laid before the Senate a telegram from a convention of districts 1, 7, and 9, United Mine Workers of America, Hazelton, Pa., embodying a resolution of the convention favoring the enactment of the so-called Guffey bill, being the bill (S. 4668) to regulate interstate commerce in bituminous coal, and for other purposes, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 2492) to provide further for membership on the Board of Visitors, United States Military Academy, reported it without amendment and submitted a report (No. 2425) thereon.

He also, from the Committee on Commerce, to which was referred the bill (H. R. 12490) authorizing a preliminary examination of the Levisa Fork of Big Sandy River in the vicinity of the Breaks of Sandy, reported it without amendment and submitted a report (No. 2426) thereon.

Mr. SCHWELLENBACH, from the Committee on Military Affairs, to which was referred the bill (S. 940) to provide for the further carrying out of the award of the National War Labor Board of July 31, 1918, in favor of certain employees of the Bethlehem Steel Co., Bethlehem, Pa., reported it without amendment and submitted a report (No. 2437) thereon.

Mr. McGILL, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 4786) to authorize the Secretary of Agriculture to make such adjustments and

revisions found to be due on contracts entered into by the Government with crop producers under the Agricultural Adjustment Act, reported it with an amendment and submitted a report (No. 2438) thereon.

Mr. BULOW, from the Committee on Civil Service, to which was referred the bill (H. R. 12717) to provide for the right of election by employees, subject to the provisions of the Civil Service Retirement Act, of a joint and survivorship annuity upon retirement, reported it without amendment and submitted a report (No. 2440) thereon.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 820. A bill for the relief of James A. Henderson (Rept. No. 2446);

H. R. 1365. A bill for the relief of E. G. Briseno (Rept. No. 2439);

H. R. 2335. A bill for the relief of Cora Akins (Rept. No. 2447);

H. R. 3763. A bill for the relief of William Randolph Cason (Rept. No. 2448);

H. R. 3777. A bill for the relief of the Herald Publishing Co. (Rept. No. 2442);

H. R. 6105. A bill for the relief of the New Amsterdam Casualty Co. (Rept. No. 2443);

H. R. 9191. A bill for the relief of dependents of James B. Kiley (Rept. No. 2449);

H. R. 10258. A bill conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claim of Adam D. Hampton (Rept. No. 2444); and

H. R. 11863. A bill for the relief of Clark F. Potts and Charles H. Barker (Rept. No. 2445).

Mr. LOFTIN, from the Committee on Claims, to which was referred the bill (H. R. 6920) for the relief of Ella Goodwin, reported it without amendment and submitted a report (No. 2441) thereon.

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (H. R. 3179) for the relief of Jesse Ashby, reported it without amendment and submitted a report (No. 2450) thereon.

Mr. DIETERICH, from the Committee on the Judiciary, to which was referred the concurrent resolution (S. Con. Res. 41) to authorize a joint committee to investigate the Black Legion, and for other purposes (submitted by Mr. ROBINSON (for Mr. BENSON) on June 8, 1936), reported it without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 18, 1936, that committee presented to the President of the United States the following enrolled bills and joint resolutions:

S. 1318. An act to authorize the Secretary of the Interior to investigate and adjust irrigation charges on irrigation lands within projects on Indian reservations, and for other purposes;

S. 1795. An act to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925;

S. 1976. An act to amend the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926, so as to equalize the allowances for quarters and subsistence of enlisted men of the Army, Navy, and Marine Corps;

S. 3257. An act to amend the World War Adjusted Compensation Act;

S. 3344. An act to appoint one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky;

S. 3371. An act for the relief of John Walker;

S. 3441. An act for the relief of C. T. Hird;

S. 3488. An act to provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and the Animas River and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama and Rio Grande;

S. 3784. An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes;

S. 3805. An act to authorize the Secretary of the Interior to reserve certain lands on the public domain in Nevada for addition to the Walker River Indian Reservation;

S. 3907. An act for the relief of the State of Nevada;

S. 3956. An act for the relief of Jacob Kaiser;

S. 3997. An act to authorize the Secretary of War to lend War Department equipment for use at the Eighteenth National Convention of the American Legion, at Cleveland, Ohio, during the month of September 1936;

S. 4038. An act to amend an act of Congress approved March 3, 1863, entitled "An act to reorganize the courts in the District of Columbia, and for other purposes";

S. 4105. An act authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission of Maryland for park, parkway, and playground purposes;

S. 4132. An act to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army;

S. 4252. An act to provide for the modification of the contract of lease entered into on June 12, 1922, between the United States and the Board of Commissioners of the Port of New Orleans;

S. 4461. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.;

S. 4462. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 4463. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near the cities of South Sioux City, Nebr., and Sioux City, Iowa;

S. 4584. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), to extend and adopt its provisions to the convention between the United States and the United Mexican States for the protection of migratory birds and game mammals concluded at the city of Mexico February 7, 1936, and for other purposes;

S. 4618. An act granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a free or toll highway bridge, or a railway bridge in combination with a free or toll highway bridge, and approaches thereto, across the Mississippi River at or near Baton Rouge, La.;

S. 4654. An act to amend an act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes", approved January 12, 1923;

S. 4658. An act to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes;

S. 4667. An act to prohibit the commercial use of the coat of arms of the Swiss Confederation pursuant to the obligation of the Government of the United States under article 28 of the Red Cross Convention signed at Geneva July 27, 1929;

S. 4680. An act authorizing the State of Wisconsin to construct, maintain, and operate a free highway bridge across the Mississippi River at or near La Crosse, La Crosse County, Wis.;

S. 4709. An act authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa.;

S. 4710. An act authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the West Branch of the Delaware River between a point in the vicinity of the village of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa.;

S. 4734. An act to provide for hurricane patrol in the Gulf of Mexico and environs during the hurricane season;

S. J. Res. 187. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1936, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski;

S. J. Res. 235. Joint resolution authorizing the Secretary of Agriculture to expend funds of the Agricultural Adjustment Administration for participation by the United States in the 1936 Sixth World's Poultry Congress;

S. J. Res. 243. Joint resolution authorizing distribution to the Indians of the Blackfeet Indian Reservation, Mont., of the judgment rendered by the Court of Claims in their favor; and

S. J. Res. 245. Joint resolution authorizing distribution to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., of the judgment rendered by the Court of Claims in their favor.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SCHWELLENBACH:

A bill (S. 4789) for the relief of Mr. and Mrs. James Hagan; to the Committee on Indian Affairs.

By Mr. BROWN:

A bill (S. 4790) to correlate certain governmental functions, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. LONERGAN:

A bill (S. 4791) to amend the Revenue Act of 1932 with respect to the deduction for estate-tax insurance; to the Committee on Finance.

By Mr. WAGNER:

A bill (S. 4792) to reimburse manufacturers for extra cost of manufacturing due to deepening of Oswego and Erie Canals, New York State; to the Committee on Claims.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated below:

H. R. 3472. An act to amend section 23 of the Immigration Act of February 5, 1917 (39 Stat. 874);

H. R. 7221. An act to authorize the shortening or termination of the stay in the United States of certain aliens not admitted for permanent residence, to authorize the deportation of certain aliens admitted for permanent residence, and for other purposes;

H. R. 12325. An act to protect for American actors, vocal musicians, operatic singers, and orchestral conductors the artistic and earning opportunities in the United States, and for other purposes; and

H. J. Res. 336. Joint resolution to clarify the provisions of section 4 of the act of May 24, 1934, with regard to period of residence required of an alien husband of a citizen of the United States as a prerequisite to naturalization; to the Committee on Immigration.

H. R. 12532. An act to authorize the furnishing of steam from the central heating plant to the District of Columbia; and

H. R. 12681. An act to amend section 1 of the act of Congress entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, the United States Park Police force, and the Fire Department of the District of Columbia", approved May 27, 1924, and for other purposes; to the Committee on the District of Columbia.

MISTREATMENT OF AMERICAN CITIZENS ABROAD

Mr. NYE submitted the following resolution (S. Res. 325), which was ordered to lie over under the rule:

Whereas there has been lodged with Members of the Congress of the United States from time to time complaints that citizens of the United States have been and are being grossly mistreated while in certain foreign countries, and that all efforts to obtain assistance from the proper officials of the Government of the United States in behalf of such citizens have been futile; and

Whereas it is charged that these conditions are influenced by large corporate interests holding valuable oil concessions, and others interested in investments in bonds and other property in said foreign countries; and

Whereas if the charges have any foundation in fact the Congress is under solemn obligation to promptly take steps through appropriate legislation to correct said conditions hereinbefore recited; and

Whereas it is alleged that departments of the Government of the United States have become an agency for protection of large corporate interests operating abroad—especially in Latin-America—where the most absolute form of military dictatorships have been established to protect said interests and make possible the exploitation of the people of our sister republics: Now, therefore, be it

Resolved, That the Foreign Relations Committee of the Senate, acting through a subcommittee thereof, or otherwise, be, and the same is hereby, empowered to fully investigate said charges to the end that the Congress of the United States may be fully informed:

(a) Whether there is any basis in fact for such charges.

(b) What legislation should be passed to remedy said conditions.

(c) Whether any statute of the United States has been violated.

That in pursuance of the duties imposed upon said subcommittee or committee, empowered to act under this resolution, it shall be empowered to subpena witnesses and require them to produce such papers, records, books, documents, or other evidence desired by such subcommittee or committee, and to produce such other data as they may deem necessary, and to hold such investigation at such place or places as to them may seem expedient.

That there is hereby appropriated the sum of $50,000 from the contingent fund of the Senate to carry on said investigation.

JOHN R. TURNER—WITHDRAWAL OF PAPERS

On motion by Mr. GEORGE, it was

Ordered, That the papers filed with the bill (S. 2768) for the relief of John R. Turner be withdrawn from the files of the Senate, no adverse report having been made thereon.

FLORIDA SHIP CANAL—DATA COMPILED BY THE LATE SENATOR FLETCHER

Mr. LOFTIN. Mr. President, I ask unanimous consent that some data and information compiled by the late Senator Fletcher on the subject of the Florida ship canal be printed as a Senate document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

ADDITIONAL DISTRICT JUDGE FOR NORTHERN AND SOUTHERN DISTRICTS OF WEST VIRGINIA—CONFERENCE REPORT

Mr. NEELY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2456) to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the said bill and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following:

"That the President of the United States, by and with the advice and consent of the Senate, is hereby authorized to appoint an additional district judge for the northern and southern districts of West Virginia, who shall, at the time of his appointment, be a resident and a citizen of the State of West Virginia; and who, when appointed and qualified as provided by law, shall exercise all the powers conferred by existing law upon judges of the District Courts of the United States; and who shall, as to all business and proceedings arising in said northern and southern districts of West Virginia, as now constituted or which may be transferred thereto, succeed to and possess the same powers, and perform the same duties within said districts, that are now possessed and performed by the district judges heretofore appointed for and now serving therein, respectively.

"The present district judge for the northern district of West Virginia shall hold regular terms of court in said northern district, at the following places and times, that is to say:

"(a) At the city of Martinsburg on the first Tuesday in April and the third Tuesday in September in each year;

"(b) At the city of Wheeling on the first Tuesday in May and the third Tuesday in October in each year;

"(c) At the city of Elkins on the third Tuesdays in June and November in each year;

"(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

"The present district judge for the southern district of West Virginia shall hold regular terms of court in said southern district at the following places and times, that is to say:

"(a) At the city of Bluefield on the third Tuesdays in January and June in each year;

"(b) At the city of Lewisburg on the first Tuesday in March and the third Tuesday in September in each year;

"(c) At the city of Charleston on the third Tuesdays in April and November in each year;

"(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

"The district judge for the said northern and southern districts of West Virginia, to be appointed under this Act, shall hold regular terms of court in said northern and southern districts at the following places and times; that is to say:

"(a) At the city of Clarksburg, in said northern district, on the second Tuesdays in January and September in each year;

"(b) At the city of Parkersburg, in said northern district, on the third Tuesday in March and the second Tuesday in October in each year;

"(c) At the city of Huntington, in said southern district, on the second Tuesdays in May and November in each year;

"(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint: *Provided, however,* That whenever a vacancy shall occur in the office of the district judge for the northern district of West Virginia the judge appointed pursuant to the authority granted by this Act shall become the district judge for the northern district of West Virginia and no successor shall be appointed to the vacancy thus occurring in the position created by this Act."

And the House agree to the same.

M. M. NEELY,
CARL A. HATCH,
WARREN R. AUSTIN,
Managers on the part of the Senate.

FRANCIS E. WALTER,
ROBERT L. RAMSAY,
U. S. GUYER,
Managers on the part of the House.

The report was agreed to.

BUSINESS AND ECONOMIC CATECHISM

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD an elementary presentation of comparative factual data on business conditions in the United States, prepared by the Department of Commerce.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

BUSINESS AND ECONOMIC CATECHISM—AN ELEMENTARY PRESENTATION OF COMPARATIVE FACTUAL DATA ON BUSINESS CONDITIONS IN THE UNITED STATES

Question. How many automobiles were produced in the United States in 1932?

Answer. 1,370,678.

Question. Was production that high in 1935?

Answer. Yes; more than twice as high. To be exact, 3,946,934.

Question. Has the improved trend continued in 1936?

Answer. In the first quarter of 1936 there were 1,072,581 produced, compared with 355,721 in the same period of 1932.

Question. What was the increase in the national debt in the depression and post-depression periods?

Answer. In the last 2, or depression, years of the Hoover administration the national debt was increased $5,000,000,000, and in the 3 recovery years of the Roosevelt administration the increase was $11,000,000,000.

Question. Was there in either administration a concurrent or compensating rise in the national income produced?

Answer. In the last 2 years of the Hoover administration, when the debt was increased $5,000,000,000, there was an accumulated decline of forty-two and eight-tenths billions in national income produced. In other words, the accumulated income produced by the people of the entire Nation dropped from $67,900,000,000 in 1930 to $53,500,000,000 in 1931 and to $39,500,000,000 in 1932.

In 3 years of the Roosevelt administration the national income produced by all the people progressively improved for an accumulated gain of about $25,000,000,000, while the debt rose $11,000,000,000, so that the net gain in income of the people over the increase in the Federal debt was $14,000,000,000. The national income rose to $41,900,000,000 in 1933, to $48,600,000,000 in 1934, and from $53,000,000,000 to $55,000,000,000 in 1935.

To sum it up, during the 2 depression years under Hoover the accumulated loss in income produced by the people was $42,800,000,000 and $5,000,000,000 was added to the Federal debt, while during the 3 years of the Roosevelt administration income of the people gained $25,000,000,000 and the debt increased $11,000,000,000.

Question. Records show that farm income has increased each year since 1932. Was that due altogether to rental and benefit payments?

Answer. The accumulated rise in farm income since 1932 has been $5,903,000,000, of which $1,352,000,000 was rental and benefit payments, leaving a net gain, exclusive of benefit payments, of $4,551,000,000. The following table of gross farm income, showing a 51-percent gain in 1935 over 1932, best illustrates the situation:

Year	Total income	Rental and benefit payments
1932	$5,337,000,000	None
1933	6,405,000,000	$278,000,000
1934	7,300,000,000	594,000,000
1935	8,100,000,000	480,000,000

From the foregoing, it will be seen that in 1933, income, including benefit payments, increased $1,069,000,000 over 1932, in 1934 the increase was $2,067,000,000, and in 1935 the increase was $2,767,000,000, an accumulated increase of $5,903,000,000. Subtracting the benefit payments, the accumulated gain was $4,551,000,000.

Question. While the farmer's income has shown these increases under the Roosevelt administration, is it not true that he has been paying a correspondingly higher price for everything he has been compelled to buy?

Answer. No. Since 1932 prices received by the farmer for his products have risen 66 percent, while the cost of the goods he has bought has risen only 17 percent. Stated in another way the index (1910–14 base) of what the farmer received in 1932 was 65 and what he paid was 108. By 1935 this ratio had narrowed and the index of what he received had risen to 108 and what he paid for goods bought was 125.

Question. Does this mean that the farmer has more actual dollars under Roosevelt than he had under the Hoover administration?

Answer. The purchasing power of farm income, less expenditures, rose from 55.9 in 1932 to 83.1 in 1935, or a rise of 50 percent.

Question. What is the trend in bank suspensions?

Answer. There were 5,102 suspensions in 1930, 1931, 1932, and 449 from January 1 to March 15, 1933, with aggregate deposits of $3,500,000,000. From March 16 to December 31, 1933, there were 179 licensed and 1,121 nonlicensed banks suspended. In 1934 there were 984. By 1935 these suspensions had dropped to 92 compared with 1,456 in 1932.

Question. Has there been any recession in commercial failures?

Answer. There were 11,879 in 1935, compared with 26,355 in 1930, 28,285 in 1931, 31,822 in 1932, 20,307 in 1933, and 12,185 in 1934. There were 167.8 percent more failures in 1932 than in 1935.

Question. A great deal is being published about revival of the construction industry that sunk to such low levels during the depression. Are there any figures on this activity?

Answer. In 1932, contracts awarded in 37 Eastern States were valued at $1,351,159,000. In 1935 the aggregate figure was $1,844,545,000, while in 1936 the gain has been more pronounced. In the first 5 months of 1936 construction aggregated $996,523,600, a gain of 81 percent over the same period of 1935. A survey of construction permits in 100 cities, scattered from coast to coast, conducted by the Department of Commerce for the month of May revealed a gain of 76 percent over May 1935.

Question. Construction has evidently been reflected in lumber consumption, which in 1933 was down to 13,105,000,000 board-feet. Is this industry still depressed?

Answer. At the rate of consumption during the first half of 1936, it is estimated that 20,000,000,000 feet will be consumed during the year, making it the best year since 1930 and 50 percent ahead of 1933. Consumption last year was 18,235,000,000 board-feet.

Question. It seems the building revival should have affected the common-brick industry.

Answer. It has quite substantially. Shipments of 306 manufacturers in 1935 were 59.5 percent greater than in 1933, and in the first quarter of 1936 the gain over the comparable 1933 quarter was 125.3 percent.

Question. In that same connection, the paint and varnish industry has probably been affected.

Answer. Quite substantially. Sales of 579 companies in 1933 amounted to $220,303,893. In 1935 this had advanced to $334,277,609, an increase of 51.7 percent. In the first 3 months of 1936 the gain over the comparable 1933 period was 104.5 percent.

Question. Electric-power production is a fairly accurate index of general business conditions; are we consuming more or less than in former years?

Answer. Electric-power production has reached an all-time high record, which indicates that industry and domestic consumers in greater numbers are using increasing amounts. The production in 1935 was 99,398,000,000 kilowatt-hours, compared with 83,153,000,000 in 1932 and 95,936,000,000 in 1930. The trend continued upward in 1936, production in the first quarter having risen to 26,765,000,000 kilowatt-hours, compared with 21,913,000,000 in the 1932 quarter.

Question. Has the machinery industry benefited by the increased purchasing power of the farmer?

Answer. In 1932 the value of the principal classes of farm machinery manufactured had dropped to $117,000,000. In 1935 this had risen to $331,998,066, a gain of 184 percent.

Question. Machine-tool orders are said to reflect conditions in the heavy-goods industries. Are the machine-tool makers recovering from their slump?

Answer. In May 1936 the index of orders in the machine-tool industry stood at 118.8, compared with 73.3 in the same month of 1935 and 15.3 in May 1933, so that the May 1936 orders were 677 percent greater than in May 1933.

Question. Changing the subject slightly, what has been the trend in bituminous-coal production?

Answer. Last year 369,324,000 short tons were produced, compared with 309,710,000 tons in 1932. In the first quarter of 1936 production was 111,938,000 tons, compared with 89,320,000 in the same period of 1932.

Question. We hear a great deal about cotton and the loss of our cotton-goods markets. Is it really true that we are losing our cotton-textile business?

Answer. No. The records show that in the year ending July 31, 1935, there were consumed in this country 5,361,000 bales, compared with 4,866,000 bales in 1932, while in the first quarter of 1936 the consumption was 1,657,000 bales, compared with 1,375,000 bales in the same quarter of 1932. The export of 5,180,000 bales in 10-month period of August 1935 to May 1936 was 13 percent higher than in the corresponding period of 1934–35.

Question. Has cotton-spindle activity increased with cotton consumption?

Answer. Yes. Spindle activity in April of this year was the largest for that month since 1930, or 7,320,000,000 spindle-hours, compared with 5,199,000,000 in April 1932.

Question. Considerable wool is consumed in this country, too. Without going into too much detail, what is the situation as to wool?

Answer. Industries consumed 26.9 percent more wool in 1935 than in 1933, while for the first 4 months of 1936 the gain over the same period of 1935 was 77.4 percent in the United States.

Question. Has there been much fluctuation in the volume of men's clothing manufactured during the past few years?

Answer. Reports of 352 manufacturers of men's suits show a quantity gain of 18.6 percent in 1935 over 1933, while the first quarter of 1936 the industry had a gain of 45.2 percent over the same period of 1933. Gains in the overcoat-manufacturing business were even larger.

Question. What about the oil-burner business?

Answer. This industry has experienced considerable revival as shown by reports of 152 companies who shipped 138,899 in 1935, compared with 89,666 in 1933, a gain of 54.9 percent. Improvement was still more marked in the first quarter of 1936, with a gain of 152.3 percent over the same quarter of 1933.

Question. There seems to be considerable enthusiasm over the mechanical-stoker business. Is that business increasing, too?

Answer. This industry has shown remarkable strides. Sales in 1935 increased 162.9 percent over 1933, and for the first 3 months of 1935 the gain over the 1933 quarter was 390.4 percent.

Question. Are people buying more or fewer hose?

Answer. Reports of 246 principal hosiery-manufacturing companies show an increase in production of 9.2 percent in 1935 over 1933, while in the Philadelphia district the increase was 21.3 percent. In the first 3 months of 1936 total production increased 22 percent over the same period of 1933.

Question. Footwear is an item of major importance in industry and is quite sensitive to the economic condition of the people. When the family budget is cramped the shoe-repair shop is usually busy. When we are prosperous we buy new shoes. What is the situation with reference to shoe production?

Answer. In 1935 there were 383,761,499 pairs of boots, shoes, and slippers produced in the United States compared with 350,381,737 in 1933, a gain of 9.5 percent. The gain has been more pronounced in 1936, production in the first 3 months having been 98,158,110 compared with 77,677,686 in the same period of 1933, a gain of 26.4 percent.

Question. What about stock prices?

Answer. The stock price index is based on 1926 at 100. In 1932 it stood at 48.4 and in 1935 at 78.5. In the first quarter of 1936 it had advanced to 105.7, compared with 57.1 in the same quarter of 1932. It should be explained that these indices are based on 421 leading stocks.

Question. The rise in stock prices seems to have been rather phenomenal. What about bond prices?

Answer. The 1932 index of 81.1 rose to 102.3 for the year 1935 and for the first quarter of 1936 moved up to 107.6, compared with 82.4 in the 1932 quarter. From these figures it will be seen that investors have realized excellent profits.

Question. Is much money going into new capital issues? That is, has there been a backward or forward movement of funds for investment in new securities for business and industrial financing?

Answer. In 1932 new capital issues amounted to $1,192,248,000 and in 1935 the total was $1,412,112,000. You will be interested to know that in 1933 the total was only $709,515,000. Under recent legislation investors are given a sense of stronger security in their investments.

Question. Has there been any material change in the trend of corporation earnings in the last 4 years?

Answer. According to the table compiled by Standard Trade & Securities, net income of 921 corporations in the year 1932 was $348,301,000; in 1933 it rose to $996,306,000; in 1934 to $1,304,033,000; in 1935 to $1,785,532,000.

Question. Retail trade comes nearer being understood by most of us, and the cash register in the general merchandise store is the best index of all. Has retail trade really benefited during the recovery period?

Answer. These figures are interesting and significant. The period of 1929–31 is generally accepted as an appropriate base period equivalent to 100. Compared with that base, the index of rural sales of general merchandise stood at 63.1 in 1932. In 1935 it had risen to 99.4, and this was sustained in the first quarter of 1936. The 5-and-10-cent store index rose from 80.0 in 1932 to 91.5 in 1935.

Question. Have department-store sales increased, too?

Answer. This index is based on the 1923–25 period, and in 1932 stood at 69 but advanced to 79 in 1935. The trend in 1936 is still higher, the May index standing at 88, compared with 67 in May 1933.

Question. The status of factory employment seems to be somewhat of a controversial question. Just what is the actual condition as to this?

Answer. Using the 1923–25 period as an index base of 100, the index stood at 64.1 in 1932, while in 1935 it was 82.2. In the first quarter of 1936 it averaged 83.4, compared with 68.9 in the first quarter of 1932.

Question. Have factory pay rolls increased also?

Answer. There has also been marked increase in pay rolls. Using the same index base as on employment, the pay-roll index stood at 46.1 in 1932, while in 1935 it was 70.3. In the first quarter of 1936 it was 73.6, compared with 53.7 in the first quarter of 1932.

Question. We all know that higher wage scales are being paid by most business and industry to their workers, but at the same time we also know that the work hours are shorter. What effect has this had on the per-capita income of employees?

Answer. That is an interesting question. In 1933 the average per-capita income of employees, exclusive of work relief, in all industries was $1,097. In 1934 this had risen to about $1,100, and in 1935 the estimate was $1,200.

Question. Since steel is a key industry and there is reported to have been so much activity in the heavy-goods industries, what are the facts regarding steel-ingot production?

Answer. Steel has experienced remarkable recovery. In 1935 production was 33,940,000 gross tons, compared with 13,464,000 in 1932. In the first quarter of 1936 production was 9,353,000 gross tons, compared with 4,400,000 gross tons in the same quarter of 1933, and reached a 6-year peak.

Question. Railroad traffic is usually accepted as another appropriate index to general conditions. Are the railroads carrying more or fewer loaded cars than in 1932?

Answer. In the first 5 months of 1936, total carloadings amounted to 3,351,801 cars, compared with 2,656,168 in 1933 and 3,026,021 in 1934.

Question. What has been the effect on net operating income of railroads?

Answer. Net operating income of railroads has gained from $53,876,000 in the first 4 months of 1933 to $146,114,000 in the first 4 months of 1936, an increase of 171 percent.

Question. There seems to be much discussion about the effect of new trade policies on foreign trade, and since this phase of business activity affects all people directly or indirectly, just what is the situation with reference to exports and imports?

Answer. In 1932, the total value of our exports to foreign countries had dwindled to $1,611,016,000, but in the year 1935, they had risen to $2,282,874,000. Imports also rose from $1,322,774,000 in 1932 to $2,047,485,000 in 1935. In the first quarter of 1936, exports were valued at $575,297,000, compared with $458,870,000; imports in the first quarter this year were valued at $573,942,000 compared with $397,708,000 in the 1932 quarter. While several reciprocal trade agreements have been negotiated with important foreign countries, insufficient time has elapsed to fully evaluate the program. In the case of Cuba, however, negotiated in September 1934, results have been gratifying with exports and imports increasing 32 percent in 1935 over 1934, while the first quarter of 1936 showed a gain of 47 percent over the 1935 quarter.

SWEDEN PUTS GOVERNMENT IN BUSINESS

Mr. BENSON. Mr. President, I ask leave to have printed in the RECORD an article from the Washington (D. C.) Daily News of the 17th instant, by William Philip Simms, headed "Sweden Puts Government in Business; Makes It Pay; Budget Is Balanced."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, June 17, 1936]

SWEDEN PUTS GOVERNMENT IN BUSINESS; MAKES IT PAY; BUDGET IS BALANCED—EXAMPLE POINTED TO AMERICANS WHO FEAR NEW DEAL; STATE HAS MANY MONOPOLIES; PEACE POLICY AIDS

(This is the first of six articles on economic conditions in Sweden by William Philip Simms, Scripps-Howard foreign editor.)

Americans who damn President Roosevelt for trying to give the rank and file a break should visit Europe. They should at least take in Germany, Russia, Italy, and Spain—and then they should see Sweden.

In Germany, Russia, and Italy they would find that things have already gone to one extreme or the other. In Spain they would hear conservatives and reactionaries moaning that fascism is the only thing that can possibly save us from bolshevism.

But Sweden, they would learn, long ago adopted the middle course which Spain now dolefully regrets she overlooked. One week in this country would convince Americans that many of the things for which they curse Roosevelt are not only accepted institutions in Sweden, but are among the things to which that country owes her salvation from the fate of Russia, Germany, Italy, and Spain.

SWEDEN SERENE

A large part of Europe lives in fear of what may happen tomorrow. Sweden is serene, her living standard as high as ours, and her prosperity the envy of her neighbors.

Only 50,000 are unemployed. And some of these, Prime Minister Per Albin Hansson said, are seasonably jobless. On a basis of population that would compare with a million unemployed in the United States instead of ten or twelve million.

Construction in some areas, he said, has reached an all-time high. Homes, apartment houses, industrial and business structures are going up on all sides. Sweden's budget is balanced at $250,000,000—equivalent in America to a $5,000,000,000 budget.

And instead of most of it going to pay for past and future wars, the biggest slice of it is earmarked for social betterment, such as old-age pensions, unemployment insurance, an elastic public-works program adjusted to take up the job slack, sick benefits, and so on.

GOVERNMENT IN BUSINESS

A number of factors, national and international, have contributed to Sweden's enviable position.

1. The Government is in business—big business—both for yardstick and fiscal purposes. Its enterprises are profitable.

2. By public-works programs, farm aid, and other means of helping the masses tide over the depression—a policy dating back to 1914, when the World War first dislocated her labor situation—Sweden cushioned the depression's shock.

Swedes are ardent lovers of liberty, economic, civil, and personal. Yet the Government has retained ownership of most of Sweden's waterfalls. It sells power on the same footing as private concerns. Current ranges from around 1 cent a kilowatt-hour to 2¾ cents, the average being under 2 cents.

The Government owns most of the principal railways. These are almost all electrified.

About one-fourth of the total forest area belongs to the Government. And while commercial enterprises are forbidden to enlarge their holdings, the Government is steadily adding to its for purposes of conservation. It sells forests products.

GOVERNMENT SELLS LIQUOR

The liquor business is a state monopoly which adds $50,000,000 a year to her income. This money goes for the promotion of temperance, to pay off the nation's bonded debt, and for rural aid.

To Sweden belong the telephone and telegraph. A 3-minute talk from Stockholm to Malmo, nearly 600 miles, costs about 18 cents, day or night. A full party line costs about $21 a year.

The radio comes under the same general management—the telegraph board. This, however, is farmed out to a partnership composed of the newspapers and the radio manufacturers. The Government receives an annual tax of $2.50 per set, a third of which is turned back for programs. No advertisements and no politics are allowed—save on special occasions when all parties have an equal go at the mike.

GOVERNMENT SELLS TOBACCO

Tobacco is another government monopoly, and there has been talk of gasoline and coffee joining the list. The nation also owns most of its mineral deposits such as iron, copper, sulphur, silver, and gold, in the mining of which it again becomes the partner of private industry.

Thus Sweden has knocked into the proverbial cocked hat the favorite American bromide that governments can't make business pay. In this country State enterprises are run as efficiently and as profitably as any other enterprise.

The formula is simple. Sweden keeps politics out of business. Graft is virtually unknown. She puts up the money, as any capitalist might do, hires the best technicians procurable and tells them to go to it.

In her competition with private industry, she is scrupulously honest. Each industry must pay its way. It is fairly capitalized. No tax money goes to support it. All the overhead any business encounters is added in.

Less sensibly managed, Sweden might be a poorhouse. Instead, she has a standard of living equal to any. Having had peace for 125 years—her last conflict was with Russia when she lost Finland—she is not paying for stupid wars. Old-age pensions, agricultural aid, hospitalization, temperance, popular education come foremost. Sweden has no illiterate class.

By providing so many price measures, every one of her 6,250,000 people benefits by an unusually low cost of living. They are in pocket hundreds of millions of dollars annually, or have been able to buy just that much more of the things which go to make life worth living.

PRICE YARDSTICKS IN SWEDEN

Mr. BENSON. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in the Washington Daily News of Thursday, June 18, 1936, entitled "Yardstick for Everything People Buy Provided in Sweden."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, June 18, 1936]

YARDSTICK FOR EVERYTHING PEOPLE BUY PROVIDED IN SWEDEN—RESULT IS FAIR RETURN, LOW PRICES, AND HARD LUCK FOR THE CHISELERS

(Second of six dispatches on economic conditions in Sweden, written after careful investigation, by William Philip Simms, who has just returned from that country.)

(By William Philip Simms, Scripps-Howard foreign editor)

A dollar will go further in Sweden than in any other country in northern, central, or western Europe.

Not our dollar, of course. It suffers on exchange here as well as elsewhere. What I mean is living is cheaper. Swedes get more for their money.

And the reason is yardsticks. The state, the city, and the cooperative groups have set up a measure for almost everything one buys. The masses, therefore, can tell just how much they are being stung when they make a purchase.

NOT EASY TO FOOL

So the cheats and the chiselers have to look sharp to fool a Swede. There's a yardstick for everything from electric-light bulbs, and the current required to make them glow, to crackers, fertilizers, bicycle tires, and the rental on a two-room flat.

I mean this. I have already described how and why the Swedish Government is in the railway, mining, telephone, telegraph, liquor, tobacco, hydroelectric, and other businesses. Now let's have a look at housing.

In America we have been talking about slum clearance for the last quarter of a century. In Sweden they don't just talk; they do it. Some of it is being financed by the Government, some by municipalities, some by private or cooperative movements, and some by combinations of these.

JUST HITTING STRIDE

Approximately $100,000,000 has gone into such projects in recent years, and the movement seems just to be getting into its stride. And that is a big sum for a small country. Sweden lacks a couple of million people of having the population of Greater New York.

The Government—state and city—has put up most of this money. But it has cost the taxpayers nothing. The Swedes are a practical, business-like race. Most people, they found, are reasonably honest and can get along themselves—provided they have a little help. So the Government is merely helping by lending.

About the time, toward the end of the World War, when Americans found themselves sleeping in garrets and cellars, or doubling up, whole families of them, in two or three rooms because of the housing shortage, the Swedes were suffering the same fate.

WENT INTO ACTION

In Sweden, as in America, there was a sort of landlords' trust and rentals soared. But while little or nothing was done about it in the United States, the hard-headed, horse-sensible Swede got action.

A national organization was formed with a long Scandinavian name. But it went by its initials—H. S. B. It stands for the Tenants Savings Bank & Building Society. This society planned three types of apartment houses containing flats varying from one room, kitchen, and bath, to five rooms, kitchen, and bath.

The prospective tenant put up 10 percent of the cost of his flat. The Government advanced the balance and the houses sprang up. Tenants have 20 to 30 years in which to pay, in the form of rent. And the payments are much lower than similar flats could be rented for elsewhere.

On the cheapest of the flats no down payments were required. All the state or city did was to investigate the applicant's character. If he seemed all right he was taken on trust. Almost 100 percent of this class paid on the dot.

EIGHTY DOLLARS GETS HOME

The city of Stockholm has a somewhat similar project. By some it is called magic homes. On city-owned land in the suburbs, it has staked out lots. On these, workers may build their own homes, under municipal supervision, and municipally financed at a fraction of the normal cost.

To get one of these homes all one needs is a good reputation and $80. The city takes care of the rest, the owner, however, doing most of the labor himself. The houses are of the ready-made variety and are comparatively easy to set up. No jerry-built structures are permitted, however. There must be a properly cemented, water-proofed cellar, adequate wiring, heating, and plumbing. Everything must conform to Stockholm's strict building regulations. The total cost is about half what it would be if privately purchased and financed.

Stockholm has lost nothing on this venture. Nor have other municipalities which have undertaken similar projects. The city has a mortgage on the home until paid for and collects a small ground rent. The lots are leased for 50 years and the leases may be renewed if the city has no need for the ground.

MOSTLY COOPERATIVE

It is estimated that 25 percent of the Swedish population live in homes cooperatively built in one way or another. Nor does this include those who bought into so-called cooperative apartment houses privately built for profit.

When President Roosevelt said he intended setting up a hydroelectric power station to serve as a yardstick for rates in the United States, he stirred up one of the biggest hornets' nests of his administration. He was dubbed a "red", a Socialist, a regimenter of big business, and an imitation dictator. Yet Sweden was well on her way in the yardstick business when President Taft was in the White House and Franklin D. Roosevelt was just a young man up in New York State.

To the Swedes nothing seemed more natural. Rightly or wrongly, they somehow look on the state as their instrument. They believe its duty is to make life more secure, and more worth living for all its citizens, not for just a privileged few.

The whole thing is open and aboveboard. No cards are concealed up the Government's sleeve. It pays the regular wages. It takes into account the full commercial value of the enterprise—even if it always owned the power site, mine, or whatever it is—writes off depreciation and all the rest of the overhead, then insists on a fair return. The answer is a yardstick.

In Sweden the yowler doesn't get very far. He knows what is being done is fair. He knows that 99 percent of the public benefits by it. So he makes up his mind to play the game and get his share of the business by giving his customers just as good or better, if he can, for their money.

If he can carry on only by gouging, he is simply out of luck. He folds up.

OKLAHOMA PROHIBITION AMENDMENT—ADDRESS BY R. L. WILLIAMS

Mr. TYDINGS. Mr. President, I ask permission to have inserted in the RECORD an address by Judge R. L. Williams delivered in the City Hall at Muskogee, Okla., June 15, 1936, on the subject of a proposed amendment to the Oklahoma Constitution. I am making this request at the instance of the senior Senator from Oklahoma [Mr. GORE], who is temporarily absent.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, ladies, and gentlemen, I have been requested to discuss the proposed initiative amendment to repeal the provisions prohibiting the manufacture and sale of intoxicating liquors of the Oklahoma Constitution to be voted on at the second primary election on July 28, 1936.

Section 1 recites that the amendment shall be an exercise of the police power to protect the economic welfare, health, peace, and morals of the people of the State and to prohibit forever open saloons, to eliminate the evils of the unlawful manufacture, selling, disposing, and transportation of alcoholic beverages. The contents of the measure do not justify this statement. No doubt thousands of persons signed the petition for this measure on that statement and were thereby deceived as to what was contained in this proposed constitutional provision. This statement should be likened to the kiss of Judas preparatory to the betrayal of Christ, for in my judgment, if this proposed amendment is adopted, it will undermine the liberties and rights of the people of this State.

There is nothing in this bill that will prevent the maintenance of the saloon under this commission. On November 22, 1935, I submitted a draft relative to such repeal for the consideration of Hon. George A. Henshaw, the attorney and representative of the interests seeking this repeal, which contained the following provision:

"The prohibiting within each and every part of this State, by the Constitution of the State of Oklahoma, of the manufacture, sale, barter, giving away, or otherwise furnishing, except as hereinafter provided, of intoxicating liquors, including all spirituous, vinous, and malt liquors, is hereby repealed; with the proviso that no spirituous liquor, which includes brandy, rum, whisky, and gin, shall be consumed, under any circumstances, on the premises on which it is permitted to be sold or distributed."

That limitation would have operated upon the commission and any of its licensees or distributees. But you find no such effective provision incorporated in this proposed amendment, though the same was directly and specifically called to their attention. Further, this amendment as now proposed puts it within the power of the commission to locate a dispensary or a liquor house under the commission or licensee under rules and regulations promulgated by the commission having the force of law which cannot be repealed or modified by the legislature in any county within the State, without regard as to whether the citizenship of that county desire liquors to be dispensed therein. No protection is provided for a county where the majority of the people do not desire a dispensary or whisky store, or licensee to dispose of or sell intoxicating liquors. Utter disregard of the rights of the people in such subdivisions is disclosed and no provision for local option by county or otherwise.

Section 2 creates a monopoly in the purchase and sale of all alcohol and alcoholic beverages within the State, which is contrary to the purpose expressed in section 32, article 2 (Bill of Rights of the Constitution), which provides that perpetuities and monopolies are contrary to the genius of a free government, and shall never be allowed. The creation of a monopoly in favor of any agency, whether private or public, is contrary to the very genius of free institutions, and a free republic cannot permanently exist under such conditions.

Section 3 makes it lawful to manufacture, sell, keep for sale, possess, transport, alcohol or alcoholic beverages in the State of Oklahoma, subject to the provisions of this monopoly created and to be administered by a commission of three persons to be appointed by the Governor without the consent of the senate or any other agency.

The words "alcoholic beverages, commission, person, package, sale or to sell, special agency, or license" are defined in section 4. "Sale" or "to sell" means to solicit or receive an order for; to keep or expose for sale; to offer for value or gratuitously; to peddle; to possess with intent to sell; to traffic in, for any consideration, promise or obtained, directly or indirectly, or under any pretext or by any means whatsoever, to procure or allow to be procured for any other person; and "sale" when so used, shall include every act of selling. The words "special agency" or "license" means a person especially designated or authorized by the Commission to sell alcoholic beverages subject to the provisions of said act.

Section 5 provides for a commission of three to be appointed by the Governor, without confirmation by the senate. Most of the executive appointments provided for in our State constitution to be made by the Governor are subject to confirmation by the senate. No such safeguard is here preserved. Unlimited power is thus conferred upon the Governor. The chairman of the commission of three as designated by the Governor is made the managing officer. The commission have the power to appoint a secretary and attorney, who shall serve at the pleasure of the commission, and such clerks, stenographers, inspectors, auditors, chemists and employees as may be necessary as determined by the commission, who fixes the duties, salaries, and compensation of the employees, no restriction being imposed either as to the number or compensation. The same section gives power to the commission to manage and control exclusively, after such appointment by the Governor, subject to be removed for misfeasance and malfeasance in office only by proceedings on information in the District Court of Oklahoma County. The section provides:

"The commission is hereby vested with authority to make all rules, regulations, and requirements pertaining to the manufacture, sale, transportation, handling, and other operations pertaining to traffic in alcoholic liquors within the State of Oklahoma, subject to appeal, as herein provided. The commission shall also be vested with authority to establish State dispensaries or stores, to enter into sales contracts, or issue licenses to manufacturers, dispensers, rectifiers, wholesalers, and special agencies, and to revoke after a hearing all licenses so issued."

With respect to the intoxicating-liquor monopoly thus conferred, the Governor, through the commission, would have such power as was exercised by a czar or ruler with absolute power, subject to the Federal Constitution. It also gives the commission authority to buy and sell whisky, provide warehouses for its handling, etc., making the monopoly complete and exclusive in the commission as an agency of the State. And such unlimited powers applies also to revenues. Mark the words:

"The commission may fix all revenues and profits accruing to the State of Oklahoma from permits, licenses, wholesalers, special agencies, retailers, dispensers, or manufacturers, and the amount the State shall receive per gallon or otherwise for such alcoholic beverages."

This provision deprives the legislature of all taxing power pertaining thereto. In the history of this Republic and its several States the taxing power has rested solely in the legislature, which represents the sovereign people. This amendment in effect changes our form of government. The States and the Federal Government were created with three branches—executive, legislative, and judicial—each coordinate and a check on the other. Why the necessity to concentrate this power in a commission? If that is essential, why should not the rule apply generally, thus eliminating the legislative branch of Government, thus leading to monarchy? You cannot make a breach and opening and then stop. The principle adopted by our fathers in our Government must live or it must die, and here in a subject relating to intoxicating liquors are we to make the opening that is to pave the way to destroy free institutions? Mark you, section 6 says:

"Such charges and all rules and regulations of the commission shall have the force and effect of law until changed by the commission."

The legislature has no power to change any of these provisions. Further provision is made that the legislature can extend the power of the commission, but in no way decrease same. Section 1, article V, of the constitution, which provides that the legislative authority of the State shall be vested in a legislature consisting of a senate and a house of representatives, the people reserving to themselves the power to propose laws and to enact or reject the same at the polls independent of the legislature, and also reserve power at their own option to approve or reject at the polls any act of the legislature, insofar as the subject of intoxicating liquors is concerned is modified and to that extent repealed, such power to rest exclusively with said commission. This provision has the effect of repealing all powers of legislation whether by the legislature or by the initiative power, relating to intoxicating liquors. It does not repeal the power of the legislature to submit a constitutional amendment relative thereto, nor the power through initiative and referendum to submit such a constitutional amendment, but it does take away the power from the legislature and from the people through the initiative and referendum to legislate relative to this matter. Why this distrust of the people? Why this distrust of the legislature? Why this grasping of power, if not for the purpose of getting beyond the power of the people? I can tell you why. On November 28, 1935, I wrote the

Honorable George A. Henshaw with reference to this matter, and on November 29 he replied as follows:

"I appreciate very much your position in reference to securing a system of administering the liquor control law free from any real political interference or making it possible for a political machine to be organized for the purpose of controlling the State politically. Your position in the matter should be considered by those who may finally pass upon the kind of liquor-control measure to be submitted, and I shall bring all sides and arguments in any conference in which I may be in, either with the administration or with the proponents of the repeal measure. * * * My proposition here is to drive the professional prohibitionist out of the field as well as the bootlegger. If the bootlegger business cannot be driven out, the real moral value of any legal control would be impaired. I want to get the major legislative control out of the legislature. * * * I hope to prevent any prohibition discussion in the selection of the legislature, but center the same on one man, the election of the new Governor whom the people shall have a right to select, and demand a commission that will operate for the purpose set forth in section 1. * * * I personally favor no interference by the legislature except to pass laws to aid the commission, as named in section 1, then if this regulation should prove unwholesome, the people could repeal it in its entirety by their vote and adopt prohibition."

It was the intention of the author to take all power away from the legislature relative to the matters herein mentioned and confer the same on the commission to be appointed by the Governor, and then the elective officer that the interests planning to make money out of the sale of intoxicating liquors would mainly be interested in would be the Governor. They would then have no special concern in the election of members of the legislature. When conditions exist so that this vast machine entrenched behind this liquor monopoly supported by a Governor elected by it and the various other departments of State under his control with hordes of employees, operate as a political machine as they will, it would be impossible for the people interested in good government to elect a Governor.

When the initiative and referendum was adopted it was never dreamed that it would be arranged so as not to afford the people opportunity to carefully consider measures submitted under such power. That provision as placed in the constitution was not self-executing, it being contemplated the legislature would carry it into effect so as to give the people an opportunity to deliberate. In many of the States having similar constitutional provisions relating to initiative and referendum it is provided that the initiative measure must be first submitted to the legislature, who may submit it in the form it is presented, and also, at the same time, submit a competing measure, so the people will have an opportunity at the ballot box to vote for one of the measures and against the other. In some States, provision is made for initiative assemblies composed of representatives from the districts in the State, provision being made for such representations. After an initiative petition is filed, then the initiative assembly is called. The assembly meets and considers the measure. The legislature or initiative assembly may frame a competing measure, each to be submitted to the people at the same election. The question being whether the competing measure shall be adopted in lieu of the proposed measure, or the proposed measure to be adopted in lieu of the competing measure. These measures are printed and furnished to each voter at public expense. The legislature can provide such system here under our constitutional provision. But as to this provision being submitted at the instance of the representative of the liquor interests that are to make money out of the sale of intoxicating liquors drawn by their representative, he having consulted with the liquor interests and then with the Governor with a view of his calling a special election to submit it, I happen to know that a great percent of the last legislature desired to submit an amendment providing simply for repeal with the proviso that "no spirituous liquor, to include brandy, rum, whisky, and gin should be consumed, under any circumstances, on the premises on which it is permitted to be sold or distributed."

Press reports during that period carried the news that the Governor did not want the legislature to handle such, as he thought it would interfere with his legislative program, and for that reason it wasn't considered by the legislature. A matter that affects the people so vitally ought not to be left to the representative of the liquor interests to determine what kind of repeal measure should be submitted, and I doubt the advisability of its hasty submission, and at the primary election, when it may become complicated with political fortunes of individuals. The people may not have sufficient time to become familiar with its complicated provisions.

Section 17 of this proposed amendment expressly repeals not only all provisions of the constitution relative to prohibition but also all existing laws in conflict with this repealing amendment, which provides that hereafter it shall be "lawful to manufacture, sell, keep for sale, possess, and transport alcoholic beverages in the State of Oklahoma", except article 1, chapter 16, of the Revised Laws of Oklahoma, 1931. Section 16 of this proposed amendment provides that said article 1 shall remain in full force and effect until changed by rules and regulations of the commission. Said article 1 of said chapter 16 permits the Governor to prescribe rules and regulations for the sale of pure grain alcohol, etc., and to establish warehouses in which to store such alcohol. Section 6 of this proposed amendment provides:

"* * * It shall be the duty of the attorney general, or any county attorney, upon the written request by the commission or the Governor, to institute civil or criminal proceedings for the violation of any rules, regulations, or laws of the State of Oklahoma in reference to the control, possession, and sale of intoxicating liquors, if, in the judgment of the attorney general or the county attorney, the facts or circumstances submitted by the commission warrant or justify such legal action."

The only rules, regulations, or laws that are to be in force outside of said article 1, chapter 16, herein referred to (and that only remains in force until the commission repeals it) are the provisions of this proposed amendment and rules and regulations which have the effect of law promulgated by this commission. It does not become the mandatory duty of the attorney general and the county attorney to make such prosecutions, when it is called to their attention by written request by the Governor or the commission, but rests in their discretion to do so. Under this constitutional provision the elective officers, the attorney general, and the county attorney cannot institute any of these prosecutions or suits unless that written request is made by the Governor or the commission. Those who may violate these rules and regulations having the effect of laws cannot be prosecuted unless the Governor or the commission so request. When I read this provision I was slow to believe that whoever framed it intended to create such a condition, and reached the conclusion it was the result of drawing a constitutional provision without having the same considered in a deliberate way by the representatives of all parties interested. Then further it says:

"The Governor and the commission shall be charged with the duty of enforcing all provisions of this amendment and rules and regulations, or laws, that may be promulgated or enacted under provisions of this amendment."

Such rules and regulations having the force of laws can only be enacted by the commission. The legislature cannot change or amend a rule or regulation made and promulgated by this commission. All it can do is to add to its powers. It further provides:

"All members of the commission and all employees that may be designated by the commission shall be police officers of the State with the same power and duties in reference to the enforcement of this amendment and the rules and regulations prescribed thereunder now possessed by sheriffs of this State in their respective counties. It shall be the duty of the Governor to issue a commission to all such police powers to be exercised by virtue of such commission."

These so-called peace officers have jurisdiction all over the State. They will have power to search premises, to arrest people, being responsible to no one except the commission. The legislature has no power over them. Courts will have no power over them unless the Governor or the commission shall submit the matter to the attorney general or county attorney to institute proceedings. In the counties, cities, and towns where these intoxicating liquors are sold no power exists in the legislature to provide for any of the funds derived from the profits or license or permits arising from the sale of vinous, malt, and spirituous liquors in restaurants, coffee shops, liquor stores, and other agencies to be applied as aid to such counties, cities, and towns to provide additional local police and protection to its citizens rendered necessary on account of such intoxicating liquors being sold and dispensed in such local communities. And for the legislature to impose taxes to be levied and collected by the counties, cities, and towns to meet this additional necessity of policing for protection would be a burden that would be unjust and could not be economically borne. If it is contemplated that the commission, out of the funds derived under this liquor monopoly, is to provide this additional policing, and that the Governor and the commission are to commission such police officers to preserve order in the counties, the cities, and towns thus rendered necessary, it discloses a purpose to decentralize local government and to centralize government in the Governor and the commission.

One can scarcely believe that such was the purpose, but it seems that such is the result, and shows the inevitable conclusion that this amendment should be voted down and if one is to be submitted in the future it should be submitted by the legislature where careful hearings will be had before committees and every possible phase of the matter presented.

Section 10 provides that: "The commission shall permit, under rules and regulations prescribed by it (that is, under laws to be made by it), the sale of beer, wine, ale, and other alcoholic beverages (which would include whisky, rum, gin, and brandy) to be served for consumption with meals in bona-fide hotels, clubs, and restaurants or dining cars in trains, approved as such by the commission. The alcoholic contents of such alcoholic beverages served with meals, as herein provided, shall be under the rules and regulations prescribed by the commission. Such rules and regulations shall strictly provide against the establishment of saloons either directly or by subterfuge. All other alcoholic liquors shall be sold only in original packages, containing not less than one-half pint (that means not less than 4 ounces) for consumption off of the premises where sold. Apartments and rooms in regular hotels rented by a bona-fide occupant shall be considered off the premises."

With the commission fixing rules and regulations permitting the licensee to dispense intoxicating liquors in a hotel building it is difficult to conceive how many hotels would be established without becoming in fact saloons.

If when a man or woman, or both, come in for a room same could be assigned or rented to him or her or both of them, then

the alcoholic liquor could be sent up to the room and there served. In the days of the saloon the bar would be downstairs and sometimes in the rear and sometimes upstairs would be the gambling room, and then in other rooms upstairs would be rooms for prostitution. Under this provision it would not be difficult to bring back the same conditions that formerly existed with a bar, a bawdyhouse, and a gambling room all combined into a hotel. I am impressed that this provision was drawn with a view of promoting business rather than promoting temperance.

In section 8 provision is made for a temperance review board. What will they review? That proposed board is to be composed of nine district judges, the rules and regulations of the commission as herein provided for are to be subject to appeal to the temperance review board by county commissioners of any county or by any city, town, or municipality in the State of Oklahoma, the appeal to be filed with the clerk of the supreme court, under some simple and adequate procedure adopted by the commission, which procedure may be changed or modified by the temperance review board. What are the powers of that review board? No provision is made that the review board can substitute its order or rule or regulation in lieu of a rule or regulation made by the commission, nor that any of the contracts for the purchase of whisky and plants and the acquiring of warehouses and the outlay of hundreds of thousands of dollars and for borrowing as much as $400,000 can be reviewed and the judgment of this review board substituted therefor. This provision is ineffective. I do not charge that they are seeking to deceive you, but in the most charitable way I say it is the result of hasty framing of amendments. The only power that is left with the legislature is in section 11, where it says:

"The legislature may enact laws extending the powers of the commission and prescribe penalties for the violating of any of the provisions of this amendment or rules and regulations having the effect of law."

It cannot repeal or modify or change any rule or regulation made, and the statement by the attorney who drew this provision, from which I have quoted, shows it was his purpose that it should not have such power.

I was opposed to national prohibition, and in my early years I was in favor of local option by counties, but on account of the Indian situation I reached the conclusion that I should support State-wide prohibition at the election of the State. I felt that on account of the peculiar conditions that existed and the treaty obligations existing in favor of the red man made it necessary, and I fearlessly stood by that proposition. I think that the question of repeal ought to be submitted to the people of this State, but not under such a provision as this, that would practically destroy the State as a part of a republic, and lead to the creation of a corrupt political machine. An amendment providing for the repeal of the prohibition provisions of the constitution, not to take effect until 90 days after the legislature adjourns, should be submitted by the legislature, the people in the meantime to have an opportunity to elect a legislature on that issue. Then if it was repealed, if a two-thirds majority of each house of the legislature for regulation, so that it would take effect at once, could not be obtained, the 90-day period would cover the situation, for then the legislative regulatory bill would be in effect with the expiration of the 90 days.

The proviso that no spirituous liquor, which includes brandy, rum, whisky, and gin, shall be consumed under any circumstances on the premises on which it is permitted to be sold or distributed should be attached to the proposed repealing provision. And, further, I suggested to Judge Henshaw that if they were determined to have a commission under a monopoly, that this provision should be incorporated:

That the Oklahoma State liquor-control board shall consist of the Governor; the two district judges in the State with the longest continuous service in such capacity, but from different districts; the president of the Oklahoma State University; the president of the Oklahoma College for Women; and two electors to be designated by the president or chancellor of all "A" class colleges and universities in the State in nowise supported by public taxation or such presidents or chancellors as participated in such designation.

It was herein contemplated that this so-called liquor board would name a commissioner to handle this matter. Due respect to the Governor was shown in suggesting him as a member of the board. Certainly the president of the State university and the president of the women's college would not be unfriendly to the Governor, as the major appropriations for these institutions would be approved by the Governor. The two district judges in the State longest in continuous service would have been elected by the people from five to six or seven times, and that was proof evident of high character and integrity, and the two electors selected by the presidents and chancellors of these church schools would be men of the highest integrity and character.

This would have removed the matter from the domain of politics and the matter would not have been handled for the primary purpose of making money or getting revenue or political manipulation, but to truly promote temperance and sobriety and to do away with the lawlessness connected with whisky. I submitted both plans but each time my urging fell on deaf ears. I cannot see any difference between the bootlegger ab initio criminal and a body of men building up a political machine through a liquor monopoly. I would rather have the bootlegger as a known criminal agency and enemy than to have such agencies of the State liquor monopoly poisoning the political life of the State, because it would eat in and undermine morally the public life of the State. To my mind, there is nothing good about whisky, except when it is used as a medicine, but unfortunately so many of the human race have an appetite for it, and the question is to fix it so that we can let them get it without them participating in or aiding the violation of the law. The problem should be whether you have absolute prohibition or whether you have such control of liquor as to permit the man that is ready and eager and provided with the funds with which to get it and drink it, to let him get it without participating in or aiding in the violation of the law, but fix it so that although he has the funds and he is ready and willing, yet if he is a drunkard, that he cannot procure it. These are the problems we must meet and solve as steady, sensible, and unselfish citizens.

REPUBLICAN NATIONAL PLATFORM—EDITORIAL FROM WASHINGTON DAILY NEWS

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Washington Daily News of June 13, 1936, relative to the Republican national platform.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, June 13, 1936]

A MAJOR FAILURE

Among the false and sour notes of that discordant medley that is the Republican platform is one declaration that is in key with a growing American chorus. This is:

"The administration of relief is a major failure of the New Deal."

The critics of Federal relief policies are not confined to any party, class, or group. They include many thoughtful students of the subject, most of them friendly to Mr. Roosevelt. Grateful as these are for the President's humane and forthright action in accepting Federal responsibility for feeding the restless, hungry millions whom the Hoover administration fed with cheerful phrases, they are not satisfied with the costs, the practices, and the planlessness of the relief administration during the past 3 years.

The Republicans' relief program may or may not point to the right solution. They would return administration to nonpolitical local agencies, continue Federal grants in aid with a "fair proportion" of the burden assessed to States and localities, establish the merit system in administration, separate public works from relief, and build public works "only on their merits." Finally, they call for "a prompt determination of the facts concerning relief and unemployment."

Whether the Republican Party's relief program should be approved in full depends on how it is interpreted. But certainly the last plank is sound.

We must know more about this new burden, now costing us billions, creating deficits, piling up a dangerous debt. Now we know hardly anything.

President Roosevelt can go far toward taking this question out of partisan politics. Congress is still in session. He can ask Congress before adjournment to create an expert fact-finding, policy-guiding board, finance it with ample funds, and man it with the Nation's most distinguished and public-spirited citizens. They can bring a report to the next Congress shedding light upon and thinking through this baffling problem in all its phases.

A handful of Republicans in a committee room can't settle the relief problem. Neither can Mr. Roosevelt's busy little group of relief administrators.

HON. MAURY MAVERICK, OF TEXAS

Mr. BONE. Mr. President, I ask unanimous consent to have printed in the RECORD certain extracts from statements having reference to Hon. MAURY MAVERICK, a Member of the House of Representatives from Texas, and also an editorial relative to him.

There being no objection, the excerpts and editorial were ordered to be printed in the RECORD, as follows:

As a result of this record during his first term of office, Robert S. Allen and Drew Pearson, of the widely syndicated Washington Merry-Go-Round, announced:

"The Congressman of the year: MAURY MAVERICK, of Texas. Because of his consistent campaign for freedom of speech, freedom of the press, and to keep this country out of war."

Finally, and in summation, the liberal New York Post gave this editorial estimate of the Congressman from the Twentieth District of Texas:

"Representative MAURY MAVERICK, of Texas, is one of those men who make politics worth reading about.

"He is something new in Congress. He is a man who isn't afraid to speak his mind. He has proved quite a shock to sedate old Members of the lawmaking bodies. They can't understand him.

"The general public may not always understand him, either, but that is unimportant. The important thing is that they like him.

"The little guy has sold himself to them and to the country."

The Baltimore Sun, commenting editorially:

"It happens he was born in San Antonio, educated in Texas and Virginia, served in France, was badly wounded in action, and was cited for gallantry and extremely meritorious service. Too bad there aren't more like him in Congress. * * *"

SEVEN HUNDRED NEWSPAPERS COMMENT FAVORABLY

Over 700 newspapers throughout the country commented favorably on his fight for civil, religious, and academic liberties.

The Pittsburgh Press declared in a page 1 editorial:

"MAURY MAVERICK assailed the bills abridging the rights guaranteed in the first amendment. He attacked the tyranny of California planters, the bunk about communism in the Army and Navy, the attempt to inflate the handful of Communists in the country into a "red menace." He advised Army and Navy officers to go back to their business of defense and discipline and Congress to its job of relieving the distress of the people."

Even the arch-Republican New York Herald Tribune, shedding its party prejudices, remarked:

"These measures * * * can easily be perverted into instruments for the suppression of free speech and freedom of action, and so are more of a danger to the civilian population than to the military. Such measures most certainly belong on the 'must not' list. Representative MAVERICK is to be congratulated on his stand."

LEADING AMERICAN COLUMNIST'S PRAISE

Heywood Broun, in his widely syndicated column, declared:

"MAURY MAVERICK is truly a liberal in the best sense of the word, and is representing liberalism at its best when he fights to have the Bill of Rights restored to the Constitution."

Mr. MAVERICK's fight for a stringent American neutrality policy undoubtedly played an important part in the enactment of the present neutrality legislation. Rodney Dutcher, of the Scripps-Howard papers, outlined this struggle:

"It was the red-hot indignation of certain Members, conspicuously Senator HOMER BONE, of Washington, and Representative MAURY MAVERICK, of Texas, which impressed and infected others to the extent of wrecking a neat plan to bury the proposals designed to keep us out of war.

* * * * * * *

"The law Congress passed imposes the arms embargo, licenses munitions exports, and lets the President lay down minor restrictions. It was a distinctive, if not complete, victory for MAVERICK."

At the conclusion of this fight the New York Sun, though bitterly antiadministration, felt obliged to remark:

"MAURY MAVERICK's name is almost too good to be true. The young Texan, quite a sizable chunk of dynamite packed in small compass, has been among those counselors who urged Mr. Roosevelt to meet his opponents 'head-on.' At the same time, he has never compromised his principles when they conflict with White House policy. For a newcomer, he's decidedly out in front and an increasingly important figure in the House liberal group."

VILLARD—NATION'S HONOR ROLL

And Oswald Garrison Villard, editor of The Nation, noted happily:

"The emergence of a group of first-term Congressman enthusiastically progressive, including MAVERICK, of Texas, has been the happiest event of the present Congress."

Later Mr. Villard was to find this high estimate entirely vindicated when the Nation's board of editors selected Mr. MAVERICK for its "1935 Hall of Fame" or "National Honor Roll" because—

"* * * His refusal to submit to party discipline was in no small measure responsible for the existing neutrality legislation."

Mr. MAVERICK's campaign on behalf of the Tennessee Valley Authority was succinctly described in the Florence (Ala.) Times:

"Passage of that bill also is being largely credited to the efforts of the Texan."

Summing up his effort for T. V. A., the Nashville Tennessean declared:

"The Texas MAVERICK has been an invaluable ally of T. V. A., of the South, and of the President. He has been a dynamo of energy and a forceful champion of progressive government."

PUBLIC OPINION, JOURNAL OF SOUTHWEST, URGES REELECTION

Public Opinion, a leading nonpartisan journal of the Southwest, of which the Honorable Jules Appler is editor and publisher, strongly urges the reelection of Congressman MAVERICK in the following editorial:

"MAURY MAVERICK SHOULD BE RETURNED TO CONGRESS

"This is the last issue of Public Opinion before the Democratic primaries are held. The people of San Antonio and Bexar County have before them a vital matter to decide—whether an honest, conscientious, and valuable public official is to be retained in public office or be replaced by another, with no just reason to justify his removal.

"Public Opinion is not prompted by any selfish motives in the position which it has taken in this matter, and if MAURY MAVERICK was to offer in any manner to remunerate the publisher of this magazine we would consider it an insult.

"As every citizen of San Antonio knows, although Harry Wurzbach was a Republican, he was so useful to this city, as he was on the Military Affairs Committee and through his efforts many hundreds of thousands of dollars were appropriated by Congress for the different military posts in and around San Antonio, that both Republicans and Democrats continued to return him to Congress. This is as it should be.

"It is no more than just that the same rule of justice should apply to MAURY MAVERICK, as he is on the Military Affairs Committee of Congress and is working hard to have millions of additional money appropriated for the different military establishments around San Antonio.

"Public Opinion believes no one can offer a just reason why MAURY MAVERICK should not be returned to Congress."

MAVERICK WILL BE MEMBER OF SUBCOMMITTEE ON AVIATION, WHICH IS SO IMPORTANT TO SAN ANTONIO

Hon. LISTER HILL, who is in line to be chairman of the Committee on Military Affairs next year, has written that Mr. MAVERICK will be on the Subcommittee on Aviation next year. The letter is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 6, 1936.

Hon. MAURY MAVERICK,
House of Representatives, Washington, D. C.

MY DEAR MAURY: I am advised that you are leaving today at 1 o'clock for Texas, and I am not sure that I will have the pleasure of seeing you before your departure. I am therefore taking this means of conveying to you my appreciation of your kindnesses to me during this Congress and of your splendid work on the Committee on Military Affairs.

You have the honor to represent a great district, which, as you know, comprises some of the most important links in our whole system of national defense; and you have certainly been diligent and indefatigable in looking after them.

As you know, if the Democrats win in November—and I feel absolutely confident that they will—I will be in line to be chairman of the Committee on Military Affairs. As you also know, most of the members of the Subcommittee on Aviation of the Committee on Military Affairs are Members who have had long tenures of service. I want you to know, however, that if I am chairman it will give me great pleasure to appoint you on the Subcommittee on Aviation. This will place you in a fine strategic position for service to your district and for service to the whole country.

Permit me to wish for you a happy summer and all success on your renomination and reelection.

With kindest personal regards and every good wish, I am,

Very sincerely,

LISTER HILL.

PRESIDENT ROOSEVELT'S MESSAGE TO DETROIT SEAWAY CONFERENCE

Mr. BONE. Mr. President, I ask unanimous consent to have printed in the RECORD President Roosevelt's message to the Detroit Seaway Conference on Wednesday, March 11, 1936.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

The Great Lakes-St. Lawrence Seaway and Power Conference at Detroit is a welcome and significant event. Farm and civic leaders from all sections and official representatives of States and cities are assembling for a most practical purpose on the border between Canada and the United States.

The immediate objective of the conference is the support of constructive measures to utilize the natural resource of the chain of inland seas and connecting rivers which form one of the great frontiers of the world. It has been the historic policy of the two nations to use this frontier solely as an instrumentality of peace.

Under this policy an opportunity is now presented to complete a seaway comparable in economic value to the Panama Canal. The public development of St. Lawrence power is inseparably linked with the navigation project.

The improvement of this great resource for the dual purposes of navigation and power is an important part of the program of the present administration. It will enable us to take the next step to extend to the Northeast benefits already assured from works completed or under construction in the Tennessee Valley in the Southeast, at Boulder Dam in the Southwest, and on the Columbia River in the Northwest.

I wish the conference at Detroit to be assured not only of continued unremitting effort to complete the seaway and power development but also of my strong conviction that recent events have helped to clear the way for action upon the broadest lines of public benefit.

In a message to the United States Senate, I pointed out that the construction of dams and locks in the 120-mile stretch of the St. Lawrence River, between Lake Ontario and Montreal, is virtually all that is required to complete the seaway from the head of the Lakes to salt water, and that the same works will provide an abundant supply of cheap power in proximity to a great industrial and rural market.

At that time, I stated the belief that this improvement is without any question going to be completed in the near future and that it should be carried forward by both nations instead of by one. That is my view today.

Such a development as we propose to carry out in the Great Lakes-St. Lawrence Basin unquestionably will result in greater activity for all ports and transportation agencies. This has been the history of all new navigation projects and improvements directed to better commercial communication in this country and throughout the world. The fear that the seaway will result in injury on the lower Mississippi or to our Atlantic ports is groundless.

The use of electric energy is gaining so rapidly today that no sane person would dare to assert that after the 7 years required for construction of works, St. Lawrence power would provide a surplus above actual needs. As a matter of fact, careful studies have shown that there will be a serious shortage of electric energy in the Northeast before the project can be completed.

The Tennessee Valley project demonstrates the advantage of unified planning to develop the resources of a great river basin. If the whole of the Great Lakes Basin were all in one country, either in the United States or in Canada, its development would surely have been completed years ago. The mere fact that this natural resource is shared by two countries should not be allowed to hold back an improvement promising the same social and economic gains to both countries.

To expedite action, it is necessary and desirable to adapt existing plans for the improvement of the Great Lakes-St. Lawrence Basin to the mutual interests and respective needs of the two countries. This is obviously required if we are to secure prompt ratification by both nations.

The Great Lakes–St. Lawrence Treaty of 1932 has not been ratified in either country. Something further than mere resubmission of a treaty is called for under these conditions.

We are seeking, therefore, a new approach to the problems involved in the many projects for improvements in the Great Lakes–St. Lawrence Basin.

The solid basis of good will and cooperation which exists between the United States and Canada, their common interest in the development of the Great Lakes–St. Lawrence Basin for navigation and power and the present and future needs of the Province of Ontario and the State of New York for dependable sources of cheap power supply will, I am confident, prove helpful factors. As the result of years of study, and with mutual recognition of well-established rights, it should be unnecessary to enter into lengthy negotiations or to discard thoroughly tested engineering plans.

It is inconceivable that either of the two nations, bound together by such a tradition of international amity, should stand in the way of the other's utilization of its share of such a great common resource when such use becomes desirable or necessary to its economic progress. It is certain that a plan of development is feasible which, while enabling each nation to meet its requirements, will not demand of the other any undertaking with which it feels itself unprepared to proceed.

Let us be realistic and frankly face the fact that delays have not been due to any failure of negotiations to reach an accord among the four sovereignties involved: The Federal Government of the United States, the Dominion Government of Canada, the Province of Ontario, and the State of New York. Delay has sprung, rather, from fears of economic harm to special localities or to special interests, which I have always believed are grossly exaggerated, and especially from opposition based upon the fact that the power available in these boundary waters is publicly owned and will be generated and distributed, under existing laws, by public agencies in both Canada and the United States.

Provision for the public use of St. Lawrence power was made under a contract between the Dominion Government and the Province of Ontario in 1932. A similar accord, also contingent upon ratification of a treaty, was reached between the United States Corps of Engineers and the Power Authority of the State of New York and upon my recommendation was ratified in 1933 by the United States House of Representatives. Considering all the elements involved, I am more than ever convinced that means can be found to go forward with the development on terms that will serve public requirements.

The Great Lakes-St. Lawrence project is in keeping with the spirit of the times and with the policy of cooperation now firmly established on this continent.

More than 100 years ago the United States and Canada set the first successful example in disarmament by withdrawing ships of war from the Great Lakes. Today these nations, each respecting the complete sovereignty of the other, share an international border of 5,000 miles without a single fort along its entire length. Recently, the two nations took prompt action to effect a reciprocal trade agreement by which prohibitive barriers to mutually beneficial commerce across this frontier have been removed.

In the light of these accomplishments agreement upon the construction of useful works to serve the needs of both countries should present no insuperable difficulties. This is especially true when we consider that these works will enhance the usefulness of the substantial improvements already made by each country as integral parts of a seaway already complete over most of the distance from Duluth-Superior to the Atlantic. And we must remember that equal navigation rights are guaranteed to both nations over the entire system under treaties which are in force today.

For the United States and Canada to demonstrate the full value of such a policy on a frontier that spans a continent would contribute immeasurably to security and progress in the Western Hemisphere.

With the will to cooperate present, I feel we may look forward confidently to the early undertaking of this project on terms acceptable to the two great neighboring nations.

CIVILIAN CONSERVATION CORPS—ADDRESS BY SENATOR GUFFEY

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD a radio address delivered by the Senator from Pennsylvania [Mr. GUFFEY] on June 19, 1936, on the subject of the Civilian Conservation Corps.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

On March 4, 1933, when Franklin D. Roosevelt took over the task of righting and reconditioning a capsized rudderless ship of state as it drifted aimlessly in an ocean of discouragement, he first tightened the seams of agriculture, industry, and finance. Then he turned his attention to an even graver problem—the saving of hundreds of thousands of youths of our country as jobless and disheartened they drifted over the land, aimless and demoralized—an easy prey for revolution and crime.

To remedy these conditions, the Seventy-third Congress authorized the organization of the emergency conservation work, which has since become popularly known as the Civilian Conservation Corps—or the C. C. C.

The purpose of this act included the construction, maintenance, and carrying on of works of a public nature in connection with the forestation of lands, prevention of forest fires, flood and soil erosion, plant pests and disease control, the construction, maintenance, or repair of paths, trails, and fire lanes, and the relieving of the acute condition of widespread distress in unemployment, the restoration of the country's depleted national resources and the advancement of an orderly program of useful public works.

In order that there should be manpower available with which to undertake the work, an organization was set up known as the Civilian Conservation Corps. Originally the number of men to be enrolled was fixed at 250,000 of citizens between the ages of 18 and 25 who were physically fit, unemployed, unmarried, and who had dependents.

In addition to the enrollment of 250,000 young men, there also were selected 28,225 veterans of the World War or previous wars who were then unemployed. A man who enrolled had to agree to allot a substantial part of his cash earnings or allowances to his dependents.

The selection of men was handled jointly by the United States Department of Labor, which organization took charge of the enrollment of the younger men; by the Veterans' Administration, in the selection of war veterans; and by the Bureau of Indian Affairs, Department of the Interior, in the selection of enrollees for the Indian reservation camps.

The War Department mustered in the men, transported them into work camps, took charge of camp sanitation and hygiene, and made suitable provisions for recreation and physical development of these young men. The work projects which provided employment were largely carried on under the supervision of various bureaus of the Department of Agriculture, including the Forest Service, the Department of the Interior, and the Department of War.

Before going any further into the make-up or accomplishments of the Civilian Conservation Corps it should be emphatically stated that the C. C. C. was and is entirely a voluntary organization. The C. C. C. makes no discrimination because of race, creed, color, or politics. The term of enrollment is 6 months, with a privilege of reenrollment. However, to eliminate competition between the C. C. C. and private industry for the services of these men, if a youth obtains a private position he can be honorably discharged at once from the C. C. C.

At the time of the inauguration of the C. C. C. there were large numbers of boys and young men who had taken to the highways and boxcars and had become a junior hobo element. Contacts with case-hardened floaters, tramps, and itinerants with criminal tendencies were having a demoralizing effect on these boys who had left their homes because there were no jobs for them.

It was, therefore, necessary not only to provide employment for these youths, but also to rebuild their confidence in themselves and their future. The Civilian Conservation Corps program utilized the forests, parks, and eroded lands of the Nation to supply work. This work was undertaken wherever found without regard to State boundaries on Federal and State lands, and when necessary in the public interest on private land.

The very nature of the work, aside from the educational facilities offered in the camps, had a tendency to rebuild the morale as well as the bodies of the enrollees.

There are many who do not know just what a C. C. C. camp is and how it is organized. Each camp is made up of about 200 young men in the charge of an Army officer, with assistant officers and a camp surgeon, all of whom are members of the United States Army Reserve. These officers have entire charge of shelter, mess, supplies for the camp, discipline, welfare, and sanitation. Each camp has a project superintendent, whose duty it is to plan and supervise the execution of all field work.

Each morning the camp commander turns over to the project superintendent all the men of his company except those actually needed to carry on the necessary camp functions. The camp foremen, who assist the project superintendents, are chosen for their special fitness to the type of work which is being undertaken.

While the Army has charge of the men in the camp, and civilian agencies operate the actual work in the forests and parks, it should be clearly understood that the C. C. C. camps are not military or semimilitary institutions. There is no military drill, no manual of arms, nor military discipline in the camps. The youth does not become subject to any military law; he remains a civilian from the beginning to the end of his enrollment.

Perhaps too much emphasis is being given here to the details of camp procedure, but it is my opinion that the great humanitarian work involved in the C. C. C. far outweighs the monetary value of its achievements.

The record of the work accomplished includes millions of trees planted, thousands of acres surveyed for eradication of plant pests and diseases and millions of man-hours spent in fighting forest fires.

The young men who are doing this splendid work present a much more interesting study. In 1933, without employment or the opportunity for employment, with the situation ripe for development of criminal tendencies, this country faced a situation

where the youths of the Nation were being destroyed. These youths today are learning the value of regular habits, orderliness, cleanliness, and good citizenship.

Let us survey 1 day's routine in the C. C. C. camps.

Reveille sounds at 5:10 in the morning when the boys turn out and engage in calisthenics followed by camp policing until 6 o'clock when the call for breakfast is sounded.

Following breakfast, work assignments are made and as soon as inspection has been completed, trucks rumble away to various work projects. This camp, for instance, is engaged in a reforestation project. Arriving at the scene of work many of the boys strip to the waist in the popular working style and plant pine seedlings on an eroded slope. In a few years, when these pine seedlings have grown to trees, there is a blanket of natural cover to protect the bottom lands and reservoirs, and thus erosion will be checked and controlled.

If the work areas are within a reasonably short distance of camp, the boys return for lunch. If not, they have lunch brought to them in the field. In either case they are back in camp by 3 o'clock, where they have certain chores to perform and then the big event of the day—dinner. The food is plentiful, appetizing, varied, and nourishing. You will not hear any complaints about the quality of C. C. C. rations.

The evenings belong to the boys. They may go to town, to a movie, or they may have a show or boxing or wrestling matches in the recreation hall of the camp, but it is usual for most of them to devote a greater part of the evening in attending one of the educational courses that are being conducted. A few work upon their particular hobby while the reading facilities of the recreation hall attracts others. In a majority of cases these men employ their leisure time in bettering themselves and taking advantage of the educational opportunities offered them.

The educational programs in the camp have made very steady and significant progress. Many of the 500,000 young Americans who were in the camps during the past year, came from homes that afforded little opportunity for education and where the living conditions were unwholesome and insanitary. It is the aim of the C. C. C. to take these young men and provide the educational background that they were denied and so train them that they may be able to fill useful positions in the industrial or business world.

C. C. C. education has been built around the individual interests and needs of each man. To this end, great care has been exercised in the selection of camp advisers. Approximately 60 percent of them were experienced teachers, while the remaining 40 percent had business or industrial experience. So it may be seen that the educational phase of the program is in qualified hands.

A C. C. C. schoolhouse is usually a portion of the recreation hall or some other camp building. As the study work is also voluntary, there is no need for school discipline. The young men taking advantage of the courses offered are willing workers. It is their ambition to remedy their deficiencies, and many partake in vocational training, partly through lessons and partly through the actual work done in the field, such as stone masonry, surveying, forestry, and road building.

We have touched upon the physical and the mental opportunities afforded in the camps. There is yet another sphere of activity, the religious welfare of the enrollee. The President, recognizing the need for religious work in a character-building program for the C. C. C., said in a letter of February 13, 1934, addressed to the Chief Chaplain of the United States Army: "To build this exemplary character is our great task. Without it the abundant life cannot be realized, and the best citizens and the best soldiers of a country are those who have put on the armor of righteousness." A man's religion includes his ideals, his moral standards, as well as his object of worship. It directs his will, thoughts, and emotions. It is his inspiration.

Reserve Army chaplains have been appointed and, in addition, regulations provide for the services of volunteer clergy from all faiths, who conduct religious services in the camps.

The national total of employment for the 3 years ending March 31, 1936, was approximately 1,250,000 enrollees whose average time in camp was 8 months. In addition there were 125,000 war veterans, 20,000 Indians, 50,000 technical experts, including graduate foresters and engineers, as well as construction foremen and other supervisory personnel, 3,000 college graduates employed as camp education supervisors, and upward of 50,000 skilled and unskilled mechanics who were furnished with employment for varying lengths of time.

These men have completed worth-while projects for improving our forests and parks and have aided materially in reducing the huge annual losses from forest fires, insects, and diseases. They have also contributed to the halting of soil wastage of valuable agriculture and timber lands, have developed recreational areas in our parks and forests and, finally, have given invaluable assistance in flood-control operations.

The director of emergency conservation work, Mr. Robert Fechner, recently stated: "The bare columns of figures showing work accomplishments of the C. C. C. may appear cold and uninteresting, but they speak volumes to the forester, conservationist, and to the millions of citizens interested in preserving, expanding, and developing the timbered areas that still remain in this country despite the wasteful and extravagant misuse of our forest resources in past years."

The construction of truck trails, fire lookouts and observation towers, telephone lines and other fire presuppression activities of the C. C. C. have substantially reduced fire losses during the past 3 years that it has been in force.

The elimination of worthless trees, thinning of dense stands, the planting of over 558,000,000 trees, are all part of a general program for the reforestation of millions of acres of cut-over, burned, or otherwise denuded land.

The recent spring floods have been a bitter lesson to many of us. The muddy rivers, carrying away topsoil of our forests and farms, silting dams and blocking channels, left a trail of havoc and destruction. The annual loss through the depletion of our natural resources is staggering.

A recent report on flood destruction in New England states that the flood damage appears greater this year than in 1927, except in the Winooski Valley. The C. C. C. erected flood-control dams in the Winooski Valley of Vermont largely by war-veteran companies working under the supervision of the Corps of Engineers. During the recent flood there was no widespread flood destruction in Winooski Valley, although in 1927, 55 lives were lost and there was widespread destruction of property and cattle. The people of this valley are grateful, and the dams have demonstrated that they have paid for themselves in the destruction that has been prevented.

It is my desire to summarize briefly what has happened in my home State, Pennsylvania. The same story with certain variations could be told of any State. Fire prevention and suppression have perhaps been the outstanding work of the camps on the Pennsylvania forest areas. The average acreage burned over during the years 1933 to 1935, inclusive, during which time the C. C. C. was in operation, showed a decrease of more than 40,000 acres from the annual average for the period 1925 to 1932. Over 57,000 man-days were spent by C. C. C. men in Pennsylvania fighting forest fires in a period of almost 3 years. Approximately 2,500 miles of direct trails and an equal number of foot and horse trails were constructed, and 438 bridges built, affording fire fighters an opportunity to protect many additional acres of forest land.

Over 14,000,000 trees were planted and 1,000,000 acres of State forests and national-forest lands have been surveyed for forest stand, cultural, and planting needs. Wildlife conservation activities have long been an outstanding factor in Pennsylvania's administration of outdoor areas, and the C. C. C. has been of great assistance in prosecuting this work. More than 1,600 pools for fish rearing have been built. Stream improvements have been completed along 635 miles of streams. The C. C. C. has stocked Pennsylvania streams with more than 60,000,000 young fish. Direct employment for varying periods has been provided for an aggregate of 107,000 Pennsylvania men, of whom 97,300 were young men and war veterans. On April 15 of this year there were 25,000 Pennsylvania men in the C. C. C. camps.

Obligations incurred in the operation of C. C. C. camps for the State of Pennsylvania through March 20, 1936, approximated $76,903,000. Each enrolled man in the corps received a basic cash allowance of $30 a month, out of which the young men and the war veterans allotted from $22 to $25 of their monthly cash allowance to needy dependents, and these allotments were mailed direct to the families of the boys by the War Department. Pennsylvania C. C. C. boys allotted to dependents at home approximately $15,556,000 during this period.

The total obligations of the emergency conservation work for the first 3 years, through March 31, 1936, incurred in the operation of the C. C. C. camps, amounted to $1,235,467,612.11. The pay of members amounted to $370,662,319.29, and there was allotted out of their pay to dependents a total of $275,910,309.83 as of April 30, 1936. The popularity of the camps, as evidenced by the universal desire of citizens and towns to have camps located, when feasible, within a close proximity, is partly attributable to the beneficial effects of expenditures by the men of the camps. The purchases of shoes benefited the New England manufacturer as well as the western cattle grower. The purchases of clothing, of machinery, and other equipment aided in furnishing private employment. The pay of enrollees to dependents provided purchasing power to needy families, the benefits of which were felt in every section of the United States.

We have said that in 1933 there was a joint problem of conserving not only our natural resources but in rebuilding and restoring the morale of our youth. It has been said that "an idle mind is the devil's workshop", and it is therefore interesting to note the recent comments of the superintendent of one of the Middle Western State reformatories, who said: "In September 1932 our population was 808, which fell off until on April 25, 1936, we have but 466. It is reasonable to believe that the C. C. C. camps of this State have contributed to the falling off of the population of this institution, and the value of these camps to American youth can never be measured in dollars and cents."

There is a universal feeling of respect for the officers of the United States Army, and the recent statement of the major general in charge of one of the corps areas in discussing the C. C. C. is therefore well worth repeating. He said, "Criticism of the C. C. C. in this section has grown less and less until at the present time it is virtually nonexistent. Yet I am still asked whether or not I think the C. C. C. is worth continuing. My answer is 'yes.' This answer is not because of the value of the work done measured in dollars and cents, although that is great. It is because of the value of the C. C. C. in taking boys off the streets and giving them useful work, because of the marked development in the mental and physical health of the enrollee, because of the discipline inculcated. In short, my answer is 'yes' because the C. C. C. builds men." The people of the United States echo these sentiments and recently gave the Congress a virtual mandate to continue the C. C. C. at its present strength.

THE MERCHANT MARINE

The Senate resumed the consideration of the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Oregon [Mr. STEIWER] to the amendment in the nature of a substitute.

The amendment proposed by Mr. STEIWER to the amendment is as follows: On page 23, between lines 16 and 17, to insert the following new paragraph:

Notwithstanding the foregoing provisions of this section, not to exceed 20 percent of the members of the crew of a passenger vessel employed only in the steward's department may be aliens ineligible to citizenship.

Mr. CLARK. Mr. President, before the vote is taken on the Steiwer amendment, I desire to submit an observation. One of the principal purposes of this bill, and every other ship-subsidy bill, is the protection of American labor—the men who "go down to the sea in ships." Of course, I do not think that ship subsidies ever work that way, and before the conference committee we had the testimony of that grand old man of the seamen's union, Andrew Furuseth, who has devoted a long life of self-sacrifice to the interest of protecting the rights and improving the conditions of American seamen, who testified that the subsidy did not get down to the laborer at all, that it was absorbed by the shipowners and ship operators. But taking at its face value the purpose of the bill, which is to protect American labor, then, Mr. President, I say there is no justification for breaking that down by subjecting American labor, to the extent of 20 percent, to the lowest form of oriental competition. If there is any justification for the bill at all, it is the protection of American labor, and when we start to break that down by permitting the employment on ships of 20 percent oriental labor we have absolutely defeated the declared purpose of the measure.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. CLARK. I yield to the Senator from Wisconsin.

Mr. DUFFY. I happened to be on the same trip that the Senator mentioned yesterday, and I was wondering if the Senator felt that our American ships should not cater to the trade of people who live in Japan and China. I am in general agreement with what the Senator says, but if we are going to have Chinese, Japanese, and other Asiatics travel on American ships—and I think the American ships need all the income they can get—it might well be that some small leeway should be allowed in the case of the steward's department, which comes in contact with that class of passengers. I do not know whether 20 percent is the correct figure, but it seems to me that that might be taken into consideration.

Mr. CLARK. I think that catering to the oriental trade is a delusion and a snare.

The whole theory of the bill is that we have to depend on American trade for the American merchant marine. I apprehend the American subsidized lines compete to a very small extent with oriental lines for passenger-carrying traffic from oriental countries. I am very certain that the Japanese lines, which are our chief competitors for oriental business, do not make any provision for the employment of Americans because they are also seeking American trade. It seems to me if the theory of the bill that the rights of American seamen should be protected is to be carried out it is a mistake to make an exception of 20 percent in favor of orientals who comprise the cheapest and lowest form of competition. An American who happens to travel on a Japanese line does not do it because he will have American seamen on the ship. A Chinese or Japanese citizen who happens to prefer to ride on an American line will do it because he has some reason to prefer that line rather than that he is going to find oriental seamen on the ship.

Mr. DUFFY. I apprehend the Senator would find more Japanese and Chinese speaking the American language than he would find among those employed as waiters in this country, any who are able to talk Japanese or Chinese.

Mr. BLACK. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Alabama?

Mr. CLARK. I yield.

Mr. BLACK. As I understand, the amendment which has been offered would permit 20 percent of the employees in the stewards' department to be composed of those who are not eligible for American citizenship.

Mr. CLARK. Yes; and who cannot land in our ports when the ship puts into Honolulu or Seattle or Los Angeles or New York. None from among that 20 percent would be allowed even to go ashore.

Mr. BLACK. The Senator is objecting on the ground that we are providing a subsidy from the American taxpayer the object of which, as expressed by those who favor it, is to give employment to American citizens. As I understand, the Senator believes that if we are taxing the American taxpayer to give employment to American citizens the money should be used for that purpose.

Mr. CLARK. That is correct.

Mr. BLACK. Our investigation showed that in spite of activities of certain interests to obtain subsidies, always based on the ground that it was for American labor, it developed that certain shipping interests were at the same time always actively engaged in trying to have as high an exception as could be obtained so that as many foreigners as possible could be employed.

Mr. CLARK. That is a fact which was also developed in the hearings before the Commerce Committee on this very matter. As I said a moment ago, Mr. Andrew Furuseth, president of the Seamen's Union over a period of some 30 years, testified before the Senate Subcommittee on Commerce that it was his positive opinion that the whole ship subsidy system does not work to the benefit or tend to improve the conditions of American seamen.

I have devoted a great deal of time to efforts to devise a scheme within the law by which the subsidy granted to the various shipbuilders and ship operators on account of labor costs might be made a specific trust so there would be some assurance when the American taxpayers are taxed for the alleged benefit of American labor that American labor would get the benefit. However, I have been unable, either by myself or with the aid of those whom I have consulted, to devise such a system within the law which would be practicable. Therefore I am of the opinion that the benefits to American labor are to a large extent figments of the imagination; but if there are any such benefits under the law, I insist they should belong to American labor and that the taxpayers of the United States should not be taxed for the purpose of keeping in operation a device by which oriental seamen may be employed.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Oregon [Mr. STEIWER] to the amendment in the nature of a substitute.

Mr. CLARK. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BILBO (when his name was called). I have a general pair with the senior Senator from Iowa [Mr. DICKINSON].

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. BARKLEY. I announce the unavoidable absence of my colleague the junior Senator from Kentucky [Mr. LOGAN]. If present, he would vote "nay."

Mr. McNARY. I have a general pair with the senior Senator from Mississippi [Mr. HARRISON], who is necessarily absent from the Chamber. Therefore I withhold my vote.

Mr. METCALF (after having voted in the affirmative). I inquire if the senior Senator from Maryland [Mr. TYDINGS] voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. METCALF. I have a general pair with that Senator. Not knowing how he would vote, I withdraw my vote.

Mr. BULKLEY. I have a general pair with the senior Senator from Wyoming [Mr. CAREY]. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. GLASS. I have a general pair with the senior Senator from Minnesota [Mr. SHIPSTEAD]. I do not know how he would vote on this question and therefore withhold my vote.

Mr. MCNARY. I announce that the Senator from California [Mr. JOHNSON] is absent on account of illness.

I also announce the following general pairs:

The Senator from Vermont [Mr. AUSTIN] with the Senator from Ohio [Mr. DONAHEY];

The Senator from Maine [Mr. WHITE] with the Senator from Louisiana [Mrs. LONG];

The Senator from New Jersey [Mr. BARBOUR] with the Senator from Georgia [Mr. GEORGE];

The Senator from Vermont [Mr. GIBSON] with the Senator from South Carolina [Mr. BYRNES]; and

The Senator from New Hampshire [Mr. KEYES] with the Senator from South Carolina [Mr. SMITH].

Mr. ROBINSON. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Mississippi [Mr. HARRISON], and the Senator from Nevada [Mr. MCCARRAN] are detained from the Senate on account of illness.

The Senator from New Hampshire [Mr. BROWN], the Senators from South Carolina [Mr. BYRNES and Mr. SMITH], the Senator from New Mexico [Mr. CHAVEZ], the Senators from Massachusetts [Mr. COOLIDGE and Mr. WALSH], the Senator from Ohio [Mr. DONAHEY], the Senator from Georgia [Mr. GEORGE], the Senator from Oklahoma [Mr. GORE], the Senator from Illinois [Mr. LEWIS], the Senator from Kentucky [Mr. LOGAN], the Senators from Louisiana [Mrs. LONG and Mr. OVERTON], the Senator from California [Mr. MCADOO], the Senator from Iowa [Mr. MURPHY], the Senators from Montana [Mr. MURRAY and Mr. WHEELER], the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] are necessarily detained.

The result was announced—yeas 7, nays 46, as follows:

YEAS—7

Burke	Duffy	Hastings	Townsend
Copeland	Hale	Steiwer	

NAYS—46

Adams	Clark	Lonergan	Reynolds
Bachman	Connally	McGill	Robinson
Bailey	Couzens	McKellar	Russell
Barkley	Dieterich	Maloney	Schwellenbach
Benson	Frazier	Minton	Sheppard
Black	Gerry	Moore	Thomas, Okla.
Bone	Guffey	Neely	Thomas, Utah
Borah	Hatch	Norris	Truman
Bulow	Hayden	Nye	Vandenberg
Byrd	Holt	O'Mahoney	Van Nuys
Capper	King	Pittman	
Caraway	Loftin	Pope	

NOT VOTING—42

Ashurst	Costigan	La Follette	Overton
Austin	Davis	Lewis	Radcliffe
Bankhead	Dickinson	Logan	Shipstead
Barbour	Donahey	Long	Smith
Bilbo	George	McAdoo	Tydings
Brown	Gibson	McCarran	Wagner
Bulkley	Glass	McNary	Walsh
Byrnes	Gore	Metcalf	Wheeler
Carey	Harrison	Murphy	White
Chavez	Johnson	Murray	
Coolidge	Keyes	Norbeck	

So Mr. STEIWER's amendment to the amendment was rejected.

Mr. MOORE. Mr. President, on page 75, line 20, I move to strike out the words "or to vessels of other operators."

The bill provides that the subsidized owners may repair their own ships. Possibly that is all right; but the bill goes further than that and includes the ships of other operators. Therefore, the Government is putting these companies in competition with the independent shipbuilders or ship repairers.

I do not see how there can be any objection to the amendment, which merely strikes out "or to vessels of other operators."

Mr. COPELAND. Mr. President, before the Chair puts the question, let me say just a word.

There are many instances where, in a foreign land, or even here, there would be facilities for the repair of subsidized vessels, and it might well happen that an independent concern, a small owner, might wish to make use of those facilities. If there are any profits, they are all used anyway in liquidating the loan or the debt or the advances made to the subsidized ships; but our thought in formulating the language was that these facilities ought to be used by anybody who cared to make use of them.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New Jersey to the amendment in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. BLACK. Mr. President, on behalf of the Senator from Idaho [Mr. BORAH] and myself, I offer an amendment on the subject which the Senator from Idaho discussed yesterday. We have worked out the amendment, which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 27 it is proposed to strike out, commencing on line 3 and continuing through line 18 on page 28, and in lieu thereof to insert the following:

(b) As soon as practicable after the filing of any such application the Commission shall proceed to attempt to adjust all differences with such contractor, including any claims of the contractor against the United States and any claims of the United States against such contractor arising out of its foreign ocean-mail contract. In adjusting such differences and claims the Commission shall not take into consideration any prospective or speculative future profits but shall consider any and all payments theretofore made by the United States pursuant to such mail contract, and the profits realized as a result thereof, and the interest paid and the interest due according to law on construction loans, and all other facts deemed pertinent. If the contractor shall be willing to accept such determination and receive payment for the amount determined by the Commission to be a fair adjustment of such differences, the Commission is authorized and directed to enter into and execute a settlement agreement with such contractor wherein such contractor shall release the United States from any and all further claims arising from such contractor's mail contract: *Provided*, That the Attorney General of the United States may, if he is dissatisfied with such finding, appeal the same to the Court of Claims within a period of 60 days from the date such settlement is agreed upon, of record, by the Commission and the contractor. If such appeal is not taken for the United States by the Attorney General within 60 days from the record agreement between the Commission and the contractor, the contractor shall be paid any sum of money due him under such settlement agreement from any funds controlled by the Commission or hereafter appropriated for that purpose; or if such appeal is taken by the Attorney General, then, within 60 days from the rendition of the final judgment by the courts, the contractor shall be paid any sum of money due him under such judgment from any funds controlled by the Commission or hereafter appropriated for that purpose.

(c) If the holder of any ocean-mail contract terminated by the provisions of section 401 of this title does not enter into and execute a settlement agreement as provided in subsection (b) hereof, such holder may sue the United States in the United States Court of Claims, but such suit shall not be maintained unless brought before January 1, 1938. If suit is filed in the Court of Claims, the claimant and the United States shall have the right in such court to set up and have determined and adjusted by the court all legal and equitable claims, differences, offsets, credits, and recoupments to which either may be entitled, to the end that all conflicting claims, assertions, and rights may be fully, fairly, and completely settled and adjudged by the court, including any question as to the legality of the contract as originally made or as modified, altered, or amended. The jurisdiction of said court to award any damages or payments to the ocean-mail contractor is hereby expressly limited to an award of just compensation under the provisions heretofore set forth, and such just compensation shall not include any allowances for prospective profits or for speculative future profits that might have been realized by the claimant if permitted further to carry out the contract. The remedy herein provided shall be exclusive, and no other suit shall be maintained by the applicant or by any other person in any court of the United States arising out of any claims under or connected with said contract.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Alabama,

on behalf of himself and the Senator from Idaho, to the amendment in the nature of a substitute.

Mr. BLACK. Mr. President, I think I can explain very briefly the differences between this amendment and the bill as written.

There was considerable objection on the part of some Senators to the bill as written, on the ground that there was no remedy for the United States, through its legal representatives, if the commission should render a finding of an excessive amount of damages on account of the cancelation of a contract.

In order to afford the Government a remedy in that situation, this amendment gives to the Attorney General of the United States the right to appeal from a decision of the commission within a specified length of time. This is but fair and just, by reason of the fact that if a contractor were not satisfied with the amount awarded he would have the right, under the bill, to go into court and file a suit. The effect of the amendment in this respect, therefore, would be to give a similar right to the United States Government through the Attorney General of the United States.

In the second place, the provisions of the bill have been so redrafted as to guarantee an exclusion from consideration, as elements of damage, of any speculative or prospective profits which are contemplated as possible to accrue under a contract. While the draftsmen of the bill are of the opinion that the measure in its present form would most likely contain such limitation, we are of the opinion that certainly no injury could come to the Government or to the parties by having such profits expressly excluded by the bill.

In addition to that, whatever might be the method of reaching a conclusion in court, the amendment would restrict the commission, in case of a settlement, from any consideration of prospective or speculative profits. That would be the effect of the amendment which we have offered.

Mr. BORAH. Mr. President, I am particularly interested in the amendment for the reason that I think there ought to be some opportunity upon the part of the Government to have any action of the commission reviewed. There is a question involved as to the legality of one feature of the pending measure, but for myself I think we ought to undertake to lay down this rule. I am, therefore, very much in favor of the amendment, which is offered after consultation with the Senator from Alabama.

Mr. COPELAND. Mr. President, I think that in the main, so far as I am personally concerned, I do not object to the amendment. But I believe that the provision in the first part of the amendment, subdivision (b), would hamper the commission very much in making settlements. It provides:

> In adjusting such differences and claims the commission shall not take into consideration any prospective or speculative future profits.

Of course, it is more or less absurd for me to make this argument, but the courts have held that in determining just compensation it is not for a legislative body to lay down rules as to what should be considered just compensation. I am advised that the courts in some very recent decisions have taken that position.

I would not object to the second part of the proposed amendment, subdivision (c), because if the judicial decisions were overstepped, the matter would be properly dealt with by the courts. If the Senator would be willing to omit the first part of the amendment, subdivision (b), and add the proviso at the end of subdivision (b) as written in the bill, so that the Attorney General would be permitted to go into court to raise the question of whether or not a matter had been properly adjusted by the commission, I would have no objection to that, or to the second part of the amendment. I feel, however, that there would be delays in the adjustment of contracts if the commission's hands should be tied, and needlessly, because by the adoption of the proviso the first part of subdivision (b), as proposed by the two Senators, the Attorney General would be given the right to go into court regarding the matter. I ask the Senators how they feel about that suggestion.

Mr. BLACK. Mr. President, so far as the first paragraph is concerned, I am far more interested in that than I am in the second paragraph. There is some question as to the right of the Congress in connection with fixing a rule as to recoverable damages when a case gets into court. There is no question as to the right of the commission to settle a case on any basis it sees fit to adopt.

Frankly, I desire to tie the hands of the commission so tight that they cannot unlock them with reference to awarding damages based on any prospective or speculative profits. It was with the aim of tying the hands of the commission, of whomever it may be composed, so that they could not give any such damages, that I wanted to amend that feature of the committee bill. My judgment is that instead of hampering the commission it would be a decided advantage to the commission and to the Government. In my judgment, better settlements would be obtained, which, while they might be in smaller amount, probably would be fair and adequate.

I do not want any question left in the mind of any commission which may be appointed; I do not want them left under the impression that they have a right, in awarding damages on the cancelation of a contract, to take into consideration the fact that the contractor has been getting two or three million dollars a year which he should not have had, and has been getting his money loaned to him at an interest rate of one-eighth of 1 percent, which he should not have had. Under the bill as it is written, in my judgment, the commission would have that right, and I do not want them to have the right to consider such facts in connection with settlements.

If the parties go into court and can sustain the legality of the interest rate of one-eighth of 1 percent, which I do not believe they can do, and can sustain the legality of this large subsidy, which I do not believe they can do, then they would have a right to recover actual damages. But it is my aim and purpose in connection with this part of the amendment to let the commission know that, in connection with making a settlement as to damages, they would not have a right to look at what the ship operators may have made in the future on illegal contracts, if they are illegal. In my judgment, that is absolutely essential so far as the Government is concerned, if the Government's interests are to be protected.

I fully understand that a great deal depends on the type of commission that is to be appointed by the President. I fully appreciate the fact that if a commission should be appointed and approved by the Senate which had close relationship with the shipping interests or which had any affiliation with them, secret or open, the operations of the bill would be a miserable failure. In other words, what I desire to do, as stated so aptly by the Senator from Illinois [Mr. LEWIS] aside, is to equalize the situation and to give a contractor, if he thinks a settlement is not just, the opportunity to go into court, and let the court determine the matter. Then, if the contractor can maintain the legality of his contract and can maintain his right to collect the exorbitant profits which existed in connection with some of these contracts, he would have a right to do so. But so far as any adjustment and settlement is concerned, I want the commission to understand beyond the peradventure of a doubt that they have no right on earth to award one thin dime to any contractor on account of future or speculative or prospective profits which he might have obtained through contracts which the courts might later have held illegal if they had been sent into court.

I believe this is a very important and very necessary amendment.

Mr. COPELAND. Mr. President, I wish someone else would argue this point, someone with legal training; but in the absence of such an advocate, I must do the best I can.

The proposal of the two Senators relates first to the adjustment of the contracts with those corporations which are likely to be candidates for new arrangements, for new contracts under this proposed law. It is very desirable, as I see it, that there should be speedy adjustment of such differences. We have entered into a solemn contract with

each corporation involved, a contract between the Government of the United States represented by the Post Office Department and the ship operators, a solemn contract that if they will do so-and-so the Government will pay them so much money. Now, it is proposed to cancel those contracts; to do away with each contract. The two Senators are setting up a yardstick as to how the contracts may be canceled, and have inserted language that "any prospective or speculative future profits shall not be taken into consideration." Certainly, Mr. President, we would wish the Government of the United States, in abrogating a contract or in entering into a settlement of a contract, to be just as fair in its attitude as a private individual would be who was seeking to set aside a contract he had made with some other private individual. We do away with that by the proposed language. We tie the hands of the commission. If we cannot trust the commission we had better not have any law. Somebody must be trusted. However, if we adopt the second part of paragraph (b) with the proviso that the Attorney General, if he is dissatisfied, may go into court, we have given the Government its protection.

So far as the second point is concerned, that is an adjustment where there is to be a wiping out of the relationship between the Government and some contractor who does not desire to continue the carriage of the mail, I have no objection to that. I have no objection to setting up standards in such cases, because the court itself would give protection to all parties concerned. However, I do think it is unfair to include it in the first section.

I beg the Senator to modify his amendment by striking out the language of his amendment down to the proviso, and then let the proviso which permits the Attorney General to go into court remain, and that the language as regards the termination of relationships, as provided in the second paragraph, be continued.

In support of the argument, I present and ask unanimous consent to have printed in the RECORD at this point, a comment on the legality of the proceedings.

The PRESIDENT pro tempore. Without objection, the matter will be printed in the RECORD.

The matter referred to is as follows:

JUST COMPENSATION

The important case is that of *De Laval Co.* v. *United States* (284 U. S. 61). This case involved, first, the taking over by the Government of a contract between the De Laval Co. and private parties for the construction of engines for ships and the subsequent cancelation of this contract by the Government as to the uncompleted work at the end of the war. The Court held:

"In this view the Government canceled its own contracts, and it is hard to see why the Russell Co. case is not strictly applicable. Moreover, the act of June 15, 1917 (ch. 29, 40 Stat. 182), authorized the President to cancel 'any existing or future contract', etc., and this language, as we have held, applies whether the contract is with the Government or between private parties. In either case cancelation is an exercise of the power of eminent domain, and the liability of the Government is for just compensation. There is no warrant for saying that the elements to be considered in fixing just compensation are different in respect of the two classes of contracts. The Russell Co. case dealt with a Government contract, but *Brooks-Scanlon Corporation* v. *United States* (265 U. S. 106) involved the requisition of a private contract, and this Court, holding that the claimant was entitled to just compensation, defined the term as follows (p. 123):

" 'It is the sum which, considering all the circumstances—uncertainties of the war and the rest—probably could have been obtained for an assignment of the contract and claimant's rights thereunder; that is, the sum that would in all probability result from fair negotiations between an owner who is willing to sell and a purchaser who desires to buy.'

"Obviously this does not justify the allowance of anticipated profits, although, of course, the fact that the contract, if carried out, would be profitable is one of the circumstances which naturally would be considered by one seeking an assignment of the contract, and must be given its proper weight in fixing just compensation. But that is very different from an allowance of anticipated profits as in the case of a breach. Whether the contract taken or canceled is one with the Government or is a private contract, the result of the two cases is that just compensation means the same—'the value of the contract at the time of its cancelation, not what it would have produced by way of profits * * * if it had been fully performed' " (pp. 71, 72).

The amendment indicates a desire (1) either to insert language with respect to anticipated profits which is unnecessary or (2) to invade the jurisdiction of the courts in the awarding of just compensation. It is the theory that if a Government contract is canceled by legislative direction, then there is no breach of the contract, and the contractor is entitled to just compensation which does not include any anticipated profits. If this is a correct interpretation of the court's views of the cases cited above it is clear that no language with respect to anticipated profits is necessary. If this is not a correct interpretation of the court's decision, then the inclusion of this theory in this bill is an effort to preclude the court from passing upon an issue which is clearly a judicial function.

The legal questions involved here are:

(1) Is the termination of the mail contracts by congressional direction as provided in this bill a breach of contract or a taking by eminent domain?

It is suggested that the rule of damages is different. In any event, certainly the question of whether the act of Congress constitutes a breach of contract or a taking by eminent domain is a judicial question to be determined by the courts.

(2) What constitutes just compensation or the true measure of damages in the event of the termination of the mail contracts under the provisions of this bill?

This is also a judicial question and not one for determination by a legislative body. Even if termination of these contracts is a taking by eminent domain and even if just compensation does not include anticipated profits as stated by the Supreme Court in the Russell Motor Car Co. case, yet it is obviously unfair to make this short definition of just compensation and limit the jurisdiction of the courts to this short definition when the Supreme Court stated in the De Laval case:

"Obviously, this does not justify the allowance of anticipated profits, although, of course, the fact that the contract, if carried out, would be profitable is one of the circumstances which naturally would be considered by one seeking an assignment of the contract, and must be given its proper weight in fixing just compensation. But that is very different from an allowance of anticipated profits as in the case of a breach."

Do they wish to prohibit the Commission and the courts from following the language just quoted from the decision of the Supreme Court in the De Laval case, because they state that an allowance for anticipated profits shall not be made and by inference they would prohibit the consideration of anticipated profits as an element in arriving at the value of the contract terminated, although the Supreme Court says that this is obviously an element which must be considered? If the law should contain a provision excluding anticipated profits it should also authorize the consideration of anticipated profits in arriving at just compensation or the fair value of the contract terminated.

It is clear that the decision of whether determination of these contracts is a breach of contract or a taking by eminent domain is a judicial question and also the measure of damages to be applied in such a case is a judicial question, and it is contrary to the spirit of our institutions for the legislative body to attempt to invade the strictly judicial field. Congress should stop with authorizing suit for just compensation and leave to the courts the determination of just compensation in the light of all the facts in each case. This was what was done with respect to the war contracts involving billions of dollars. Congress did not at that time find it necessary to define either the measure of damages or just compensation. This was properly left to the courts and there is nothing in the records of the suits arising out of war contracts justifying the thought that the United States did not receive justice at the hands of the courts and that the legislative body should limit and restrict the jurisdiction of the courts.

Mr. COPELAND. May I ask the Senator from Alabama if he will not do what I have asked of him?

Mr. BLACK. Mr. President, I am not willing to leave even to the discretion of the Attorney General, whoever he might be, at any time the right to say that under a settlement prospective and future damages shall be paid to the holders of these contracts. I do not believe the holders of such contracts are entitled to have prospective damages. It is my judgment that the Postmaster General was right in his report to the Congress in which he set out with reference to each separate and single contract that it is an illegal contract. Therefore, if these contractors desire to prove that the contracts are not illegal, if they desire to try to get more damages, they can do so in the court, but they will have to do so in the court by sustaining the legality of their contracts under the provisions of our amendment. I sincerely hope the amendment will be agreed to.

Mr. COPELAND. Mr. President, I move that the portion of the amendment offered in paragraph (b) down to the proviso be eliminated.

We are trying to build up an American merchant marine. We are trying to have merchant ships built in American shipyards. We are trying to induce Americans who are interested in the operation of ships to operate American ships under the American flag. I am frank to say that I think the first part of the proposed amendment would delay for a long time the settlement of the contracts and the consummation

of the object we have in mind. I appeal to the Senator from Idaho and ask him if there is not some reason in the suggestion I have made. Let the first part of the amendment be omitted. Let the proviso remain, that the Government shall be protected through the provision that the Attorney General's department go into court to test the matter if there is any doubt about it. Leave in the amendment the last part which provides for the final termination of the contracts, where time is not an element anyway. The operators are simply going to quit, and that is all there is to it. By retaining the first part of paragraph (b) I am as sure as I can be that there will be a material delay in the progress of what we have in mind and the attempt we are making. I appeal to the Senator from Idaho and ask his opinion regarding the matter.

Mr. BORAH. Mr. President, I joined with the Senator from Alabama in the formulation of the amendment. As I said in the beginning, I was primarily interested in the proposition of securing a review upon the part of the Government of the action of some representative tribunal of the Government. After discussing the matter with the Senator from Alabama I joined with him in the amendment, and I am going to support his amendment.

Mr. COPELAND. Mr. President, for the sake of the record I move that the amendment be modified as I have suggested.

The PRESIDENT pro tempore. The clerk will state the amendment of the Senator from New York to the amendment of the Senators from Alabama and Idaho.

The LEGISLATIVE CLERK. In the amendment proposed by Mr. BLACK to the amendment in the nature of a substitute, it is proposed to strike out the following:

(b) As soon as practicable after the filing of any such application, the Commission shall proceed to attempt to adjust all differences with such contractors, including any claims of the contractor against the United States and any claims of the United States against such contractor arising out of its foreign ocean-mail contract. In adjusting such differences and claims, the Commission shall not take into consideration any prospective or speculative future profits, but shall consider any and all payments theretofore made by the United States pursuant to such mail contract, and the profits realized as a result thereof, and the interest paid and the interest due according to law on construction loans, and all other facts deemed pertinent. If the contractor shall be willing to accept such determination and receive payment for the amount determined by the Commission to be a fair adjustment of such differences, the Commission is authorized and directed to enter into and execute a settlement agreement with such contractor, wherein such contractor shall release the United States from any and all further claims arising from such contractor's mail contract.

Mr. BLACK. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BLACK. The vote now to be taken, as I understand it, will be on the amendment which the Senator from New York has proposed to the amendment which the Senator from Idaho and I have offered.

The PRESIDENT pro tempore. That is the vote which is about to be taken.

Mr. BLACK. I hope the amendment of the Senator from New York will be voted down.

The PRESIDENT pro tempore. The Senator from New York has moved to strike out a certain portion of the pending amendment. The question is on the amendment of the Senator from New York to the amendment offered by the Senators from Alabama and Idaho.

The amendment to the amendment was rejected.

The PRESIDENT pro tempore. The question recurs on the amendment of the Senators from Alabama and Idaho to the amendment in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. BLACK. Mr. President, I desire to suggest a very slight amendment which I am sure will be acceptable to all those who favor the pending bill. I should like to call the attention of the Senator from New York [Mr. COPELAND] and the Senator from Pennsylvania [Mr. GUFFEY] to the matter, because I am certain this slight amendment will be acceptable to both of them. Section 807 is a new section which has been added and which gives the Maritime Commission the right to regulate lobbying. It is copied from the holding-company measure. There are about five words which I believe should be added in order to accomplish the purpose intended. If the Senator will look on page 82, line 10, it will be noted that it requires certain registrations on the part of those who advocate or propose any matter affecting shipbuilders, and so forth—

Before the Congress or any Member or committee thereof, or before the Commission or any member, officer, or employee thereof.

Those words were taken from the holding-company law but since, in some aspects, the regulation of this measure will be in other departments, in order to accomplish the full purpose it is my judgment it would be wise to add these words after the word "Commission", "or any other Government agency."

I am sure that neither one of the proponents of the measure would have any objection to that, because it further carries out the purpose contemplated.

Mr. COPELAND. So far as I am concerned, I have no objection.

Mr. GUFFEY. I have no objection.

Mr. BLACK. I should like to offer the amendment on line 10, page 82, after the word "Commission", to insert the words "or any other Government agency."

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Alabama to the amendment in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. CLARK. Mr. President——

Mr. BONE. Mr. President——

Mr. CLARK. I only desire to address the Senate for a very few minutes. I have ostensibly been holding the floor now for an hour and have been yielding to one Senator after another.

The PRESIDENT pro tempore. The Senator from Missouri has the floor.

Mr. CLARK. I desire to detain the Senate very briefly for the purpose of explaining the reasons which actuate me and certain other Senators who share my views in refraining from our expressed intention of opposing this bill so long and as determinedly as our physical strength would hold out, which, of course, at this stage of the session would have the effect of preventing the passage of the measure.

I cannot support this bill or any other ship-subsidy measure. I cannot do it because I believe it to be wrong in principle, because I believe it to be un-American, and certainly because I believe it to be contrary to the long-established tenets of the Democratic Party.

Mr. President, I have seen struggles over the subject of ship subsidies in this country for 35 years, and always the Democratic Party has, with substantial unanimity, as a matter of principle, opposed ship subsidies. I recall 30 years ago, in the closing days of the Congress, when the Congress was about to expire by limitation on the 4th of March, after one of the bitterest battles that I ever saw in the House of Representatives, a ship-subsidy bill was passed by 1 vote, and that only by the action of one Member of the House in certifying to what every man present on that floor knew to be a falsehood, that he had been present when his name was called, or should have been called, and failed to hear it. Immediately after the vote had been announced, the responsible leaders of the Democratic Party in the House came over to the Senate and enlisted the efforts of that brilliant Senator from Tennessee, the late Edward W. Carmack, who proceeded, in the closing days of the session, in a filibuster extending over 4 or 5 days, to talk that bill to death. I do not believe that as a matter of Democratic principle and policy it has ever been controverted that it is absolutely indefensible to tax the taxpayers of the United States for the private profit and remuneration of private individuals.

Yesterday there was inserted in the RECORD without reading a speech delivered in 1915 by the present junior Senator from California [Mr. MCADOO], who was then Secretary of the Treasury. I am sorry that it was all inserted in the

RECORD without reading, because there is one paragraph of it that, to my mind, clearly and conclusively states what has been the tradition of the Democratic Party on the subject of ship subsidies. I am going to detain the Senate for just a moment to read that paragraph, because I think it is an admirable statement.

> What is the real fight in this merchant-marine controversy? It is a fight for subsidies. What are subsidies? They are gifts from the United States Treasury to favored corporations, firms, and individuals who operate ships.

Mark that sentence, Mr. President—

> What are subsidies? They are gifts from the United States Treasury to favored corporations, firms, and individuals who operate ships. Why should we give away millions of dollars of the people's money each year to favored shipowners over whose rates and service we have no control? Wouldn't it be more sensible for the Government to spend these millions in building up a splendid naval auxiliary merchant marine which can be controlled and operated in the interest of all the people? If we adopted the policy of subsidies, wouldn't corporations and individuals with the strongest and longest pull get most of the money, as they always have done when free money has been distributed by the Treasury in the "good old days of special privileges"? Every shipowner and every ship monopolist wants subsidies. Of course they do. They would profit by them, and they are going to make a desperate fight for them in the next Congress.

This was in 1915, mark you, Mr. President.

> But they can't succeed, because no Democratic Congress will pass a ship-subsidy bill and no Democratic President will approve one. The Democratic Party is in control of the Government and is pledged by its platform and record against subsidies. Why, then, contend for the impossible? Why not accept the only practical plan—the creation by the Government of a naval auxiliary merchant marine with the money the subsidists want the Government to give to them? The Democratic Party declared in its platform for a merchant marine created by constitutional methods. To build a naval auxiliary and use it to create a naval reserve of officers and men and to build up American commerce is a constitutional method.

Mr. President, I do not believe there is a Member of this body who is more firmly and more ardently opposed to Government interference in private business or to embarking on Government ownership than I. Senate bill 1, now pending in this body, is a bill introduced by myself to provide for a cost-accounting system, with a view to keeping the Government out of private business. But, Mr. President, when a situation such as is presented by the controversy over the merchant marine comes to be considered, the ordinary rule of the Government staying out of business does not apply, because it is asserted—and with reason apparently—that this is a field in which private capital will not embark; that the necessity for an adequate merchant marine for carrying American products to the markets of the world cannot be filled by private capital, unless the Government goes down into the Treasury and takes the taxpayers' money to build the ships and operate the ships.

Mr. President, in the hearings before the Commerce Committee, in the debates in the Commerce Committee, I have repeatedly asked a question which has never yet been adequately answered. The question is this: If, in order to maintain a merchant marine, it be necessary to take the money of the taxpayers of the United States, even to the extent of 100 percent for the construction of ships, even if it be necessary to pay an unlimited operating subsidy, then why should not the Government, whose taxpayers have built the ships and whose taxpayers are operating the ships, own the ships? Why should it be necessary to say to a private individual, "We will build the ships for you; we will pay you a subsidy, if necessary, of a hundred percent; we will operate under a system by which you take the profit and we take the losses, and then have to go to the necessity of negotiating with you in the event of war or any other national emergency when we want to take the ships for a public service"?

Mr. BONE. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. BONE. I would not interrupt the Senator except to say to him that I had intended to speak on this bill, but he is doing such an excellent job that I am going to waive any right that I might have to speak on it. I wish, however, to call the Senator's attention to a statement appearing in the Washington News of a few days ago. The author of the statement says:

> In the last 18 years the Government has invested nearly $5,000,000,000 in subsidies, loans, and construction of ships, yet the United States stands virtually at the bottom of the list of maritime nations in the number of cargo vessels of 2,000 tons and up built in the last 10 years.

Mr. CLARK. That is perfectly correct; and I will say to the Senator that, after spending $5,000,000,000, over a period of a few years, comparatively, we have not as good a merchant marine as we had when we started.

Mr. BONE. Does the Senator conceive of any reason, if the taxpayers of this country build the ships out of the Public Treasury, why the Government should not own them?

Mr. CLARK. I cannot, and I have never heard an answer to that question.

Mr. BONE. Is there any reason why we should not be perfectly honest with the people of the country and build these vessels as auxiliaries to our Navy instead of this camouflage of attempting to build up a merchant marine for the private profit of the shipowners by subsidies out of the Treasury of the United States?

Mr. CLARK. I cannot conceive of any reason on earth.

Mr. HATCH. Mr. President——

Mr. CLARK. I yield to the Senator from New Mexico.

Mr. HATCH. The Senator was referring to the question he had asked.

Mr. CLARK. Yes; I have stated the question I asked.

Mr. HATCH. I was quite anxious to get the answer.

Mr. CLARK. There has never been any answer to it, even in the committee by Senators who are championing this measure or by any witness before the committee.

Mr. BONE. Mr. President, will the Senator yield again?

Mr. CLARK. I yield.

Mr. BONE. I do not want to intrude on the Senator. I merely wish to call the attention of my brethren to some declarations of my own party. It will take just an instant and will refresh our memory.

Mr. CLARK. I thank the Senator for his suggestion.

Mr. BONE. In 1904 the Democratic Party made a very strong declaration about this very matter, pointing out that it favored "the upbuilding of a merchant marine without new or additional burdens upon the people and without bounties from the Public Treasury."

Again in 1908 the Democratic Party said practically the same thing, that the merchant marine should be built without burdening the people and without a bounty from the United States Treasury.

Again in 1912 the Democratic Party enunciated the same doctrine, and finally in 1924, when the conservative John W. Davis was the nominee of the Democratic Party, it declared in its national platform:

> We oppose as illogical and unsound all efforts to overcome by subsidies the handicaps to American shipping and commerce imposed by Republican policies.

They were denouncing the Republican Party for employing the subterfuge of subsidies in order to get around the difficulties which followed from that condition.

Mr. TYDINGS. Mr. President——

Mr. CLARK. I yield to the Senator from Maryland.

Mr. TYDINGS. I merely desire to caution my friend from Washington not to read the 1932 Democratic platform. [Laughter.]

Mr. BONE. May I suggest that if the American people in their critical frame of mind will examine the platforms of all parties, they will find nothing to make them proud of any of the American political parties.

Mr. LEWIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Illinois?

Mr. CLARK. I yield.

Mr. LEWIS. Complaints are made against the building of ships which shall serve as an aid to the Government incidental to the merchant marine. How does that become a matter of the Government aiding private business? Is

not that the Government building its own defenses and merely spending its own money for Government defenses?

Mr. CLARK. That might be true, but that is not provided for in this bill nor has it been provided for in any ship-subsidy bill which has ever been introduced. Shipowners have always advocated, not that the Government should operate its own ships, but that the Government should go down into its Treasury and take the money of the taxpayers of the United States and give it to the private profit of the shipbuilders and operators of the country. It is to that that I am objecting.

Mr. President, for the reasons that I have stated, of course it would be perfectly impossible for me to support this measure or any other ship-subsidy bill, but we are confronted by a condition, by a peculiar condition, which makes this bill the lesser of two evils.

Let me say in passing that I think the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Vermont [Mr. GIBSON], and the Senator from New York [Mr. COPELAND] are to be commended for the honest and persistent efforts which they have made for months to report a bill which would remove as many as possible of the most objectionable features of the ship subsidy bill as it passed the House at the last session or of the so-called Copeland bill introduced at the present session. The Senator from Pennsylvania and the Senator from Vermont made a long persistent fight in the committee for bills which they themselves had introduced, and the proposed amendments contain many of the features of a character beneficial to labor which were in the Gibson bill and the safeguards for the public interests which were intended to be provided for in the Guffey bill.

While in all conscience the proposal in itself is vicious enough, yet it is a distinct improvement over either the bill as it passed the House or the so-called Copeland bill. Moreover, the consideration which moves the Senators who feel as I do not to prolong unduly the debate on the measure is the fact that, bad as it is, it is an infinite improvement over the system now in force in the form of the so-called fake ocean-mail contracts, the contracts which have been so bitterly and so conclusively denounced by the Postmaster General of the United States.

Mr. BONE. Mr. President, will the Senator yield further?

Mr. CLARK. I yield to the Senator from Washington.

Mr. BONE. I have in my desk several publications of organizations which are committed to the building of a very large merchant marine as auxiliary to the Navy. One can wholly sympathize with their desire to have naval auxiliaries, and that is what impelled me to suggest we ought to go ahead and build them as such. But the same groups are pointing out the great peril to our whole fabric of Government which arises from the pressure groups, as they call them, the minority pressure groups who come to Congress and seek what they designate as special privileges, to loot the Treasury for the benefit of special groups.

Does not the Senator from Missouri contemplate this proposal as a tacit bid or challenge to groups who feel that the shipowners are going to become wealthy overnight from subsidies? Is it not a bid or invitation to any of those groups which have been so vociferously denouncing outfits like the Liberty League to come to Congress and endeavor to accomplish the same thing for their own benefit?

Mr. CLARK. I agree with the Senator from Washington. On the other hand, we are confronted by a condition. That condition is that there is in effect today an actual subsidy system, although it is not called a subsidy system, but operates under the disguise of mail contracts. It is in effect a subsidy—a more vicious and indefensible subsidy than the one set up in the pending bill—and when confronted by the question of either permitting that condition to remain in effect or passing the bill as it is now before us, I choose the lesser of the two evils.

Mr. BLACK. Mr. President——

Mr. CLARK. I yield to the Senator from Alabama.

Mr. BLACK. With reference to the statement made by the Senator from Washington, I think the Senator from Missouri will agree with me that for the first time, so far as we know, in the history of the Government a subsidy bill has been offered, and has gotten thus far along, which provides a limitation of profits, a complete supervision of subsidiaries, associates, and affiliates, and a limitation on salaries; that there has been offered here the nearest approach to a bill in the nature of a subsidy that would protect the public.

Mr. CLARK. I think the statement of the Senator from Alabama is absolutely correct.

Mr. BLACK. In addition to that, it also contains provisions which for the first time require that the lobbyists for the shipping interests, many of whom perhaps are in the galleries now, as they usually are, shall register and reveal how much they receive. So far as this bill and the present system are concerned, there can be no question that the bill is an infinite improvement over the present system.

Mr. CLARK. I think the Senator from Alabama is entirely correct, and it is for that reason that I do not intend to pursue my opposition to the measure and kill it by talking it to death.

Mr. BLACK. I think the views of the Senator from Missouri and mine are very much in accord. If those who favor a subsidy are not willing to pass the bill with these provisions, I am sure the Senator agrees with me that the time would be here to attempt to defeat ship-subsidy legislation and see if it is possible for us, when Government money is being spent, to have the Government own the ships which are built.

Mr. CLARK. I agree entirely with the Senator from Alabama, and that brings me to the one thought I have in conclusion. There have been rumors around the Capitol, at least, so I have been advised, that the shipping interests of the United States, those who desire to secure subsidies, much prefer to have the present system remain in effect rather than to have the bill passed. To that end they hope, so it is said, to sidetrack the passage of this measure in the House of Representatives and to procure a reappropriation of the $29,000,000, or whatever sum is necessary for carrying out the present ocean-mail contracts.

I desire to concur in what the Senator from Alabama said yesterday and to join with him in giving notice that if the bill be not passed and an endeavor shall be made to reappropriate that money or make a new appropriation for carrying out the present ocean-mail contracts, we will use every honorable means to defeat any such legislation.

Mr. BORAH. Mr. President——

Mr. CLARK. I yield to the Senator from Idaho.

Mr. BORAH. I have always been opposed to a ship subsidy, but there is a very difficult question here to solve, and that is whether, in view of the present condition of the law and the system which prevails, we will not be serving the public interest by getting rid of that law and passing the pending bill.

Mr. CLARK. There is very strong ground for the Senator's contention in that matter. I personally feel that I should not vote for a ship subsidy bill of any kind, but, for the reason stated by the Senator, I do not propose to conduct any prolonged opposition to the bill.

Mr. BORAH. It does not seem to me, when I vote for the lesser of the two evils, that I am necessarily endorsing the principle of either of them.

Mr. CLARK. I think the Senator is correct. I personally was pledged to vote against a ship subsidy; I so pledged myself before my constituents; and, accordingly, I feel bound to vote against it. But a man who is opposed to a ship subsidy may logically and conscientiously vote for this measure as the lesser of the two evils.

Mr. COPELAND. Mr. President, I ask unanimous consent to insert in the RECORD at this point two quotations from our report on the merchant marine bill. I should not wish the historian to think there was no answer to the remarks of the Senator from Missouri.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

SUBSIDY PAYMENTS NOT A GIFT TO SHIPOWNERS

The contention that the subsidy payments provided would constitute a gift to the shipowner cannot be substantiated by even the most prejudiced reasoning.

The facts are—

1. The shipowner never receives the construction differential subsidy because it is paid to the shipbuilder in order that ships may be built in the United States instead of abroad, and is necessary to maintain the American standard of wages.

2. The operating-differential subsidy merely reimburses the shipowner for the excess of the cost of American labor and materials over the foreign cost of the same items, an amount he would not pay at all if he chose to operate a foreign-flag ship.

3. In accordance with the President's message, and subject to his approval, subsidies paid by competing foreign governments to their shipping may be partly or wholly equalized. Without this it should be apparent to even the most casual student of economics that American shipping could easily be driven from the seas.

In consideration of its contract the Government receives—

1. Naval and military auxiliaries.

2. Protection and extension of American foreign commerce, and assurance of available transportation for it.

3. Employment for American labor, and consequent reduction of relief expenditures.

4. The right of requisition at low cost to the Government.

5. The right to specify and confine the operation of the vessels to a definite trade route.

6. Registry of vessels under the American flag for at least 20 years.

7. The use of American materials and supplies.

8. Right of readjustment of contracts.

9. Right to control the sale, transfer, and management of vessels.

10. The right to impose upon the shipowner, in the conduct of his business, a multitude of restrictions not borne by shipping or any other business.

11. Right to specify that national-defense features of no value for commercial purposes be incorporated in the ship.

12. Possibility of reducing even the limited parity attained by recapture of profits.

The above is but a partial list of the rights and benefits secured by the Government in consideration of its contract to place the American shipowner in the position he would be if he chose to build abroad and operate under a foreign flag.

* * * * * * *

Government shipbuilding and ownership of ships in foreign trade is no solution of our merchant-marine problem; it is utterly impracticable. It would not reduce the construction cost of ships, nor the operating cost. It is proverbially more expensive, tied down with red tape, and not so effective in results. History records no successful merchant fleet that was Government-owned. No merchant fleet of any of the principal maritime nations that sails the seas today in foreign trade is Government-owned. The rehabilitation of the British merchant marine so soon after the war is due largely to the fact that the ships taken over by the Government were almost immediately restored to private ownership and operation. Our lesson in Government shipbuilding and ownership has already cost us billions of dollars and placed a heavy mortgage upon our taxpayers, a debt which will take generations to discharge. The opportunities which it affords for maladministration are without parallel.

It should be remembered that the President's message of March 4, 1935, contains no suggestion of Government ownership or operation, nor can any such theory be reconciled with that message.

* * * * * * *

GOVERNMENT FINANCING

It is contended that if the Government puts up all the money, then it should own the ships, operate them either directly or under charter, and get the profits, if any, from such ownership. In the first place, under the proposed bill the Government does not put up all the money. The operator must put up 25 percent of the foreign cost of the ship, the identical amount required if he chose to build in certain large European shipyards; and he must satisfy the Authority of his financial ability to maintain the ship in service. He must also repay to the Government the other 75 percent of the foreign cost. This is not a gift from the Government, but a deferred-payment plan, to be authorized only after receiving adequate guaranties of its payment, together with interest. Moreover, the risk has not proved great. Out of Government loans of $148,000,000 (on a construction and reconditioning investment of $215,000,000) made under the existing merchant marine legislation, less than $3,000,000 is in default, a most creditable record as compared with any loan risks taken in recent years.

A further point generally overlooked in discussing what percentage of the cost of a ship the Government might possibly put up is the nature of the construction differential. A ship that would cost $1,000,000 if built in the United States and $600,000 if built abroad is worth just $600,000 in foreign trade. The shipowner does not get a million-dollar ship, as is stated, because its utility value is $600,000. American labor benefits from the difference, not the shipowner.

Because of the provision authorizing the Authority to purchase old vessels, it is said that an operator might get a new vessel by putting up but a small part of the 25-percent cash payment required, as the rest of the 25 percent would come as a credit on the old vessel. The credit the Authority may give for an old vessel is narrowly limited to the lowest depreciated cost on a 20-year-life basis, and then only if a new vessel is constructed. It is wholly within the power of the Authority to refuse a new vessel unless it is in the interest of the United States to have the old vessel retired and a new one built.

Mr. SCHWELLENBACH. Mr. President, the statements of the Senator from Missouri and the Senator from Alabama place many of us in very much of a dilemma.

I am opposed to ship subsidies. I am opposed to the present system. It seems to me, following through the idea expressed by the Senator from Missouri, that the question we have to ask ourselves is whether or not it is going to be possible, if the present law remains in effect, because of its viciousness, to wipe out ship subsidies altogether; and whether or not, if we enact this measure, which is a little better than the present law, it will result in the permanence of ship subsidies just because of the fact that it is not so vicious.

I should like to ask the Senator from Missouri his opinion upon that question. The Senator has had infinitely more experience in this matter than I have had.

Mr. CLARK. I will say to the Senator from Washington that I do believe there is a possibility that if any legislation on the subject should fail at this session of Congress, it might be possible in a future Congress to set up what I believe to be a proper system. On the other hand, I do believe there is very grave danger that if this measure should be defeated it might be possible to make a new appropriation for continuing the present system. I am by no means convinced that the passage of this bill will settle the matter, because I think it is a fight that will have to be carried on until a proper solution is arrived at.

Mr. O'MAHONEY. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 83, after line 20, it is proposed to insert a new section, as follows:

SEC. 810. It shall be unlawful for any contractor receiving an operating-differential subsidy under title VI or for any charterer of vessels under title VII of this act to continue as a party to or to conform to any agreement with another carrier or carriers by water, or to engage in any practice in concert with another carrier or carriers by water, which is unjustly discriminatory or unfair to any other citizen of the United States who operates a common carrier by water exclusively employing vessels registered under the laws of the United States on an established trade route from and to a United States port or ports.

No payment or subsidy of any kind shall be paid directly or indirectly out of funds of the United States or any agency of the United States to any contractor or charterer who shall violate this section. Any person who shall be injured in his business or property by reason of anything forbidden by this section may sue therefor in any district court of the United States in which the defendant resides or is found or has an agent, without respect to the amount in controversy, and shall recover threefold the damages by him sustained, and the cost of suit, including a reasonable attorney's fee.

Mr. O'MAHONEY. Mr. President, I desire to say briefly that this amendment was drafted as a result of the colloquy in which the senior Senator from New York [Mr. COPELAND], the senior Senator from Missouri [Mr. CLARK], myself, and other Senators engaged last night.

The original Shipping Act, passed several years ago, contains a specific exemption from the penalties of the antitrust laws for certain combinations of shipping lines which would otherwise be unlawful as in restraint of trade. The law at the present time—title 46 of the United States Code, section 813—provides that—

The Board, upon its own initiative, may or upon complaint shall, after due notice to all parties in interest and hearing, determine whether any person not a citizen of the United States and engaged in transportation by water of passengers or property—

(1) Has violated any provision of the preceding section; or

(2) Is a party to any combination, agreement, or understanding, express or implied, that involves in respect to transportation of

passengers or property between foreign ports, deferred rebates, or any other unfair practice designated in the preceding section, and that excludes from admission upon equal terms with all other parties thereto, a common carrier by water which is a citizen of the United States and which has applied for such admission.

It is represented, on apparently good authority, that American citizens operating such lines have applied for admission to conferences of which foreign lines are members, and have been denied that admission. Without the amendment which is proposed, therefore, we should have the anomalous condition that the United States would be in the position of paying a subsidy to an American line which was in truth and in fact engaged in a conspiracy with foreign lines to discriminate against another American line. This amendment will, I think, obviate that very unwise and improper and unjustifiable condition.

It is my purpose in presenting this amendment to make it clear to the Commission that it is the intention of Congress not to pay subsidies of any kind to any American line which is willing to enter into any combination with other lines, including those operating under foreign flags, to crush American competition.

This is a bill to encourage American shipping, not one to aid foreigners to retard it.

I am told that the Shipping Board in the past has not enforced the law which so clearly provides that American lines, on application, are entitled to admission to any conference. A closed combination of this kind is indefensible, and surely should not be supported by the Treasury of the United States.

In order to give an opportunity to those who may be injured by illegal combinations of the kind I have described to protect themselves I have incorporated in this amendment the principle of section 4 of the Clayton Act which permits the victim of such unfair practices to sue for treble damages.

Mr. COPELAND. Mr. President, I am not sure what will be the effect of this amendment. I am an agnostic in that respect. I feel that the Senator from Wyoming has formulated the language in such manner that it is likely, perhaps, to protect the very thing he has in mind. I hope so. I am fearful that it may put the American shipper and the American operator of ships at a disadvantage, and more or less under the whip and lash of foreign-flag owners. However, so far as I am concerned, I have no objection to the inclusion of the amendment in the bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the amendment in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I desire to offer an additional amendment, if I may have the attention of the senior Senator from New York. On page 52, line 6, I move to insert, after the word "service", the words "or services."

That is merely a clarifying amendment, designed to eliminate the possibility that the use of the word "service" in the singular might operate to prevent carrying out the remainder of the section.

Will the Senator from New York accept that amendment?

Mr. COPELAND. I have no objection to the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the amendment in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. O'MAHONEY. Mr. President, if I may have the attention of the Senator again, I observe that section 101, in lines 4, 5, and 6, page 1, provides, in the declaration of policy, that the United States should have a merchant marine "sufficient to carry its domestic water-borne commerce and a substantial portion of the water-borne export and import foreign commerce." Section 861 of title 46, the present law, declares the policy to be that the United States shall have "a merchant marine of the best equipped and most suitable types of vessels sufficient to carry the greater portion of its commerce." I ask the Senator why the word "greater" has been eliminated, and the word "substantial" inserted in its place. Does not that constitute an abandonment of the present policy?

Mr. COPELAND. It does not so far as I am concerned, but for diplomatic reasons it was deemed wise that this language should be changed.

Mr. O'MAHONEY. Mr. President, I offer the additional amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to add, at the proper place in the bill, a new section, as follows:

Whenever the Commission finds that any common carrier by water has charged rates so unduly low as to be detrimental to the commerce of the United States, the Commission shall, after due hearing and investigation, fix such minimum rate or rates for that carrier and its competitors in the trade involved as it deems proper, and thereafter it shall be unlawful for any common carrier by water in the trade involved to charge rates any lower than those so determined by the Commission.

Mr. O'MAHONEY. Mr. President, in explanation of this amendment I shall content myself with saying simply this:

In passing this bill, or any ship-subsidy bill, we find ourselves in the position of obligating the Treasury of the United States and the taxpayers of the United States to make gifts to shipping lines. At the same time we have permitted these lines to enter into conferences with foreign lines whereby shipping rates are agreed upon. It has been suggested that if the Shipping Board should exercise the power which it undoubtedly has to punish or prevent these illegal combinations, the result might easily be not only the elimination of the American lines from the conference, but an attack at their very existence by foreign lines. The only answer to that is to grant to the Commission the power which the Interstate Commerce Commission has over railroads, to fix minimum rates, so that it would be impossible for the foreign lines to drive American lines from the sea.

Mr. BONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Washington.

Mr. BONE. As I heard the amendment stated, it seemed to me—perhaps I am wrong—that it would give the Commission set up in the bill the right to regulate these rates when they came into competition with rail rates, because it refers to a competition that would be "detrimental to the commerce of the United States." It does not say "the water-borne commerce of the United States."

Mr. O'MAHONEY. I shall be very glad to insert "water-borne" before "commerce."

Mr. BONE. I think clearly any reasonable interpretation of this amendment would compel the Commission immediately to examine into the rate structure of the rail carriers of the United States. It would seem so to me. Perhaps that is what the Senator intended.

Mr. O'MAHONEY. I should be quite willing to accept an amendment adding the words "water-borne commerce."

Mr. BONE. I could not presume to amend the Senator's amendment.

Mr. COPELAND. Mr. President, some years ago I tried hard to have this language included in the intercoastal act, because, so far as I am concerned, I have always believed in such a provision for other reasons than those mentioned by the Senator.

Suppose a man had some old ships he desired to get rid of. He could cut the rates so low that he would utterly destroy the legitimate business. I have no objection to the amendment.

Mr. SHIPSTEAD. Mr. President, I desire to call the attention of the Senator from Wyoming to the fact that a bill involving this very principle has been before the Committee on Interstate Commerce of the Senate, hearings have been held, and no action has been taken, and there is no possibility of action being taken on this bill, after the members of the committee have considered the evidence brought forth against any action along this line.

Mr. O'MAHONEY. Does the Senator mean to convey the impression that the committee feels it is unwise?

Mr. SHIPSTEAD. Yes. The chairman of the committee is not in the Chamber. I wish he were here to speak for the committee; but since he is not here, I take it upon myself to call the Senator's attention to this fact. This is too important a measure to be introduced in a hurry as an amendment to a bill of the character of the one before us.

Mr. O'MAHONEY. Let me say that I was not aware of the fact that such a proposal was pending before the Committee on Interstate Commerce. Of course, I realize that it is a matter of the utmost importance, but it seemed to me that the logic of the bill before us demanded an amendment of this character. I may say to the Senator, however, in view of what he has said, that I shall not undertake to press the amendment.

Mr. SHIPSTEAD. The amendment would cover both foreign and domestic shipping. Does the Senator withdraw the amendment?

Mr. O'MAHONEY. I shall not press the amendment.

Mr. BONE. Mr. President, I have tendered two amendments to the bill, which I sent to the desk and asked to have stated by the clerk.

The PRESIDENT pro tempore. The clerk will state the first amendment to the amendment in the nature of a substitute.

The LEGISLATIVE CLERK. In the amendment on page 74, after line 22, it is proposed to insert the following:

The foregoing provision respecting the requisition or the acquisition of ownership by the United States shall run with the title to such vessel or vessels and be binding on all owners thereof.

Mr. BONE. This is an addition to section 802.

Mr. COPELAND. Mr. President, so far as I am concerned, I am perfectly willing to accept the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The clerk will state the second amendment offered by the Senator from Washington.

The LEGISLATIVE CLERK. It is proposed to amend subdivision (b) of section 902, on page 85, line 1, before the word "The", by adding thereto:

Except in cases of vessels where a construction differential subsidy has been allowed and paid, in which case the value of the vessel for the purposes of this section shall be established as provided in section 802.

Mr. COPELAND. Mr. President, the Senator from Washington has been good enough to allow those of us who have been advocating the bill to see his amendment, and we have no objection to it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. BONE. Mr. President, the Senators from Washington have received some communications, to one of which I referred yesterday, concerning repairs to American subsidized ships in Chinese harbors, and I ask that the clerk read these communications to the Senate. They are very brief.

The PRESIDENT pro tempore. The clerk will read.

The legislative clerk read as follows:

SEATTLE, WASH., *June 17, 1936.*

Senator LEWIS B. SCHWELLENBACH,
2440 Sixteenth Street:

Steamships *President Coolidge, President Monroe, President Jefferson, President Polk, President Van Buren,* and *President KcKinley* have been drydocked in Hong Kong. Am sending airmail letter with details. These are American Mail Line and Dollar Steamship Companies.

P. B. GILL,
Agent, Sailors' Union.

CENTRAL LABOR COUNCIL OF SEATTLE AND VICINITY,
June 15, 1936.

Hon. HOMER T. BONE,
Senate Office Building, Washington, D. C.

HONORABLE DEAR SIR: It has been called to our attention that the Dollar Steamship Co. and its affiliated lines are docking their ships at Hong Kong, China, for general overhauling, painting, etc. It has always been the general policy of this company to do most of the maintenance work on their ships with oriental labor.

We are advised that our Government is paying these companies large subsidies in the form of mail contracts. Therefore we believe something should be done to prevent the taking away of this work from our American shipyards, which should go to our American workers when the Government is paying millions for relief.

Trusting that you may be able to do something in this matter, and with best wishes, we are,

Very truly yours,
CENTRAL LABOR COUNCIL OF SEATTLE AND VICINITY,
C. W. DOYLE, *Secretary.*

MARITIME FEDERATION OF THE PACIFIC COAST,
WASHINGTON DISTRICT COUNCIL NO. 1,
Seattle, Wash., June 15, 1936.

Mr. HOMER T. BONE,
White House, Washington, D. C.

HONORABLE MR. BONE: Please find attached a copy of a clipping from the South China Morning Post, of Hong Kong, China.

Hoping you will take some favorable action, I am,

Sincerely yours,
B. DRYSDALE, *Secretary pro tempore.*

[From South China Morning Post of May 22, 1936]

CHANGE OF POLICY—HONG KONG BENEFITS FROM LINERS DOCKING HERE—DOLLAR LINE PROGRAM

Hong Kong has reason to be extremely pleased with the change of policy by the Dollar Line, for it means thousands of dollars to this port for docking charges. Already this year there have been four large liners docked here which have never before been laid up in the colony, and now the company has announced that during this year all the American Mail Line ships will be docked here.

The four ships already docked include the largest liner of the company, the *President Coolidge,* and three of the smaller ships, the *President Monroe, President Jefferson,* and the *President Polk.*

The *President Van Buren,* which was due here today but was speeded up to arrive at 4 p. m. yesterday, is now in Kowloon dock and will be overhauled and painted before sailing, direct from the dock, on Saturday at 9 a. m.

The next ship to be docking here will be the *President McKinley* on June 3, and following her will come the *President Jackson,* the *President Grant,* and the *President Jefferson.* There will probably be other liners during the remainder of the year, but this has not been definitely decided yet, since the company normally only books up four or five ships ahead.

The work will be split up between the two major dock companies here, and will mean a steady and profitable amount of work to them which may become a regular feature of their yearly service.

Mr. BONE. Mr. President, the purpose of having these communications read to the Senate is to advise the Senate of what has been transpiring in connection with repair work on these ships, which were heavily subsidized. It is my understanding that the Senator from Pennsylvania [Mr. GUFFEY] has submitted an amendment to the pending bill which touches this particular class of work. Of course, it is not my right and privilege to have the amendment reported, and I hope the Senator from Pennsylvania is willing to have the amendment offered at this time and disposed of. I sincerely hope the amendment will go into the bill.

Mr. GUFFEY. Mr. President, the amendment was offered yesterday. I should like to have it considered and acted on at this time.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. In the amendment on page 38, line 10, it is proposed to strike out the period after the words "United States" and to insert the words "as defined in paragraph K of section 401 of the Tariff Act of 1930;" on page 55, line 18, to strike out the word "and"; on page 55, line 24, change the period to a semicolon and to add the following words "and (7) that whenever practicable, the operator shall use only articles, materials, and supplies of the growth, production, and manufacture of the United States, as defined in section 505a herein, except when it is necessary to purchase supplies and equipment outside the United States to enable such vessel to continue and complete her voyage, and the operator shall perform repairs to subsidized vessels within the continental limits of the United States, except in an emergency."

Mr. BORAH. Mr. President, what is the effect of the amendment?

Mr. COPELAND. As I understand, the intention is to require the use of materials the product or manufacture of the United States in repairing vessels, and that so far as

possible repairs shall be made in continental American shipyards.

Mr. GUFFEY. The Senator has correctly stated the purpose of the amendment.

Mr. COPELAND. So far as I am concerned, I join my distinguished colleague on the committee in favoring the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. BLACK. Mr. President, I offer an amendment, on page 34, line 19, after the words "Pacific coast", to insert the words "or Gulf coast." I can explain my amendment in about a minute.

The bill provides for a differential in shipbuilding of 6 percent if ships are built on the Pacific coast. Frankly, I am opposed to such a differential. It is my belief that it is not justified. If it is included in the bill, however, I see no reason why it should be limited to the Pacific coast. Therefore I have offered an amendment which would give the same differential to ship construction on the Gulf coast. I am informed by those who assert that they know that there is justification for the differential on the Gulf coast if there is justification for the differential on the Pacific coast.

As I understand the differential, it is to this effect—and if I am wrong I ask to be corrected—if bids are called for in connection with the construction of a ship and a bid is obtained from the Atlantic coast of one amount, and a bid is obtained from the Pacific coast for an amount 6 percent greater, the bid which is 6 percent greater would be considered on a par with the bid from the Atlantic coast. That, as I understand, is the provision which provides for a differential. If that differential is to be given to shipbuilding on the West coast, I see no reason why it should be excluded from shipbuilding on the Gulf coast. Therefore I have offered the amendment.

Mr. COPELAND. Mr. President, I assume that the Senator is facetious in offering the amendment, or else he is loyal to his own section of the country, and I assume it is the latter. I wish to say that I own a house within 500 feet of the shore of the Gulf of Mexico. I believe I also belong in the Gulf section.

Mr. President, surely the Senate will not accept the amendment proposed by the Senator from Alabama. The reason why the Pacific coast was given the advantage of a 6-percent differential was because, after study of the question and a consideration of statistics from the Commerce Department, the Commerce Committee determined that the cost of the materials going into a ship built on the Pacific coast is about 6 percent greater than when the ship is built on the Atlantic coast or on the Gulf. The steel and many other products and materials which are used in the construction of ships must be shipped by rail or by ship through the Canal to the Pacific coast. So there is ample reason why there should be a differential. When the Senator from California [Mr. JOHNSON] presented the amendment at first the percentage proposed was 10 percent. Then, after examination, as I have said, by the Department of Commerce experts, it was found that the fair differential is 6 percent.

Mr. President, I hope the Senate will not accept the amendment for the reasons I have suggested.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Alabama to the amendment.

The amendment to the amendment was rejected.

The PRESIDENT pro tempore. The amendment of the Senator from New York is open to further amendment. If there be no further amendment, the question is on the amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDENT pro tempore. The question is on the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDENT pro tempore. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Radcliffe
Ashurst	Connally	Lewis	Reynolds
Bachman	Copeland	Loftin	Robinson
Bailey	Couzens	Lonergan	Russell
Barkley	Davis	McAdoo	Schwellenbach
Benson	Dieterich	McGill	Sheppard
Bilbo	Duffy	McKellar	Shipstead
Black	Frazier	McNary	Smith
Bone	George	Maloney	Steiwer
Borah	Gerry	Metcalf	Thomas, Okla.
Brown	Gibson	Minton	Thomas, Utah
Bulkley	Glass	Moore	Townsend
Bulow	Guffey	Murphy	Truman
Burke	Hale	Murray	Tydings
Byrd	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Van Nuys
Capper	Hatch	Nye	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Holt	Pittman	Wheeler
Chavez	King	Pope	

The PRESIDENT pro tempore. Seventy-nine Senators having answered to their names, a quorum is present.

The question is, Shall the bill pass?

Mr. COPELAND. Mr. President, I understand the motion to be that all after the enacting clause in House bill 8555 be stricken and that in place of an amendment heretofore offered the bill as perfected may be substituted.

The PRESIDENT pro tempore. The Senator has correctly stated the parliamentary situation.

The question is, Shall the bill pass?

The bill was passed.

The title was amended so as to read: "An act to further the development and maintenance of an adequate and well-balanced American merchant marine, to promote the commerce of the United States, to aid in the national defense, to repeal certain former legislation, and for other purposes."

Mr. COPELAND. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. COPELAND, Mr. SHEPPARD, Mr. GUFFEY, Mr. McNARY, and Mr. GIBSON conferees on the part of the Senate.

Mr. CLARK. Mr. President, I did not insist on a roll-call vote on the ship-subsidy bill, but I desire to have the RECORD show that I voted against the passage of the bill.

FEDERAL EXPENDITURES FOR COTTON COOPERATIVES—EXTENSION OF SENATE RESOLUTION 185

Mr. McKELLAR. I move that the Senate proceed to the consideration of Senate Resolution 313, being Calendar No. 2435.

Mr. LA FOLLETTE. Mr. President, what is the parliamentary situation?

The PRESIDENT pro tempore. The parliamentary situation is that the Senator from Tennessee has moved that the Senate proceed to the consideration of Senate Resolution 313.

Mr. McKELLAR. Mr. President, for the present I again withdraw the motion which I made.

The PRESIDENT pro tempore. The motion is withdrawn.

REGULATION OF INTERSTATE COMMERCE IN BITUMINOUS COAL

Mr. NEELY. Mr. President, I move that the Senate proceed to the consideration of House bill 12800, to regulate interstate commerce in bituminous coal, and for other purposes. The bill is identical with a bill which is on the calendar, known as the Guffey coal bill, except that a few amendments have been made to the text of the Senate bill.

Mr. McNARY. I inquire if that is what is ordinarily referred to as the Guffey coal bill?

Mr. NEELY. Yes; it is the same bill.

Mr. McNARY. Agreeable to a promise made to some Members of the Senate, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Radcliffe
Ashurst	Connally	Lewis	Reynolds
Bachman	Copeland	Loftin	Robinson
Bailey	Couzens	Lonergan	Russell
Barkley	Davis	McAdoo	Schwellenbach
Benson	Dieterich	McGill	Sheppard
Bilbo	Duffy	McKellar	Shipstead
Black	Frazier	McNary	Smith
Bone	George	Maloney	Steiwer
Borah	Gerry	Metcalf	Thomas, Okla.
Brown	Gibson	Minton	Thomas, Utah
Bulkley	Glass	Moore	Townsend
Bulow	Guffey	Murphy	Truman
Burke	Hale	Murray	Tydings
Byrd	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Van Nuys
Capper	Hatch	Nye	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Holt	Pittman	Wheeler
Chavez	King	Pope	

The PRESIDENT pro tempore. Seventy-nine Senators having answered to their names, a quorum is present.

The question is on the motion of the Senator from West Virginia [Mr. NEELY] to proceed to the consideration of House bill 12800.

Mr. BORAH. Mr. President, I understand that the motion to proceed to the consideration of the bill is debatable?

The PRESIDENT pro tempore. It is.

Mr. BORAH. Mr. President, the bill covered by the motion, being House bill 12800, has for its purpose the establishing of machinery for fixing prices for coal which is being shipped in interstate commerce. I suppose a more important measure has not been submitted to the Senate at this session than this particular bill. It proposes to place the Government in the role of fixing prices upon one of our natural resources. I would not have any objection whatever to taking up the measure if it were not for the fact that the Congress is now upon the very eve of final adjournment, and we cannot, in reason, have any more time than today, unless the session continues tonight, and even then, today and tonight, to deal with the subject, because I take it that the tax bill must necessarily come in shortly to be considered, and it is assumed that that bill must be disposed of when it is ready to be considered. In other words, we will be debating this measure under the pressure of adjournment and while Senators are necessarily engaged in considering matters which are always associated with adjournment. I feel that we ought not to consider this measure under these conditions. We cannot do justice to the subject.

I myself am very much opposed to the measure, and I want it understood if the bill shall be taken up that I shall not consider that I am limited in time in presenting it simply because there are no Senators present to hear what I have to say and simply because we are getting ready to adjourn. I do not mean that I shall kill time in order to defeat the measure. I would not do that. But I do mean that I shall take such time as seems reasonable to present so grave a matter notwithstanding the desire and urge to adjourn. It seems to me that we ought to consider this measure under different circumstances and conditions.

There is no reason in the world why we should fix the price of coal if we are not prepared also to fix the price of oil, if we are not prepared to fix the price of gasoline, if we are not prepared to fix the price of all other commodities which may be substituted for coal; and, unless we are prepared to fix the price of the substitutes, this measure will work to the detriment of the coal industry and not to its benefit, and will work to the detriment of labor engaged in the coal industry and not to its benefit. It must be understood that the measure as it is now presented has eliminated the labor provisions of the law which was passed at the last session of Congress. The only thing now with which we are purporting to deal is giving the power to a commission composed, in the majority, of coal owners, to fix the price of coal, and the question of fixing the price of wages, of dealing with labor, has been eliminated from the measure entirely.

It can be seen, therefore, Mr. President, that it not only presents a new proposition but it presents an extraordinarily important proposition, and it occurs to me that we ought not to undertake to dispose of it in the closing hours of the session.

I understand perfectly that the argument is made that there is a situation in the coal industry which requires attention and some relief. If this were a mere emergency measure, and were dealing with a labor situation direct as an emergency measure, much as I might be opposed to it, I should not interpose any objection to its consideration. But, on the face of the bill, this is not an emergency measure. It is a measure proposing permanently to establish the principles of price fixing on the part of the Government of the coal shipped in interstate commerce.

There is involved in it, aside from the question of policy, the question of power to do what it is proposed to do. It is not my purpose at any time during this debate to urge the question particularly of our power. If we have determined upon the policy, I think we have the power, in regulating commerce, to adopt the method of price fixing as a method of regulating commerce. Whether or not this bill comes within that category would have to be determined after examination of the terms of the measure. But, generally speaking, I have no doubt that Congress has the same power to fix prices upon commodities shipped in interstate commerce that a State has to fix prices upon commodities shipped in intrastate commerce. However, the question arises as to whether the bill itself, as drawn, comes within that principle, because it would seem quite clear that the proposal is to undertake to control more than the shipment in interstate commerce. For instance, Mr. President, there are a number of States where the production is in harmony with the consumption in the State, and such States would not be brought under the control of the bill, as a matter of fact, by reason of shipment in interstate commerce. Nevertheless, as I understand the terms of the bill, there is an effort to control even this class of commodities.

Mr. President, almost every conceivable proposition which might arise with reference to establishing a wholly new policy, that of the Government entering into the field of establishing prices and fixing prices for commodities, is involved in this bill. It is an interesting question, and I certainly would not object considering it under any proper conditions; I wish, however, to register my objection to considering it at a time when everybody's mind is fixed on disposing of the tax bill and going home. Do we wish to take up a measure which in fact creates a monopoly and under the protection of the Government permits that monopoly to fix the price of a fuel essential to the health and comfort of millions and do all this while we are packing our trunks for home? I hope we shall not do so.

APPROPRIATIONS FOR TREASURY AND POST OFFICE DEPARTMENTS—CONFERENCE REPORT

Mr. BILBO obtained the floor.

Mr. GLASS. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Virginia?

Mr. BILBO. I shall be glad to yield.

Mr. GLASS. I ask the Senator to yield to me in order that I may submit a conference report on the Treasury and Post Office Departments appropriation bill, and request the Senate to consider it. The measure has been delayed now for 8 weeks, and it ought to be disposed of. There is but one item in disagreement, and that has now been adjusted.

Mr. BILBO. I shall be glad to yield, with the understanding that I do not lose my place on the floor.

Mr. GLASS. I present the conference report on the bill.

The PRESIDENT pro tempore. The conference report will be read.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 48 and 52, and the amendment of the House to the amendment of the Senate numbered 49 to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 48.

Amendment numbered 49: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 49, and agree thereto.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"Payments Under Merchant Marine Act Contracts: For payments under contracts entered into by the Postmaster-General prior to March 4, 1933, or any modification thereof, under the provisions of the Merchant Marine Act of 1928 (U. S. C., title 46, secs. 891–891x), $26,500,000, of which $4,500,000 is an estimated amount representing the equivalent poundage-rate cost of transportation of the mail carried on vessels under such contracts and $22,000,000 is an estimated amount representing additional assistance toward the development of the American merchant marine: *Provided*, That no part of this sum shall be paid on contract numbered 56 to the Seatrain Company."; and the Senate agree to the same.

CARTER GLASS,
KENNETH MCKELLAR,
CARL HAYDEN,
FREDERICK STEIWER,
Managers on the part of the Senate.

LOUIS LUDLOW,
JOHN J. BOYLAN,
EMMET O'NEAL,
JOHN TABOR,
CLARENCE J. MCLEOD,
Managers on the part of the House.

Mr. GLASS. I now ask unanimous consent for the present consideration of the report.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Virginia to proceed to the consideration of the conference report indicated by him.

Mr. BLACK. I object to considering the conference report at this time.

The PRESIDENT pro tempore. Objection is made to the consideration of the conference report.

Mr. GLASS. I move that the Senate proceed to the consideration of the conference report.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Virginia.

Mr. BLACK. I desire to discuss the motion.

The PRESIDENT pro tempore. The question of proceeding to the consideration of a conference report is not debatable. The question is on the motion of the Senator from Virginia to proceed to the consideration of the conference report.

Mr. BLACK. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Reynolds
Ashurst	Connally	Lewis	Robinson
Bachman	Copeland	Loftin	Russell
Bailey	Couzens	Lonergan	Schwellenbach
Barkley	Davis	McAdoo	Sheppard
Benson	Dieterich	McGill	Shipstead
Bilbo	Duffy	McKellar	Smith
Black	Frazier	McNary	Steiwer
Bone	George	Maloney	Thomas, Okla.
Borah	Gerry	Metcalf	Thomas, Utah
Brown	Gibson	Minton	Townsend
Bulkley	Glass	Moore	Truman
Bulow	Guffey	Murphy	Tydings
Burke	Hale	Murray	Vandenberg
Byrd	Harrison	Neely	Van Nuys
Byrnes	Hastings	Nye	Wagner
Capper	Hatch	O'Mahoney	Walsh
Caraway	Hayden	Pittman	Wheeler
Carey	Holt	Pope	
Chavez	King	Radcliffe	

The PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

The question is on the motion of the Senator from Virginia [Mr. GLASS] to proceed to the consideration of the conference report on the Post Office and Treasury Departments appropriation bill.

Mr. BILBO. Mr. President——

The PRESIDENT pro tempore. The Senator from Mississippi has the floor.

Mr. SCHWELLENBACH. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Washington will submit his parliamentary inquiry.

Mr. SCHWELLENBACH. Mr. President, I inquire whether or not, in view of the fact that the Senate has just passed a bill upon the subject of ship subsidies, it is possible in a conference report to present to the Senate the question of the continuation of the present ship-subsidy system by the inclusion in the conference report of an item of appropriation of $29,000,000 for ship subsidies.

The PRESIDENT pro tempore. The Chair is under the impression that that question is more a matter of argument which the Senator or the Senate might determine better than could the Chair.

Mr. BLACK. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BLACK. Would it be proper or improper for the Chair to state whether or not the conference report, which it is desired to consider at this time, contains an appropriation of $29,000,000 or thereabouts for the purpose of carrying out the old ship-subsidy contracts?

The PRESIDENT pro tempore. The Chair does not consider that it would be proper for him to state what is in a written report. The report speaks for itself.

Mr. BLACK. I ask for the yeas and nays on the motion of the Senator from Virginia.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. KING (when his name was called). On this question I have a pair with the Senator from New Jersey [Mr. BARBOUR]. Therefore I withhold my vote.

The roll call was concluded.

Mr. DAVIS. I announce my general pair with the junior Senator from Kentucky [Mr. LOGAN]. I understand that if he were present he would vote as I am about to vote, and I am therefore at liberty to vote. I vote "yea."

Mr. BILBO (after having voted in the negative). I have a general pair with the senior Senator from Iowa [Mr. DICKINSON]. I transfer that pair to the senior Senator from South Carolina [Mr. SMITH] and let my vote stand. I am not advised how either the Senator from Iowa [Mr. DICKINSON] or the Senator from South Carolina [Mr. SMITH] would vote if present.

Mr. MCNARY. I announce the following general pairs:

The Senator from Vermont [Mr. AUSTIN] with the Senator from Alabama [Mr. BANKHEAD];

The Senator from Maine [Mr. WHITE] with the Senator from Massachusetts [Mr. COOLIDGE]; and

The Senator from New Hampshire [Mr. KEYES] with the Senator from Louisiana [Mrs. LONG].

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], and the Senator from Nevada [Mr. MCCARRAN] are detained from the Senate on account of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Oklahoma [Mr. GORE], the Senator from Florida [Mr. LOFTIN], the Senator from Kentucky [Mr. LOGAN], the Senators from Louisiana [Mrs. LONG and Mr. OVERTON], the Senator from California [Mr. MCADOO], the Senator from New Jersey [Mr. MOORE], the Senator from South Carolina [Mr. SMITH], and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

The result was announced—yeas 53, nays 16, as follows:

YEAS—53

Adams	Bulow	Chavez	Duffy
Bachman	Burke	Connally	George
Barkley	Byrd	Copeland	Gerry
Borah	Byrnes	Couzens	Gibson
Brown	Caraway	Davis	Glass
Bulkley	Carey	Dieterich	Hale

Harrison	Maloney	Robinson	Tydings
Hastings	Metcalf	Russell	Vandenberg
Hatch	Minton	Sheppard	Van Nuys
Hayden	Murphy	Stelwer	Wagner
Lewis	Neely	Thomas, Okla.	Walsh
Lonergan	Pittman	Thomas, Utah	
McKellar	Radcliffe	Townsend	
McNary	Reynolds	Truman	

NAYS—16

Benson	Clark	La Follette	O'Mahoney
Bilbo	Frazier	McGill	Pope
Black	Guffey	Murray	Schwellenbach
Bone	Holt	Nye	Shipstead

NOT VOTING—26

Ashurst	Costigan	Loftin	Norris
Austin	Dickinson	Logan	Overton
Bailey	Donahey	Long	Smith
Bankhead	Gore	McAdoo	Wheeler
Barbour	Johnson	McCarran	White
Capper	Keyes	Moore	
Coolidge	King	Norbeck	

So Mr. GLASS' motion was agreed to, and the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes.

Mr. BILBO. Mr. President——

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. BILBO. Mr. President——

Mr. BLACK. The Senator from Mississippi is trying to obtain the floor, and has the floor, as I understand.

The PRESIDENT pro tempore. The Chair did not intend to cut off any speech. He wishes to say, however, so far as the present occupant of the chair is concerned, that if a Senator yields for a roll call, or yields for any other purpose, he loses the floor, but will be recognized again.

Mr. BLACK. That is what the Senator from Mississippi is asking for.

Mr. BILBO. I am now asking for the floor.

The PRESIDENT pro tempore. The Chair does not intend to cut off the Senator, but wishes to state that the Chair has stated the pending question. The question is on the adoption of the conference report. If the Senator from Mississippi desires recognition, the Chair will recognize him.

Mr. BILBO. I thank the Chair.

Mr. President, at the time I secured the floor there was pending before the Senate a motion to take up for consideration the bill known as the Guffey coal bill. I obtained the floor not for the purpose of discussing the Guffey coal bill, although the subject I propose to discuss may present some of the colors of coal, and some of the facts I propose to give to the Senate, when brought into connection with real truth and orderly government, may produce the heat that coal would produce under proper conditions.

As I understand, the motion to take up the conference report on the Post Office and Treasury Departments bill is a privileged motion, and by vote of the Senate the report is now open for discussion.

It was my understanding, when we had under consideration the Copeland compromise bill on the ship-subsidy question, that it would pass by agreement without even a roll call. The understanding, as stated by several Senators, was that the Congress found itself between the devil and the deep blue sea on the question of ship subsidy, because there is in the bill which is now before the Senate in the form of a conference report an appropriation of $26,000,000 or $29,000,000 which is clearly understood to contain indirect subsidies, and that upon investigation the Postmaster General has reported that all the ocean-mail carrying could be accomplished with about $4,000,000, leaving in the neighborhood of $22,000,000 of pure subsidy for the shipbuilding companies.

It was understood by those who are opposed to ship subsidies—and I am opposed to any sort or kind of a ship subsidy—that the preferable dose that we had to swallow at this session of Congress was the Copeland bill, and we swallowed it only with the understanding that the twenty-six or twenty-two million dollars would be extracted from the measure now under consideration. To force the Senate at this time to adopt the pending conference report, which carries in it twenty-six or twenty-nine million dollars, of which twenty-two million dollars is pure subsidy to the shipping companies, to my mind is not exactly a square deal to those on the floor of the Senate who are opposed to ship subsidies. It strikes me, therefore, that action on the conference report should be suspended until the House shall have acted upon the Copeland bill.

I have had some experience in legislative matters down in my home State. I always preached and tried to practice the doctrine of square dealing, even in legislative matters. Nothing is to be gained by such tactics as those to which I have referred. As a matter of fact, I am willing to join now with those who are opposed to handing out the public funds to the favored few, and speak until Congress shall adjourn.

The subject to which I wish to call attention on this occasion is a continuation of my discussion yesterday of the judiciary; but I have prepared some statements to be made, and I should like the especial attention of the Senators who are interested in this subject while I give them my observations.

It has been said by Alexander Hamilton, who happens to be the idol or ideal of some public men in America, that "the interpretation of the laws is the proper and peculiar province of the courts." Mark you, I said "interpretation." It is the courts' constitutional right to ascertain and determine the meaning of any particular act passed by a legislative body. Due to a weakness or incapacity inherent in all languages, it is impossible for our lawmakers to convey with fixed precision and accuracy the meaning at all times intended and sought to be embodied in a given statute. Hence, it follows that different conclusions may be drawn and widely varying constructions placed upon the declaratory acts of a legislative department of government. Anyone who has had experience in legislative matters knows that that is true.

This unavoidable condition would seem to impose upon the judges in our courts additional discretionary powers to those frequently found in the text of the law itself. It therefore follows that the people are governed in many instances not by the law as written by the legislative body, but by the law as understood by the courts. Congress may write the laws, but the courts interpret and construe them, and by so doing necessarily themselves engage in the business of legislating.

From this fact arises the importance not only of selecting for the judiciary men of the highest integrity and the utmost probity, men whose minds and hearts evidence a sympathetic understanding and appreciation of the intricate and perplexing problems to be adjudicated in a changing world, but also of reviewing from time to time, with strict and severe scrutiny, the records of those who have been entrusted with judicial authority.

Thomas Jefferson, in a letter addressed to Mr. Jarvis, the editor of a newspaper called The Republican, September 28, 1820, said:

> Our judges are as honest as other men and not more so. They have, with others, the same passions for party, for power, the privilege of their corps. * * * Their power is the more dangerous as they are in office for life, and not responsible, as the other functionaries are, to the elective control.

Again, in a letter to Monsieur A. Coray, dated October 31, 1823, Mr. Jefferson wrote:

> At the establishment of our Constitution, the judiciary bodies were supposed to be the most helpless and harmless members of the Government. Experience, however, soon showed in what way they were to become the most dangerous; that the insufficiencies of the means provided for their removal gave them a freehold and irresponsibility in office; that their decisions, seeming to concern individual suitors only, passed silent and unheeded by the public at large; these decisions, nevertheless, become law while precedent, sapping by little and little the foundations of the Constitution, and working its change by construction before anyone has perceived that that invisible worm has been busily employed in consuming its substance. In truth, man is not made to be trusted for life, if secured against all liability to account.

It is well, at this time, that the Congress begin to turn here and there an all-searching eye upon the general activities and adjudications of that great body of men comprising our Federal judiciary. We have had occasion very recently to turn the great searchlight of investigation upon the official conduct and divers machinations of a Florida Federal judge, with the result that he was impeached by the House of Representatives and removed from office by the Senate.

Not so long ago, special Senate and House committees made reports with respect to bankruptcies and receiverships, concerning which the words "despicable" and "unconscionable" were used in describing prevailing practices. Throughout the past, bankruptcy acts, as they apply to bankers, corporations, and large mercantile interests, have been so laxly enforced and judicially interpreted that it was by no means difficult to defraud creditors and escape with the proceeds. A propertied bankrupt can conceal his assets and through the assistance of adroit lawyers and a corrupt judge be given complete liberation on quibbling technicalities.

It is an old adage that property rights are sacred in the United States, but Congress in these investigations has found an exception to this that was thought to be a truism. Bankruptcy and receivership proceedings have been used to destroy property and loot the savings of the thrifty. The amazing thing about it all is that this looting is done "with due process of law." The Federal judges name receivers and trustees for reorganization, and not only that, but these judges have the last say about the things these receivers and trustees do, and also fix the fees they receive.

This investigation shows that almost invariably the stockholders in these bankrupt institutions receive nothing while the trustees and the bondholders' committees and the attorneys are paid fabulous sums for their services. The Senate committee found in one case that $4.97½ was paid in fees for every dollar paid to general creditors. All these things were accomplished through the tacit acquiescence of the judge whose duty it was to pass judgment upon the merits of the object sought to be obtained.

In the Richfield Oil receivership in southern California, the committee found that no creditor had received any part of his claim when the receivership was 32 months old. The book value of assets during that time showed a shrinkage from $130,000,000 to $41,949,000. A subsequent appraisal disclosed assets of $23,821,000. The receiver had piled up an operating loss of $10,594,210, but during that time the attorneys, auditors, appraisers, and receiver received in fees $1,500,000. All of this was accomplished with the full knowledge and understanding of a tacitly agreeing judge.

The cloistered concurrence of indiscriminating and corrupt judges in the unfair and unjust proposals of designing and scheming attorneys are never flashed in bold headlines across the pages of the newspapers. These secret settlements of large corporate and business interests behind closed doors, effected oftentimes by partisan judges and high-salaried and high-powered lawyers, dissipating the funds of the institution in question to the detriment of small investors after a manner highly profitable to the larger stockholders and creditors upon whose shoulders a rightful proportionate share of the losses should be borne, are seldom brought into the great white light of publicity.

My own efforts in a recent hearing before the Judiciary Committee of this body to bring out irregularities and improper adjustments with respect to the liquidation of the First National Bank of Gulfport and the First National Bank in Gulfport proved fruitless on account of being denied by the committee the opportunity to submit competent and relevant testimony with respect thereto and all of this in spite of the fact that I was in position to make proof that through the improper exercise of this discretionary power that reviewing and approving judge permitted the dissipation of the funds which these banks had bought, to the great loss of depositors and small stockholders, while millionaire stockholders, creditors, and certain speculating debtors were shown every possible form of favoritism.

Not only have property rights, for so long a time held sacred in the United States, been disregarded and denied proper protection by the Federal judiciary, but human rights and liberties as well.

Permit me to bring to the attention of the Senate one outstanding instance: A citizen in Mississippi, by the name of William Pace, on January 11, 1932, was indicted for violation of the National Prohibition Act. This petitioner, on April 18, 1932, pleaded guilty to this indictment in two counts charging him with having, on January 11, 1932, unlawfully possessed and sold intoxicating liquor without setting forth any particular amount of whisky so possessed and sold. Pace was sentenced by Judge Edwin R. Holmes to be confined in the United States Penitentiary at Atlanta, Ga., for a period of 1 year and 1 day from the date of his delivery. The indictment to which William Pace pleaded guilty, omitting the caption, read as follows:

> The grand jurors of the United States, impaneled, sworn, and charged at the term aforesaid of the court aforesaid, on their oath present, that on or about the 11th day of January 1932, in the county of Washington, in the western division of said district, and within the jurisdiction of said court, William Pace did knowingly, willfully, and unlawfully possess intoxicating liquor, to wit, whisky fit for use and intended for use for beverage purposes, said act being then and there prohibited and unlawful; and being further in violation of and otherwise than as authorized or permitted by the National Prohibition Act, contrary to the form of the statute in such case made and provided, and against the peace and dignity of the United States.
>
> Count 2. And the grand jurors aforesaid, on their oath aforesaid, do further present, that the said William Pace, on the 11th day of January 1932, in the county of Washington, in the western division of said district, and within the jurisdiction of said court, did knowingly, willfully, and unlawfully sell intoxicating liquor, to wit, whisky fit for use and intended for use for beverage purposes, said act being then and there prohibited and unlawful; and being further in violation of and otherwise than as authorized or permitted by the National Prohibition Act, contrary to the form of the statute in such case made and provided, and against the peace and dignity of the United States.

On November 17, 1932, Pace filed an application for a writ of habeas corpus, on the ground that the sentence was void because in excess of what could be lawfully imposed under the amendment of January 15, 1931, to the Jones amendment of the National Prohibition Act. This application came before Judge Underwood, of the Federal district court at Atlanta, Ga., for hearing. Pace was given his freedom by Judge Underwood. Permit me at this juncture to quote from the decision of Judge Underwood:

> The question presented is, then, whether an indictment for the sale of whisky, brought under the Prohibition Act, as amended January 15, 1931, for an offense committed after January 15, 1931, which fails to allege that the amount of intoxicating liquor involved is more than 1 gallon, will support a sentence greater than the maximum authorized by said amendment and directing imprisonment in a penitentiary.
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> Under the Jones law (45 Stat. 1446), prior to its amendment, the quantity of the liquor sold was immaterial, and the same sentence, up to a maximum of 5 years in the penitentiary, could be imposed, whether the amount involved was 1 or 100 gallons. There was a provision which informed the courts that it was the "intent of Congress that the court, in imposing sentence hereunder, should discriminate between casual or slight violations and habitual sales of intoxicating liquor, or attempts to commercialize violations of the law."
>
> This proviso, however, was "only a guide to the discretion of the court in imposing the increased sentences for those offenses for which an increased penalty is authorized by the act." * * * Apparently sentences under the Jones law, despite the expressed intent of Congress, oftentimes were so severe for minor offenses, or by Congress thought to be, that this wide discretion left the judges was restricted by the amendment of January 15, 1931, which undertook to classify as casual or slight violations all transactions involving 1 gallon of intoxicating liquor or less, provided the defendant had not, within 2 years, been convicted of violating the National Prohibition Act and was not a habitual violator, and fixed the maximum term of imprisonment at 6 months in jail, which, of course, could not be served in a penitentiary.
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> * * * * * * *
>
> This amendment carved out certain offenses from the Jones law and made them misdemeanors, leaving the others punishable as felonies. There could not be included in the latter class any case which falls in the misdemeanor class, and any sentences imposed in the last-mentioned class which exceed the maximum penalty provided by the amendment, or provide for the service of such sentences in a penitentiary, would be void as beyond the jurisdiction of the court and subject to be set aside on a habeas-corpus proceeding.

This being true, the indictment must allege, as essential elements of the offense, the fact that more than 1 gallon of liquor is involved or that defendant has been convicted within 2 years of violation of the act or was engaged in habitual violations of same. If such allegation is not made, the indictment will be held to allege the lesser offense only, and any sentence providing for imprisonment in a penitentiary or in a jail beyond the maximum term provided by the amendment would be void.

This case thereafter was appealed to the Circuit Court of Appeals for the Fifth Circuit, and was entitled *Aderhold* v. *State* (65 Fed. (2d) 790). Judge Nathan P. Bryan rendered the opinion in this case. Judge Bryan, now deceased, is the man whom Judge Edwin R. Holmes succeeded, and Judge Holmes is the man who sentenced William Pace unlawfully. Permit me now to quote the decision of Judge Bryan, confirming the decision of Judge Underwood:

We think the decision was correct. Under the National Prohibition Act the maximum imprisonment authorized for the first offense of selling was 6 months. By the Jones Act of March 2, 1929, it was increased to 6 years, regardless of quantity; but by the amendment of January 15, 1931, the maximum punishment originally provided for a first offense in the event of a sale of not more than 1 gallon was restored, and was in force in 1932 when Pace made the sale on account of which he was indicted. Before the amendment of 1931, the severity of the sentence did not necessarily depend on the quantity of liquor sold, and it was therefore held that the quantity need not be alleged in the indictment. * * * But since the adoption of that amendment the quantity alleged to have been sold becomes of vital importance to the defendant. If he sells a gallon or less, he has committed a misdemeanor and cannot be punished by imprisonment exceeding 6 months in jail; whereas if he sells more than a gallon, he has committed a felony and can still be imprisoned for 5 years in the penitentiary. The indictment ought, therefore, to allege whether the sale was of a gallon or less, or of more than a gallon. Without such an allegation the trial court has no guide for determining the maximum punishment which he is authorized by law to impose.

William Pace was not the only man unlawfully sentenced by Judge Holmes. Hundreds of others in Mississippi, since the passage on January 15, 1931, of an amendment to the Jones Act, have been unlawfully sentenced to be confined in the United States penitentiary for the sale or possession of a gallon or less than a gallon of intoxicating liquor, and under indictments identical in form to the one to which William Pace pleaded guilty.

Mr. President, my colleagues on the floor of the Senate will well remember how on the 19th day of March, when the Holmes confirmation case was before the Senate, I recited in detail how I had begged and pleaded with the subcommittee, of which the junior Senator from Nebraska was chairman, as well as with the whole committee itself, to permit me to bring before the Senate the depositors committee of the First National Bank of Gulfport, the First National Bank in Gulfport, and other competent witnesses who had first-hand information, to establish the fact that Judge Holmes had knowingly approved settlements and issued orders in the liquidation of these banks involving assets of over $4,000,000, wrecking financially close on to 6,000 depositors, many of whom were widows, laboring people, young men who had worked for years to get money to go to college, and releasing from just liabilities the rich and politically powerful. Senators will also remember that I pleaded with them to let me bring the records and other competent witnesses—not bootleggers—to show conclusively that Judge Holmes had openly and flagrantly violated the laws of Congress and had flown into the face of decisions of the Federal courts in this country, and had sent hundreds of my constituents to the penitentiary, some of whom came from some of the best families of my State, and were branded with the name of felon because of this judge's indifference, indolence, carelessness, viciousness, and recklessness. The subcommittee and the full committee, for reasons best known to themselves, refused to give me that opportunity. Senators will remember that I made my plea to the Senate to recommit the case in order that I should have an opportunity to show those facts. The Senate refused, largely, I take it, because of the custom to follow the recommendations of its committees.

Now, as a matter of vindication of my position, and in substantiation of my claim, I have made a partial investigation on my own account of some of the facts that were kept from the knowledge of the Senate. I have done this because I did not want any Senator to think for one minute that I would make claims which could not be substantiated by the records and by competent evidence. I secured the services of two reputable attorneys; I had one of them read all the indictments found in the records at Jackson, Miss., charging Federal violation of the liquor law since January 15, 1931. Out of 78 indictments he found that Judge Holmes had sent 50 of my constituents to the Federal penitentiary in open violation of the laws of Congress, the indictments charging only misdemeanors. I had the other attorney read all the indictments on file in the Federal court at Biloxi, Miss., and out of 135 indictments for violation of the Federal prohibition law, Judge Holmes sent 63 persons to the Federal penitentiary when they were indicted and charged with being guilty of only misdemeanors. This is only a partial list, as I have not had the opportunity, up to the present time, to get the records checked at the other points where Judge Holmes held court in the southern district of Mississippi. Here is a record of 113 citizens of my State, my constituents, most of them white men, indicted for misdemeanors carrying with them a maximum penalty in each case of only $500 fine and 6 months in jail without hard labor, yet this judge was either so ignorant of the law which he was sworn to execute, or he was so indifferent to the rights of the citizens of this country, or so vicious and tyrannical that he robbed them of their liberty and of their rights under the laws and Constitution of our common country and sent them to the Federal penitentiary, branding them as felons for life, placing the shadow and odium upon their names and their wives and children and loved ones for all time to come. Remember this is only half the story—this is only a partial list of the unfortunate victims of this judge's indolence, wickedness, tyranny, and viciousness. I am giving the Senate the penitentiary number of each victim, his name, date of sentence, and length of sentence, and here they are:

List of citizens sentenced to Federal penitentiary by Judge Holmes on misdemeanor indictments

No.	Name	Date of sentence	Length of sentence	Race
36982	Tom A. Bass	Feb. 19, 1931	1 year and 1 day	White.
36983	H. D. McGraw	Feb. 18, 1931	do	Do.
36984	P. N. Moore	Feb. 25, 1931	do	Do.
36985	L. D. Ross	Feb. 24, 1931	do	Do.
36986	J. C. Jackson	Feb. 18, 1931	do	Do.
36987	Bill Walker	do	do	Do.
36988	Tony J. Ladner	Feb. 17, 1931	do	Do.
36990	Tom Jones	Feb. 24, 1931	do	Do.
36993	Johnny Clark	Feb. 23, 1931	do	Do.
37000	Hermon McCleod	Feb. 19, 1931	do	Do.
37002	D. H. Kyker	do	3 years	Do.
37003	John Flemings	Feb. 18, 1931	1 year and 1 day	Do.
37004	John Dogan	do	do	Do.
37007	Henry Bills	do	do	Do.
37008	George Ladner	Feb. 19, 1931	do	Negro.
37348	Bill Carmichael	Mar. 31, 1931	1 year and 3 months	Do.
37598	Dewey G. Morris	Apr. 22, 1931	2 years	White.
38413	William C. Mikelson	June 2, 1931	1 year and 1 day	Do.
40415	Roy Price	Feb. 23, 1932	do	Do.
40416	Ellis Turbaugh	Feb. 17, 1932	do	Negro.
41314	John L. Owen	June 7, 1932	do	White.
41315	Joseph W. Dees	do	2 years	Do.
41318	Frank Crutchfield	June 9, 1932	1 year and 1 day	Do.
41319	W. D. Holder	June 8, 1932	do	Do.
41320	H. M. Spears	June 7, 1932	1 year and 6 months	Do.
41321	Eli Bilbo	do	1 year and 1 day	Do.
41323	Dewey Blackburn	do	do	Do.
41324	George Newbill	do	1 year and 6 months	Do.
41326	Homer W. Smith	June 8, 1932	do	Do.
41327	Vincent Spiglett	do	1 year and 1 day	Do.
41328	Lewis A. Redmond	do	do	Do.
41329	Colbis Ladner	do	do	Do.
41330	Vincent Ferranda	do	do	Do.
41331	C. Ekland	do	do	Do.
41333	Johnny Whitehead	do	do	Do.
41335	Dewey Driver	do	do	Do.
41336	Dan Calhoun	do	3 years	Do.
41337	Sam Jones	do	1 year and 1 day	Negro.
41359	Eura Waters	June 13, 1932	do	White.
41362	Walter Collins	do	do	Do.
41363	Bill Garriga	do	do	Do.
41364	Collin Ladner	June 7, 1932	do	Do.
41365	Ramzy Cameron	June 13, 1932	do	Do.
41366	Melvin Simmons	June 14, 1932	2 years and 6 months	Do.
41367	Adolph Herring	do	2 years	Do.
41368	Hubert Suber	June 13, 1932	1 year and 1 day	Negro.
41369	Will Smith	do	do	Do.
42711	Lowen Cuevas	Feb. 20, 1933	do	White.
42712	Philman Cuevas	do	do	Do.

List of citizens sentenced to Federal penitentiary by Judge Holmes on misdemeanor indictments—Continued

No.	Name	Date of sentence	Length of sentence	Race
42713	Orvill Cuevas	Feb. 20, 1933	1 year and 1 day	White.
42714	Damis Moran	do	do	Do.
42716	William S. Halles	do	do	Do.
42719	Albert Necaise	Feb. 21, 1933	do	Do.
42720	Herbert Lillis	do	do	Do.
42722	Oakley Rials	Feb. 22, 1933	do	Do.
42723	Robert Castellowe	do	2 years	Do.
42724	Willie Bates	Feb. 23, 1933	do	Do.
42726	Jack Preston	Feb. 22, 1933	1 year and 1 day	Do.
42734	Thomas King	do	do	Do.
42738	George W. Knight	Feb. 23, 1933	3 years	Do.
42815	S. J. Tollefson	Mar. 8, 1933	1 year and 1 day	Do.
41357	Edward Depew	June 13, 1932	do	Do.
42503	Fred Scarborough	Feb. 20, 1932	do	Do.
39647	N. R. Brown	Nov. 4, 1931	do	Negro.
39648	Jack Cotton	do	do	Do.
39649	Walter Hughes	Nov. 5, 1931	do	Do.
39650	Ish Sandifer	Nov. 4, 1931	do	Do.
39651	William Smith	do	do	Do.
39652	Walter Murray	do	do	Do.
39655	Clyde Coleman	Nov. 3, 1931	do	Do.
39798	Claud Faulk	Nov. 4, 1931	1 year and 6 months	White.
39799	Harry Kilby	Nov. 10, 1931	1 year and 1 day	Do.
39800	Alfred Giles	do	do	Negro.
40476	Grover Hoover	Mar. 10, 1932	do	White.
40477	Harvey Evans	Mar. 7, 1932	do	Do.
40910	J. W. Culpepper	May 3, 1932	2 years	Do.
40911	J. McDonald	do	1 year and 1 day	Do.
40913	Johnny Wells	May 4, 1932	2 years	Do.
40915	Arthur Austin	May 5, 1932	1 year and 1 day	Negro.
42173	Walter Sant	Nov. 9, 1932	do	White.
42954	Ernest Johnson	Apr. 3, 1933	1 year and 6 months	Do.
42956	Sam Loveless	do	do	Do.
42957	Ernest Rogers	Apr. 4, 1933	1 year and 1 day	Do.
42958	Robert Harrison	do	2 years	Do.
42960	Hicks Jackson	do	1 year and 1 day	Negro.
42961	Nathan Veal	Apr. 3, 1933	1 year and 6 months	Do.
37993	Ernest H. Logan	May 23, 1931	1 year and 1 day	White.
37996	C. Coleman	do	do	Negro.
37007	W. H. Lowe	do	5 years	White.
39617	A. J. Comfort	Nov. 8, 1931	1 year and 1 day	Do.
39619	R. B. Harper	do	do	Do.
39620	Lewis Burton	do	do	Do.
39621	Red Fairley	do	do	Do.
39622	Irwin Holmes	do	1 year and 6 months	Do.
39625	James P. Smith	do	do	Do.
39626	Edgar Nevland	do	2 years and 6 months	Do.
39627	Johnny Williams	do	1 year and 1 day	Do.
39628	J. L. Sandall	do	do	Do.
39629	Jonathan Day	do	3 years	Do.
39630	Garrett Longmayer	do	1 year and 1 day	Do.
39631	Lee Newman	do	do	Do.
39632	N. R. Brown	do	1 year and 6 months	Do.
39633	Chalmers Richardson	do	1 year and 1 day	Do.
39635	Homer Ponder	do	do	Do.
39636	Joe Case	do	do	Do.
39637	Harry Hill	do	do	Do.
39638	Robert Brewer	do	do	Do.
39639	Frank Mullins	do	do	Do.
39640	Percy Carruthers	do	do	Do.
39641	Harry Shoemake	do	5 years	Do.
39642	Claude Gray	do	1 year and 1 day	Do.
39643	James Henderson	do	3 years	Negro.
39646	Johnny Williams	do	1 year and 1 day	Do.
39645	Willie Evans	do	3 years	Do.
39644	Sam Scott	do	1 year and 1 day	Do.

As I have already stated, a few weeks ago, this Senate, upon an indictment, impeached Judge Ritter, largely because, in violation of law, he took a few paltry dollars which did not belong to him. We removed him, we drove him from the Federal judiciary of the United States. Now here is a judge who has robbed more than 113 citizens of this country of something far more valuable than money. By an examination of this list Senators will find that he has worked at hard labor in the penitentiary these 113 citizens altogether over 141 years, or 51,672 days, or 1,240,128 hours, all without authority of law. No tyrannical despot, or vicious and heartless oppressor of humanity who has ever disgraced civilization has committed such a crime. Yet we are supposed to be living in a land of law and order, freedom and justice.

I believe that simple justice demands that Congress pass a relief act for each and every citizen Judge Holmes has sent to the penitentiary in violation of law, paying, or in part compensating him for the time he served unjustly in the Federal penitentiary. Mere dollars can never repair the great injustice done, but, in a measure, will compensate him for the time spent at hard labor. This great crime was committed in the name of the Government, and by an agent of the Government. Then why should not the Government pay for the great injury done?

I will, from time to time, give the Senate more and more of this judge's record as I continue my investigation—a record which is a disgrace to our Government and a black spot on our judiciary that can and should be removed.

Mr. HOLT. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LOFTIN in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Radcliffe
Ashurst	Connally	Lewis	Reynolds
Bachman	Copeland	Loftin	Robinson
Bailey	Couzens	Lonergan	Russell
Barkley	Davis	McAdoo	Schwellenbach
Benson	Dieterich	McGill	Sheppard
Bilbo	Duffy	McKellar	Shipstead
Black	Frazier	McNary	Smith
Bone	George	Maloney	Steiwer
Borah	Gerry	Metcalf	Thomas, Okla.
Brown	Gibson	Minton	Thomas, Utah
Bulkley	Glass	Moore	Townsend
Bulow	Guffey	Murphy	Truman
Burke	Hale	Murray	Tydings
Byrd	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Van Nuys
Capper	Hatch	Nye	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Holt	Pittman	Wheeler
Chavez	King	Pope	

Mr. LEWIS. I announce the absence of certain Senators and the reasons therefor as on a previous roll call.

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the following bills and joint resolution:

S. 1896. An act to provide for interest payments on American Embassy drafts;

S. 2293. An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States;

S. 4784. An act to permit mining within the Glacier Bay National Monument; and

S. J. Res. 251. Joint resolution granting the consent of Congress to the city and county of San Francisco to construct a causeway and highways on Yerba Buena Island in San Francisco Bay, and for other purposes.

The message also announced that the House had passed the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills and joint resolution of the House:

H. R. 237. An act for the relief of the Rowesville Oil Co.;

H. R. 254. An act for the relief of the Farmers' Storage & Fertilizer Co., of Aiken, S. C.;

H. R. 11103. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.; and

H. J. Res. 179. Joint resolution authorizing the President to present in the name of Congress a Medal of Honor to J. Harold Arnold.

The message also announced that the House had passed a joint resolution (H. J. Res. 639) to provide certain administrative expenses for the Division of Territories and Island Possessions, Department of the Interior, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 639) to provide certain administrative expenses for the Division of Territories and Island Possessions, Department of the Interior, and for other

purposes, was read twice by its title and referred to the Committee on Appropriations.

ADMINISTRATIVE EXPENSES, DIVISION OF TERRITORIES AND ISLAND POSSESSIONS

Mr. HAYDEN. Mr. President, by direction of the Committee on Appropriations, I report back favorably without amendment the joint resolution (H. J. Res. 639) to provide certain administrative expenses for the Division of Territories and Island Possessions, Department of the Interior, and for other purposes. I ask for the immediate consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. TYDINGS. Mr. President, I have just come into the Chamber. What is the resolution under consideration?

The PRESIDING OFFICER. It is House Joint Resolution 639, to provide certain administrative expenses for the Division of Territories and Island Possessions, Department of the Interior, and for other purposes.

The question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed.

INTERNAL-REVENUE TAXATION

Mr. VANDENBERG. Mr. President, inasmuch as the new tax bill has now apparently been agreed upon, and we are generally informed respecting its terms, I wish to make a very brief statement respecting my opinion of it.

I desire to register in a few brief sentences my reasons for opposing this tax atrocity. I consider it to be a climax in the unsound, wishful, disruptive economics which have become the national curse. It races toward the further destruction of every real impulse which would encourage recovery, reemployment, and recaptured security. It is at war with the public welfare and will fall like a plague upon many of its victims. It will deserve the thundering rebuke which the American people will register against it when they understand what has been done to them.

In the first place, the conference report brings us essentially a new bill which never has been put to the probe of congressional debate. It is the makeshift product of a star-chamber House and Senate conference, which in sheer desperation has subordinated principle to expediency. It, as is our weary action on it, is precipitated more by an anxiety to adjourn than by any such adequate consideration as ought to precede a new levy of some $700,000,000 upon the already breaking backs of American taxpayers. To pretend that we proceed deliberatively would be the sum total of political hypocrisy, because we do not. This is a blind and sinister speculation in the rights and resources of 125,000,000 people. Irresponsibility will not soon register a greater conquest.

In the second place, this bill reaches for more and ever more revenue without any semblance of corollary effort to economize—to economize even just a little—in Government expenditures. We still linger in the blighting era of the great pay off. Every penny which this new and deadly tax proposes to raise could be obtained out of current economies if there were the remotest disposition to curb the bureaucratic spendthrift system which has attached itself like a vampire to the blood stream of the public credit.

In the third place, this punitive tax on surplus is the latest and the worst of the serial assaults that are being made on thrift and prudence, at a moment when these old-fashioned "horse and buggy" virtues are prerequisite to the restoration of the national character and equilibrium. The amazing idea that "rainy day" precautions have come to be a vice, to be discouraged by law, is no less wanton and suicidal, in my view, than the earlier but kindred spectacle of a government that deliberately destroyed food in the presence of a hungry people.

In the fourth place, this tax on surplus encourages big business and monopoly. It crucifies little business and denies it growth. Those who are already fat can keep their fat. Those who are lean must stay lean or pay the heavy penalty for the temerity of their aspirations. Thus it bluntly curtails American opportunity; and thus it blindly circumscribes tomorrow's employment opportunities. As a result it is a blow to those who toil, a blow to labor even as it is a blow to capital. Through tax pressure we substitute the judgments of Federal bureaucrats for the judgments of private ownership in the management of private business; and thus we approach more candidly the Fascist state.

These are but a few of the burning reasons why this legislative crime should not occur. But they suffice.

Oh, yes; we need more revenues; and I am prepared to help you get them whenever the formula is rational, and whenever it includes an honest conservation effort to bring the Budget within sight of balance. But this is not a rational formula. It seeks revenue at the expense of recovery, when recovery is our best assurance of revenue; and it attempts, once more, desperately to hide from the mass of our citizenship that they, and they alone, finally must pay these enormous bills which we contemptuously charge to the next generation. Nor does it encourage hopes of Budget balance when our contemplated expenditures next year, untouched by any semblance of retrenchment, will exceed even those of the present prodigal year by an amount fully equal to the new revenues herein contemplated. We are merely financing our latest spree.

This bill is beyond extenuation or apology. Like many another impetuous experiment which we have suffered, it will create more problems than it solves. It ought to die in an unsung grave. Upon its tombstone should be carved those forgotten words of the present President of the United States, uttered in his first and long-since forsaken message to the Congress:

> Most liberal governments are wrecked on the rocks of loose fiscal policy.

CALL OF THE ROLL

Mr. BLACK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Radcliffe
Ashurst	Connally	Lewis	Reynolds
Bachman	Copeland	Loftin	Robinson
Bailey	Couzens	Lonergan	Russell
Barkley	Davis	McAdoo	Schwellenbach
Benson	Dieterich	McGill	Sheppard
Bilbo	Duffy	McKellar	Shipstead
Black	Frazier	McNary	Smith
Bone	George	Maloney	Steiwer
Borah	Gerry	Metcalf	Thomas, Okla.
Brown	Gibson	Minton	Thomas, Utah
Bulkley	Glass	Moore	Townsend
Bulow	Guffey	Murphy	Truman
Burke	Hale	Murray	Tydings
Byrd	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Van Nuys
Capper	Hatch	Nye	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Holt	Pittman	Wheeler
Chavez	King	Pope	

The PRESIDING OFFICER. Seventy-nine Senators have answered to their names. A quorum is present.

CONTRACT ADJUSTMENTS UNDER AGRICULTURAL ADJUSTMENT ACT

Mr. McGILL. Mr. President, from the Committee on Agriculture and Forestry, I report favorably Senate bill 4786, and ask for its immediate consideration.

Mr. McKELLAR. Mr. President, let the bill be reported.

The PRESIDING OFFICER. The bill will be reported by title.

The CHIEF CLERK. A bill (S. 4786) to authorize the Secretary of Agriculture to make such adjustments and revisions found to be due on contracts entered into by the Government with crop producers under the Agricultural Adjustment Act, reported with an amendment.

Mr. McGILL. Mr. President, I ask unanimous consent for the immediate consideration of the bill. In the report filed by the committee is a letter from the Secretary of Agriculture explaining in detail the purpose of and necessity for the bill, which has the unanimous support of the Committee on Agriculture and Forestry. It is recommended by the

Secretary of Agriculture and will not entail any additional cost upon the Government. It is desired merely to correct some defects which the Secretary of Agriculture is unable to overcome in connection with certain contracts which the Department feels the United States Government is morally obligated to fulfill. Because of rules which were in existence prior to January 1936, the Department has been unable to fulfill certain of the contracts previously entered into.

It is my understanding there is no opposition from any Department of the Government to the passage of the bill. It affects some 50,000 or 60,000 contracts entered into under the Agricultural Adjustment Act, about 20,000 wheat contracts, and about 30,000 cotton, tobacco, corn, and hog contracts.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. McGILL. I yield.

Mr. KING. The statement made by my able friend that it is not opposed by any of the executive departments and is endorsed by them is not a compelling reason, so far as I am concerned, for the acceptance of this measure or any other measure.

By that statement I do not mean, of course, to criticize the Department, but all departments of government, of this and of all other governments, and all executive agencies, are more or less greedy for power and for the extension of their authority.

I appeal to the Senator now to inquire whether or not the bill would give to the department interested additional authority and power, whether it imposes any additional obligations upon the Federal Government, or whether it is a simple attempt to rectify a possible injustice which may have been inflicted upon some of the agriculturalists in the United States.

Mr. McGILL. In my judgment, it does not create any additional or new obligation on the part of the Government. In his letter the Secretary has stated that it will not entail any additional cost to the Government. I believe the Secretary is correct in his statement in the letter that these are contracts which the Government is morally obligated to fulfill. Inability to fulfill the contracts is merely due to some rules which were in existence at the time the Butler case was decided, which decision prevented the Secretary of Agriculture from carrying out the contracts.

Mr. GEORGE. Mr. President, I desire to ask the able Senator from Kansas if it is not true that this bill merely permits the Secretary of Agriculture to correct allocations made both to a political subdivision and to individual farmers where it has subsequently been shown to him that there was a mistake in the original allocation.

Mr. McGILL. That is exactly correct.

Mr. GEORGE. By virtue of an existing rule or provision of the statutes, the Secretary did not have the authority to make that allocation; and this bill does not enlarge his power. It simply gives to him power to make an equitable allocation in accordance with the facts which, in the first instance, would have justified such allocation.

Mr. McGILL. That statement of the Senator from Georgia, I think, is exactly correct.

Mr. McNARY. Mr. President, as a member of the Committee on Agriculture and Forestry, I am familiar with the provisions of the bill and approve the measure, and I hope consent may be given for its immediate consideration.

Mr. KING. Mr. President, in the light of the suggestions made by the Senator from Kansas in reply to my interrogations and to the question propounded by the Senator from Georgia, I shall not object.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 4786) to authorize the Secretary of Agriculture to make such adjustments and revisions found to be due on contracts entered into by the Government with crop producers under the Agricultural Adjustment Act, which had been reported from the Committee on Agriculture and Forestry with an amendment, on page 1, line 4, after the word "adjustment", to strike out "continued" and insert "contained", so as to make the bill read:

Be it enacted, etc., That the third sentence of the item "Payments for agricultural adjustment" contained in the Supplemental Appropriation Act, fiscal year 1936 (Public, No. 440, 74th Cong.), is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "and the determination of the Secretary as to the correct base acreage and production figures (regardless of the figures on which the contract was based) and as to the person or persons entitled to receive such fair and equitable payments shall be final and conclusive."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WORLD PEACE

Mr. KING. Mr. President, in the closing hours of Congress there is always more or less of uncertainty and no little confusion. There is some confusion concerning the tax bill, which has been before Congress for several months, and the Senate has just received a castigation, possibly deserved, at the hands of the Senator from Michigan [Mr. VANDENBERG] because of its provisions. Efforts are being made to secure the passage of the so-called Guffey bill, as well as other measures, more or less important. Members of the House and the Senate are eagerly awaiting the hour of adjournment, and undoubtedly the country will be greatly relieved when this session of Congress has ended.

There is confusion also throughout the world, and it may not be inopportune for me to submit a few observations concerning conditions and the imperative necessity of movements looking toward the settlement of international controversies and the promotion of world peace.

Sir Alfred Zimmern, in his work entitled "The League of Nations and the Rule of Law", declares that the primary purpose of the League was to eliminate once and for all the fear of war.

General Smuts, one of the great statesmen of his day and generation, predicted that the League constituted an agency for the common welfare as "* * * a great organ of the ordinary peaceful life of civilization."

Italy was a member of the League of Nations. She participated in the activities of the League from the date of its formation, and had repeatedly signified her devotion to the high purposes of the League as well as the obligations which it and 52 other nations had assumed when they became signatories to the Kellogg-Briand Pact, which solemnly declared for the renunciation of war as an international policy and the settlement of all international disputes by pacific means.

The unprovoked attack upon a weak and primitive people by the powerful military forces of Italy has aroused deep concern among peoples in all parts of the world.

The violation by Germany of the Locarno Treaty, as well as its obligations as a member of the League, and the military adventure of Mussolini, which for the moment has been crowned with success, have led many who looked to the League of Nations for the protection of the weak against the aggressions of the strong and powerful to despair of the future of civilization. Many fear that all efforts to promote world peace will be unavailing, and that sanguinary conflicts destructive of men and nations are the certain and awful fate of the peoples of the world.

This, however, is no time for despair. Neither the people of this Republic nor those in other parts of the world should surrender to the chauvinistic and militaristic spirit which seems to be regnant throughout the world. The forces of peace, world fellowship, and righteousness must never confess defeat, but with firm resolution, armed with a knowledge that they are enlisted in the cause of humanity, they must press forward, knowing that ultimately the banner of peace and justice will be supreme in all the world.

The League of Nations is not dead, and the moral and spiritual forces of the world will not confess defeat. In my opinion, the peoples of the world will sooner or later discover that a policy of national isolation is fraught with danger, and they will perceive that the common interest of all, as well as an enduring civilization, must rest upon the

concept of world solidarity. The fierce spirit of nationalism may triumph for awhile, but in the end its fires will be extinguished. Undoubtedly, dark clouds hang over the world, and there are unmistakable evidences of a rising tide of militarism. The tragic and cruel lessons of the World War seem to be forgotten, and chauvinists and jingoists in many lands are trying to arouse people against nations with which they should be at peace and to dissolve the bonds of friendship, and, indeed, union, which have existed in the past.

The tread of millions of armed forces echoes in various parts of the world, and unbearable burdens of taxation are laid upon the backs of the people for the purpose of building and maintaining powerful military machines. Appropriations for military purposes by one nation are seized upon as pretexts for larger appropriations by other nations, thus creating a vicious cycle, the results of which, if not broken, cannot prove other than disastrous to the world. The enormous appropriations for military and naval purposes by this Republic since the World War have led other nations to increase their military and naval appropriations.

I am reminded of the statement of Lord Lothian, who recently stated that—

> Armaments inevitably produce war. They may give security, but only at the price of war. Armaments, of course, are justified on the ground that they are merely legitimate instruments of national security, but no nation can make itself secure by armaments except by having armaments which will give it victory in the event of war; that is, by making its neighbors unsecure. Hence the perpetual repetition throughout history of competition in armaments ending in periodic war.

Germany's rearmament arouses fear in France, and leads to increased military appropriations; and Italy's mighty military force arouses fear in neighboring States and diverts the minds of the people from the paths of peace and profitable labor into an atmosphere filled with mixed fear and hate. There are many who believe that only by a collectivist system among nations can war be averted and the toiling millions be permitted to devote their energies to building up a social order in which security, peace, and happiness will be the inheritance of all.

If not in our day, it is certain that in the future the peoples of the world will be bound together in the bonds of unity and peace, or they and their cities and nations will be destroyed, and the whole world will present a melancholy scene of devastation and destruction.

It is a rational view that in order to prevent armaments there must be a bona-fide renunciation of war, and back of that renunciation a national desire and determination to accept the obligations implied in such renunciation.

I do not concede that the efforts to establish a League of Nations have been in vain, notwithstanding its efforts to prevent international conflicts have in some cases proven abortive. It is a slow process to secure the eradication of jealousies and racial prejudices among peoples. Whatever law and order exist in communities and states are not the products of a day or a year. Municipal law has been developed during the centuries; and even in our own and other lands, codes relating to human conduct and which regulate human relations are being changed and modified. The advancement of humanity has been slow, but there has been progress since tribal days. I believe the horizon of the peoples has widened, and more and more the world is beginning to realize that there is a moral universe, and that walls erected by men to prevent world peace and world union will be broken down by the advancing forces of justice until righteousness and the kingdom of heaven shall be established on earth.

It is claimed by some that war is necessary for the improvement of the race by the elimination of the unfit. That may have been the theory of the German military school, as well as corresponding schools of thought in some other lands. It has been contended that force is essential to the development of normal civilized life and that therefore nations should develop much of their resources in the preparation for war. Thus, in a kind of vicious circle the nations have sought security in armaments and endeavored to justify their military preparations as measures of defense. Whenever there was a policy for peace it was negative and not affirmative, and unfortunately many nations were organized for war rather than for peace.

The contention that big armies and big navies make for peace is refuted over and over again, and the situation in the world today is a further refutation of the false philosophy which has prevailed among many peoples with respect to the necessity of military policies and powerful armies and navies. The military armaments which burden the world today are tragic proof of this false philosophy, and constitute compelling arguments in favor of affirmative and positive movements for a limitation of armaments and for international peace, and should compel an aggressive campaign to ameliorate the fierce and narrow spirit of nationalism. I believe the peoples of the world have a broader horizon than many political leaders, and certainly than the advocates of militarism in many parts of the world. Our Nation is in a position to lead the world for disarmament and world peace. Its impregnable position, its resources, its material strength—to say nothing of what I hope is its spiritual and moral power—should give to it a crown of leadership in a world movement to organize all peoples for peace. There is an obligation resting upon the United States, in view of the important part which it played in negotiating the Kellogg-Briand Pact, to give to it vitality and binding force among all signatories to that instrument. We have spoken much about the good-neighbor policy. That means that our Nation is not an isolationist but a copartner in all movements for social progress and the happiness and peace of peoples everywhere.

Theodore Roosevelt perceived the necessity of cooperation among all nations and in his Nobel prize speech declared in effect for a concert or League of Nations and for a world organization—one which would be able to maintain peace against any recalcitrant nation that ran amuck and disturbed the peace of the world. But, as indicated, the spirit of militarism, of narrow and parochial nationalism is insinuating itself in various parts of the world. It gives specious reasons for conscripting boys and men for war, and laying its oppressive hand upon field and farm and the sources of industry and production.

This Republic has appropriated for military and naval purposes during the period since the World War more than any other nation in the world. There were appropriated for the Army and the Navy for this fiscal year more than a billion dollars, and there will be expended for military and naval purposes for the next fiscal year more than $1,250,000,000. This huge sum will exceed that expended by any other nation for the same fiscal year. In my opinion, there is no justification for such an oppressive burden to be laid upon the backs of the American people.

The Committee on Finance, of which the able Senator from Georgia [Mr. GEORGE] is a member, has been laboring for weeks to discover sources from which additional revenues may be obtained in order to meet the mounting expenses of the Government and the unfortunately increasing deficits. Many have contended that the enormous deficits have been created by extravagance upon the part of the Federal Government and that many appropriations which have been made find no justification. A bill, as a result of the work of the Committee on Ways and Means and the Committee on Finance, will be reported today to the House and undoubtedly the Senate will be called upon to consider the same tomorrow. It levies additional taxes of approximately $700,000,000, which are to be added, of course, to the already heavy burdens of taxation which the American people have to bear. Recently the Secretary of the Treasury testified before the Committee on Finance that notwithstanding the large appropriations which have been made the deficit for the current fiscal year will approximate $6,000,000,000. As stated, the members of the Committee on Finance have struggled to obtain a few hundred million dollars—an insignificant sum measured by the appropriations made by this Congress for the next fiscal year. The Government will expend between a billion two hundred and fifty million and a billion five hundred million dollars for

military and naval purposes for the next fiscal year, and there will be large expenditures to meet the enormous obligations of the Government because of past wars.

The United States has no foe. As I have indicated, its position is impregnable. Notwithstanding the spirit of unrest and fear in the world, I affirm that the time is ripe for a frontal attack upon war and for a world movement to bring about relief from military burdens and for the establishment of an international tribunal to which resort may be had in the settlement of international controversies. The benignant spirit of municipal law and its happy consequences can and should be imported into international relations. There can be developed an international spirit, even a code of laws which will be the precursor of a higher standard of civilization, and the maintenance of a reign of law and order in all lands.

What justification can there be for our Nation and other nations expending five or six billion dollars annually for military purposes when millions of people need food and clothing and habitations? Instead of wringing taxes from the peoples of the world in the preparation for the destruction of millions upon bloody battlefields, humanitarian policies should be inaugurated and carried into effect which will provide for the needs and wants of the people and for their social, physical, and moral welfare.

Mr. President, a heavy responsibility rests upon this Republic to lead the way from confusion and conflict into the light of a brighter and better day. That it will measure up to this responsibility should be the earnest endeavor and sincere prayer of all who enjoy the rich inheritance bequeathed by the founders of this Republic.

THE FOREIGN DEBTS AND DEMAND FOR TERMS AND CONDITIONS OF MORATORIUM GRANTED UNDER HOOVER ADMINISTRATION

Mr. LEWIS. Mr. President, I have with considerable pleasure deferred until this moment addressing the Senate on a subject in which I am greatly interested, in order that we might listen to the remarks of the distinguished Senators who have addressed the Senate. We have all particularly noted the important business features of some of the suggestions and the very clear and illuminating address of the Senator from Utah respecting the League of Nations. While I greatly oppose his view, one cannot overlook the fact that his view is one held by many in our country.

Mr. President, I wish to bring the Senate to the consideration of a matter which, to my way of thinking, is of great value and much importance and as to which I fear we shall hear much in the very near future.

I have often addressed this body—and for its generosity from time to time I acknowledge great indebtedness—upon the matter of the debt due this country by foreign-nation debtors. In one of the addresses made lately, but which may be remembered, I warned my own administration and I told this honorable body that it would be found that our honorable opponents, whom we speak of as Republicans, would make an assault upon the present administration on the ground that it had failed to collect the debts and would make a political issue of and an attack on us based upon that specific ground. Let it be said that we rarely heard a voice from our honorable opponents upon the other side either in support of any policy demanding the payment of these debts and never of late a suggestion of any method of their payment. One or two exceptions must be noted. I observe before me, as an illustration, the Senator from Minnesota [Mr. SHIPSTEAD], who has always had a suggestion to make, indicating his desire that something be done looking to a resumption of payment of the debts. There are other Senators around us; but, Mr. President, among the others, I take it, there simply existed the wish of citizens, but as the representatives of their great party never a voice was raised.

Mr. President, the platform of the honorable Republican Party as framed at Cleveland during the past few days specifically refers to the debts, condemns the administration, and charges the Democratic administration, as led by Franklin Roosevelt, with making no effort to collect the debts.

I see our distinguished friend the Senator from Michigan [Mr. VANDENBERG] taking his seat. We recall that when some of the discussions were up he brought to the attention of the Senate a measure which really prevailed in the Government of some years back, which pledged the securities that were then in existence for the payment of these debts; and we are compelled at this moment to ask, What has become of those securities? But I turn now also, sir, to ask this honorable body: What reasons do our honorable opponents have to hold this administration up as due condemnation from any source in this country, or anywhere else, on the theory that it is responsible for the failure to collect any form or sum of these debts?

I advise Senators to recall their history; to remember that the distinguished ex-President of the United States, Mr. Hoover—satisfactorily to his own purposes, let us feel—held a private conversational conference, as he sat in the comfort of the breezes on the banks of the Rapidan in a neighboring State to the Capital, and there entertained the Premier of England, Mr. MacDonald, and his colleague, Mr. Laval, of France—colleagues in the same purposes. Sir, what transpired there is not written; but we do know that after these conferences, whatever they were in form and manner, there came the hurried decision of the former President of the United States wherein he granted the moratorium exempting these great creditors from the payment of the installments which were then due to the United States; and equally, sir, excusing them in some form from the payment of the debts.

I invite Senators' attention now to the fact that since that moratorium, which was granted when Congress was not in session, and when the then eminent President of the United States was content to send telegrams to the different Members of this honorable body informing them that he had assumed in his Executive capacity to issue the moratorium that released the debts which were due to the United States, there was never a word as to what was said, the reasons for the exemption, the causes therefor, or the justification, if such there was.

It is at this point that I ask our honorable opponents, or whoever may be interested in this phase of the subject, what was the agreement between our former President, speaking for the United States of America, and these foreign lands and their representatives, as the result of which not one payment has been made since, either upon the principal or upon the interest?

One other query I regard as most material. Why is it that from none of these eminent representatives abroad has there come any statement to their own people, in any public manner, as to what the conference consisted of, what were the terms proposed, what were the details accepted, and what really was done there?

Here, Mr. President, I ask my own Government, and at this point I ask my administration, if there be any record as to what did transpire between these eminent representatives. If so, I desire that record brought to light and disclosed to the public. If the present administration, out of a tender consciousness of what may be called gentility and propriety, has withheld revealing the contents of that document, if there be such, or disclosing the actual details of the understanding, if there was such, then sir, it is time now to abolish that particular phase of courtesy, in view of the fact that our honorable opponents have found it agreeable to their standard to assail the administration on the ground that it has not collected the debts, and to use the words of their platform, "has been making no effort to do so."

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LEWIS. I am pleased to yield to my friend the Senator from Maryland at this point.

Mr. TYDINGS. I should like to point out to the Senator that, as he knows, the war debtor nations have made no payments to the United States of America on account of the debts since the Hoover moratorium, with the exception of Finland.

Mr. LEWIS. Which was not a war debt, I may say to my able friend, as I understand it.

Mr. TYDINGS. That is correct. The Senator knows that under two administrations—that of Mr. Hoover and the present administration—insofar as the legislative branch has been advised, there has been no effort to collect the debts, or a part of the debts, or to reach some understanding about the debts. The matter has simply lain dormant. I should like to ask the Senator whether in times like these, when we struggle so long to raise a few extra hundred millions of dollars with a new tax bill, which is very burdensome, the Senator does not feel that it would be the part of wisdom, inasmuch as we are the creditor nation, for us to take the initiative and say to these countries, "While it is true we sold you cotton during the war at 40 cents a pound—cotton now is considerably less—and other commodities at war prices, you having paid for them with the money which we loaned you, will you make payment in kind, or in gold, or in services; or in what way do you propose to settle, so far as is possible, the obligation which is owing to the United States?" I ask the Senator if he does not think it wise for our Government to take the initiative, in that it has all to gain and nothing to lose when the present circumstances are weighed in the balance.

Mr. LEWIS. Mr. President, the suggestion of the able Senator is filled with much that may be said to be of wisdom and propriety; but I invite the Senator to recall that while he was present and doing me the honor to hear me upon a former occasion touching the debts, I brought to the attention of this body what I felt was the duty of my administration—I use the word "mine" meaning ours—to take some initiative to ascertain what proposition the debtors would make to us with a view of settling this obligation. I must say to my able friend that I was never able to get a direct reply.

I observe from the public press that some statement had been made by one of the officers of our administration to the Ambassador of one of the great debtors; and the only reply made—I do not happen to have it before me—was, "We are not now ready to advance any other proposition than that we are not now able to pay."

Mr. TYDINGS. Mr. President, will the Senator further yield?

Mr. LEWIS. Of course, I am glad to yield to my friend.

Mr. TYDINGS. I should like to refer to a matter with which the Senator is familiar, so that I may ask him another question.

The Senator knows that the war debts owing to our Government amount to about eleven and one-half billion dollars, all payable in gold. The Senator likewise knows that under the administrations of Presidents Harding, Coolidge, and Hoover the people of the United States bought foreign bonds to the extent of fourteen and one-half billion dollars, so that the governmental debt owing to the United States, plus the foreign bonds held in the United States or sold in the United States, totals $26,000,000,000, all of which is payable in gold.

Therefore, with a $26,000,000,000 debt owing to America, with only five and a half billion dollars in gold in all the world outside of our country, it is perfectly obvious that no substantial curtailment of the principal of the debt is going to be paid either to our Government or our people until our Government takes the initiative and, in conjunction with the debtor nations, attempts to set up a scheme which will be workable. Does not the Senator agree with that point of view, and is it not incumbent upon us to take the lead if we hope to re-collect this money?

Mr. LEWIS. Mr. President, I again reaffirm that the able Senator expresses what is to be considered as a deep proposition, but I differ from him in the respect that I am not able to accept the idea that the creditor, and only the creditor, should advance the suggestion of the method of payment. I admit the payment of gold cannot be, for the reason the Senator from Maryland has well stated, namely, the lack of quantity, the lack, indeed, sir, of the whole opportunity and privilege, but I say that if obligations could be entered upon of long distance by which securities issued by our debtors could be used by our Government in some form to lighten its heavy debt of taxes, either by transfer or as security, and at the same time some arrangement could be made by which the produce of the debtor countries of such character as we ourselves do not produce in sufficient quantity and which we do not produce at all there could easily be brought about the basis of a settlement of these obligations. I cannot concede that we could take from these nations a supply of goods to the amount that would fulfill the debt such as described by the able Senator from Maryland without closing our factories, depriving our workmen of employment, and so invade the protection of our own industry as to work complete chaos and destruction.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LEWIS. I yield again to my friend from Maryland.

Mr. TYDINGS. I think there is much force in what the distinguished Senator from Illinois has said. It might be in such a conference that we would find acceptance of any considerable amount of goods would not be advisable and would have to reject that form of payment. It would be apparent also in such a conference that the nations would not have enough gold with which to pay. Therefore, if we are going to refuse to accept their services or goods, on the one hand, in partial or complete payment, and cannot get the gold, upon the other hand, then we should be like an individual who has money owing to him which his debtor, for one reason or another, may not be able to pay in full, and therefore the thing to do is to make a survey of the situation and get the best that can be obtained, the point being that as we are now constituted we are getting nothing but acrimony instead of international alimony. [Laughter.]

Mr. LEWIS. Mr. President, that we are not getting international alimony is due to the fact that our marriage was a very unfortunate affair of international alliance, for which there should have been high voice from America forbidding the banns. [Laughter.] But I answer and say the Senator from Maryland states the viewpoint I entertain, that there should be some move looking to some suggestion of the method of payment. I cannot, however, concur in the thought that the debtors should remain silent and take no initiative looking to payment. I feel the obligations upon the debtor to begin, but I concur when the debtor does begin that we should have a spirit in which we could hold a conference looking to what will be fair and just if proposed by the debtor.

Mr. TYDINGS. Mr. President, will the Senator yield further?

Mr. LEWIS. I yield, of course.

Mr. TYDINGS. I should like to point out to the distinguished Senator from Illinois the further observation that it might be unwise to consider the matter of the payment of the war debts as a single issue. Certainly it appears from the physical aspect of the case that full repayment of the debts is very doubtful. Therefore, if that be a fact, and America has to make concessions, it seems the part of wisdom to me that at one and the same time we should use whatever concessions we make in the effort to bring about a certain amount of disarmament among the debtor nations, if possible, through proper leadership and equitable arms arrangements, and should also work for the stabilization of international currencies and for the promotion of the widest balanced world trade commensurate with the financial situation.

Mr. LEWIS. Mr. President, I concur, sir, that some action could be taken, but I am not able to adopt the thought that my country should descend from the very high place of finance it now occupies, with its money of the greatest value, credit, and reputation of that of any country in all the world, and assume to stabilize it by dropping down to the varying form of the franc that wheels through the atmosphere of nations as some flying machine guided by a blind pilot, or of the money which prevails today in England, where, under a half-managed currency system, there is no certainty of action other than the deposit of certain gold on call designed

to maintain value in behalf of its pound. I cannot see how stabilization would do otherwise than drop our money to a lower point and allow it to be stabilized by the lesser money of those who are our debtors.

Mr. TYDINGS. Mr. President——

Mr. LEWIS. Of course, I yield to my friend again.

Mr. TYDINGS. I think the Senator missed the point of my observation. We have already devalued our dollar and gone off the gold standard, not so much as a matter of national policy, but because other nations devalued their money and went off the gold standard, making some action on the part of our own Government more necessary than it otherwise would have been. The point is that no one nation can stabilize permanently its currency so long as all the other nations of the world go off the gold standard or change the value of their money, because of the effect upon international trade alone. Therefore the only hope of order being brought into the field of currency stabilization must come from some sort of international agreement, in which contingency I do not assume for a moment that it would be necessary for the United States further to devalue its dollar, but that, upon assurances being given by other countries that further devaluation of the currency would occur only under a consideration of the economic adjustments which enter into that question, we would have an outlook which would be secure rather than an uncertain one which must persist so long as there is no agreement between nations affecting currency stabilization.

Mr. LEWIS. Mr. President, all the able Senator has been saying is further proof of the propriety of some kind of gathering that would initiate early whatever proposals the debtor nations have to make looking to the discharge of their obligations to us.

I now bring to the attention of the Senate the fact that of late, during the last week, great nations, large debtors of the United States, when the demand was made by our country for the sums due brought to us the mere reply, "We have nothing more to say other than that we cannot meet the payment." I wish to know—and I rise at this moment seriously to present the question—what were the terms of the moratorium? Is it not true that eminent statesmen of Europe have told their people, through proper channels, that have been protected, that there was an agreement between the then President of the United States and themselves that released the debts? Is it not true that their people, believing that such debts were released as a result of the secret conference between the President of the United States and representatives of foreign governments, are feeling themselves secure in the repudiation of the debts, upon the theory that it is justified by an arrangement which they know has been made between the representatives of their government and the then President of the United States? I want to know what that agreement was, and I should like to have our country know if the debts were released or if there has been a step forward looking to their release through the proper jurisdiction of the President of the United States. The mere fact that he was called a Republican is immaterial; he was the President of the United States, and if he did that which was in his power and authority, our people will endorse it; but we wish to know what he did, and more particularly we wish to know what our foreign debtors are relying upon to assure them that their conduct before the world is honorable when they repudiate their debts, deny their obligations, and refuse to pay a dollar upon that which is conceded everywhere long since to be due the United States of America. Knowing these countries as I do, I cannot assume that they deliberately do a dishonorable thing with no reason to justify them.

Mr. President, I may be pardoned by you and by the Senate when I say that I was in Europe in a small official position in 1926. President Harding had named three members of his Cabinet and two others in connection with the readjustment of the debts. Many billion dollars were released.

Mr. DAVIS. Was that not under President Coolidge?

Mr. LEWIS. No, sir; at that time it was under President Harding. The action of the Coolidge administration came later. Let me say to my able friend from Pennsylvania, who has just interpolated a very pertinent inquiry, that a large part of these billions was debts incurred after the war; the one to Austria, as an illustration, the second one to France, and to England. Surely these were commercial obligations. These cannot be said to have been the debts of a war which these eminent leaders of certain of our debtors are holding up before the people as a war maintained in our behalf, because, after the war, the money was obtained from us upon the theory that we were aiding their commerce, lifting their people to new opportunity, giving them encouragement. Surely, as to these debts, it cannot be said that the moratorium was a moratorium of war debts. What excuse did the administration have, and will they give us their reasons why these debts, incurred after the war as obligations to the Treasury of the United States and on account of private money lent to private individuals with the supervision of the Government, were to be in nowise paid or accounted for?

Mr. TYDINGS. Mr. President——

Mr. LEWIS. I again yield to the Senator from Maryland.

Mr. TYDINGS. I desire to point out to the distinguished Senator from Illinois that it does not lie in the mouth of the opposition party to criticize the debt policy of this administration for the very obvious reason that under the administrations of Presidents Harding, Coolidge, and Hoover all foreign loans negotiated, and the bonds which were sold to our people in that 9-year period, bore upon the documents themselves the imprimatur of the State Department of the United States. Thus under those three Presidents were those private loans, amounting to $14,500,000,000, made by our people after the World War to foreign governments, approved; and therefore, as most of those loans are in default, and were economically unsound in many, many cases, the whole depression, in my opinion, is largely tied up with the fact that we were furnishing our customers the money with which to pay for the large exports of our goods during the 1920–29 period.

If I may transgress further for a moment, I should like to invite the attention of the Senator from Illinois to the fact that during those years we sold about $5,000,000,000 worth of American goods abroad every year; and we could not have sold so large a volume of goods to a people who were in the financial condition in which our foreign customers were had it not been for the fact that we were lending them the money with which to pay for our goods. When the loans stopped in 1929, our business fell off and the depression set in.

Therefore it does not come with good grace from our friends on the other side of the aisle to find any fault with a war policy which was brought on by necessity, while they overlook the larger policy of the $14,500,000,000 loaned in time of peace, which loans were insecure, and which laid the foundation for a false prosperity and a very genuine depression.

Mr. LEWIS. Mr. President, the Senator from Maryland revives my memory to the fact that the loans on bonds to South America lost us more than $800,000,000, and that as to one of those countries a representative of the Commerce Department of the United States, whose name I think we may recall is Mr. Dennis, capable in the discharge of his duty, called the attention of this Government to the fact that the bonds which were being issued by those governments were fraudulent; that there was a fraud involving the son of the President, who had interested himself personally. Mr. Dennis was, in the language of the streets, "called down" for daring to assume to advise the State Department of the facts. As the Senator from Maryland ably said, that government in power through the State Department gave its approval to the issue of those securities and the sale of them to Americans, and defrauding them of the amount stated by the Senator from Maryland.

Mr. TYDINGS. Mr. President, will the Senator yield further?

Mr. LEWIS. Certainly.

Mr. TYDINGS. I wish to point out also to the Senator from Illinois that many men upon this floor attempted to stop the policy of having the Federal Government approve private transactions between foreign governments and citizens of the United States, but that that went on until the distinguished Senator from Virginia [Mr. GLASS] was able to have a resolution passed through Congress forbidding the Secretary of State under Mr. Hoover from approving any more foreign loans.

Mr. LEWIS. I thank the Senator. While I know of the history, I did not return to this body until some time after those events; and I accept them as stated by the Senator from Maryland. At this moment, thanking him for the information, I yield to the Senator from Pennsylvania [Mr. DAVIS], who endeavored to interrupt me a moment ago, and whom, unintentionally, I ignored.

Mr. DAVIS. Mr. President, if we make no effort to collect the debts due us, would it not at least be reasonable to have a formal acknowledgment of debt renewed from time to time, so that nations now using their resources for military purposes which incite to war shall be compelled to reflect that their activities are carried on with the money which they owe America? Thus, this mountain of debt would stand as a monument of peace.

Further, can any policy be more dangerous to the peace of the world than our present policy, wherein the State Department winks at evasion of debt payment, extends the advantages of our domestic markets to debtor nations, and with both American resources and financial credit enables foreign powers to continue a ghastly race toward military preparation which has but one end in view, to wit, the precipitation of world war?

Mr. LEWIS. Mr. President, I join with the Senator from Maryland [Mr. TYDINGS] and the Senator from Pennsylvania [Mr. DAVIS] in the expression that if something were done to lessen the armament race and the great expenditures which are made in that behalf, and if the sums so expended were paid on account of their debts to us, they would go very far toward the payment of the debts due us, and relieve something of the very heavy obligations we are placing upon our people. Not only that, but such a course would tend to awaken again from our people some respect and friendship for the nations which hourly are losing the respect of our fellow mankind. There is constant rumor and charge against those nations of lack of faith and of conduct unbecoming honor. Little by little all of the trade which my able friend from Maryland [Mr. TYDINGS] depicted as possible would be denied those nations and ourselves, from the fact that our people would not justify or endorse their representatives trading with a people who could do such dishonorable deeds.

Mr. TYDINGS. Mr. President, will the Senator yield again?

Mr. LEWIS. I am glad to yield.

Mr. TYDINGS. I think it ought to be said, in answer to the interrogatory of the Senator from Pennsylvania, without defending or condoning the large expenditures for armaments made by the debtor nations, that if they were not to expend a single dollar on armaments of any kind or description, the difficulty of paying the debts would still exist, because the money they are spending upon armaments is all spent within their own countries, and the transfer problem of the gold itself is a difficult one—to make $5,500,000,000 of gold in all the rest of the world pay off $26,000,000,000 of governmental and private debts. If they were buying their war materials in this country, the situation would be different; but while the money is collected in taxes in England, for example, and is expended in England, the financial situation will remain the same whether there is a dollar spent on armament or whether it is all spent on good roads or anything else.

The second observation of the Senator from Pennsylvania discloses that he does not like the reciprocal-trade policies of the present administration. I desire to point out that we did not have those reciprocal-trade policies 4 years ago, and we had the biggest depression in the history of the world under the economic isolation of Hoover and Harding and Coolidge. It is because we desire a wider market for American goods, operating upon the theory that the more we trade the more prosperity and the more labor we shall have for everybody, rather than upon the theory that the less trade the more work and the more prosperity for everybody, that we have indulged in the reciprocal-trade agreements, which happily are making more work for the people of this country than the policy which brought on the depression under the three previous administrations.

Mr. DAVIS rose.

Mr. LEWIS. First, before the Senator from Pennsylvania responds, I cannot accept his statement that the officials of the administration were "winking" at the policy of our foreign debtors not to pay their debts. I do not know what facial expression from time to time could have disordered their countenances when they realized that they could not collect a dollar, and were constantly met by the assertion of the debtors that they could not, or would not, pay. This much I do know—that I fear they have failed to realize that a generous attitude toward the debtors has not increased that which the Senator from Maryland has just described—the opportunity for reciprocity in the commercial dealings and in the trading processes.

I fear my administration has fallen into the very great error of assuming that its generosity in not pressing the debts in many quarters where they should have been pressed would have aided the commercial policy and enlarged prospective trade for America. Those to whom we have extended our many kindnesses, instead of rewarding us with their appreciation and gratitude, have turned upon us their scorn, and have scoffed at us as a nation of credulous officials and foolish people.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois further yield to the Senator from Maryland?

Mr. LEWIS. I yield.

Mr. TYDINGS. I wish to point out to the Senator from Pennsylvania and the Senator from Illinois that if they will follow the history of the United States from 1893 down to this hour, they will find the greatest years of prosperity in America were the years when we imported the most goods from foreign countries. The reason is perfectly obvious. It was because during the years we imported the most goods from foreign countries, we sold the most goods to foreign countries. Our foreign customers used the money they received from selling their goods to us to pay for the goods which we were selling to them; and without selling to us, obviously they could not buy from us. The goods always are the medium of exchange. The money is only an incident to the transaction; and when we have imported the least amount of goods we have sold the least amount of goods abroad. As that is the history of this country since 1893, in the absence of some other facts I cannot subscribe to the narrow policy of economic nationalism as we had it under Mr. Hoover.

Mr. DAVIS. Mr. President——

Mr. LEWIS. I yield to the Senator from Pennsylvania for the moment.

Mr. DAVIS. If the Senator calls the years from 1893 to 1897 years of prosperity, the years we have just passed through in the depression surely were much more prosperous than those years.

Mr. TYDINGS. The Senator misunderstood me. I said that from 1893 down to 1936 the Senator will find that every year in which our imports were the greatest our exports were the greatest, and every year in which our imports were the smallest our exports were the smallest, because people cannot buy from us unless they can sell to

us any more than the farmer can buy a pair of shoes or a suit of clothes until he sells something which he produces.

Mr. LEWIS. Mr. President, I wish to say that we observe from one of these great debtors two demands which we all must now consider. One is that no proposition should be made, either by our Government or by them, and accepted by our Government, that shall not apply to all of the debtors; and I observe the names of Poland, Rumania, and Greece, the smaller countries, and Italy, particularly. I also say, however—and I invite the attention of the able Senator from Oklahoma [Mr. THOMAS] on this point, knowing him to be especially interested along the line referred to—that the eminent Chancellor of the Exchequer of England tells us that any attempt to pay the debts in the method suggested—referring to my statement as an illustration—would so disarrange the balances between countries that neither trade nor finance could be continued without great loss and, in one instance, great dishonor. Let me ask the able Senator from Oklahoma wherein are balances so disturbed by paying either money or goods that it may be said that the payment wholly disturbs and sets at unrest the commercial and financial arrangements between these lands, keeping in mind, I may say to the Senator from Oklahoma, the suggestion of the able Senator from Maryland as to what he calls the stabilization of our currency?

Mr. THOMAS of Oklahoma. Mr. President, if I may presume to make an observation prior to attempting to make a suggestion, every one knows that during the World War America loaned our Allies a vast amount of money. This money was in the form of credit and expressed in commodities. We did not loan the Allies gold. We did not loan them silver, excepting a very small amount to Great Britain. We did not loan them currency. We simply loaned them credit expressed in bushels of wheat, in pounds of cotton, in pounds of meat, and in manufactured goods. Because at that time the dollar had a very low valuation, the price of these commodities which we loaned our Allies was very high. In other words, we loaned credit to our Allies on the basis of a bushel of wheat for $2.50, a pound of cotton for 40 cents, and other things in proportion.

After the war was over, in an effort to adjust the debts, we exacted that our Allies should pay us by evidences in the way of bonds on the basis of the then valued gold dollar; and after the obligations were signed and delivered to our Government, the allies found that they could not pay us in terms of commodities; they could not pay us in wheat; they could not pay us in cotton; they could not pay us in either gold or silver, because they did not have and could not secure the gold. They could not pay us in commodities or goods because they could not pay the tariff duties and still have anything left to apply on the indebtedness. Therefore, inasmuch as France and the United States had a corner on gold, they could not possibly get that commodity.

Had the Allies wanted to pay us in cotton, we should have exacted 8 pounds of cotton for 1 pound loaned, because we loaned them cotton based on 40 cents a pound, and at the time they were supposed to pay, cotton was worth 5 cents a pound. So we were exacting or requiring them to pay us back 8 pounds of cotton where we loaned only 1 pound of cotton. At the time they were supposed to pay wheat had fallen to 30 cents per bushel. We loaned them wheat at the rate of $2.50 a bushel. So, in the last analysis, at one time we expected our Allies to pay us back in wheat at the rate of 8 bushels for 1 bushel which they borrowed. On the same basis, we loaned them one hog during the war, and when pay day came, we, in effect, demanded that the Allies pay us back seven or eight hogs.

Of course the Allies could not and did not pay on such a basis. They did not have the gold. They could not get the gold. So the policy of the United States in retaining the highest tariff wall in history and maintaining the highest valued dollar in a generation, has made it utterly impossible for the Allies to pay; and I hold no brief for the Allies.

Now I wish to ask the distinguished Senator from Illinois a question. Does he think it is just, equitable, fair, or even honest, for us to demand or even expect the Allies to pay us back a value represented in either commodities, goods, or gold several times that which they received when the original loans were made?

Mr. LEWIS. Mr. President, in reply let me say that I am conscious of the fact that during my service in 1926 abroad, where I served with others to whom I now wish to give much credit—Mr. Richard Olney, who was a member of the Commission named by President Harding as one of the lay members, in addition to the members of the Cabinet—it must be admitted that England canceled something like five billions of the indebtedness due her, for what reasons and under what circumstances I am not able to reveal. I reveal only the conclusion. But I say to my able friend from Oklahoma, if it be true, as true it must be, as I gather from his calculations, that the payment to us by any system would mean a great loss to the debtors, then I ask the debtors to come forward and set forth wherein they are at a disadvantage, wherein they would suffer some loss, and present a proposition which in its fairness would be just to us as well as generous to them, and let us then decide among ourselves upon a new basis, according to the theory and equity suggested by the Senator from Oklahoma, through which we would have some recognition of the debts, and on some basis of payment that would be at least recognizing the rights of the United States.

Mr. BONE. Mr. President, will the Senator yield?

Mr. LEWIS. I yield to the Senator from Washington.

Mr. BONE. One of the very unhappy aspects of this problem arises, however, out of the fact that while there is the vast differential in the valuation of commodities to which the Senator from Oklahoma has referred, this vast debt is reflected in outstanding bonds which the American people now have to pay.

I so much admire the views of the Senator from Illinois with respect to the war debts, I find myself so wholly in accord practically all the time with his views in this matter, that I am tempted now to ask him whether the thing he is describing, and which we have discussed so frequently on this floor, is not an outstanding example of the folly of trying to make profit out of war. All the vast debt that is now piled up on us was, at the time it was being incurred, looked upon as a tremendously valuable thing to the economic life of America; but every one of the dollars that were thought to be profit then have become ashes in our mouths today. Instead of being golden apples of Hesperides, they are the apples of Sodom. There cannot be any profit in war; for all the profit that Americans thought they were making by preserving this doctrine of the freedom of the seas, and carrying on this traffic with the warring nations, has now finally reflected itself in the vast debt that crushes us here in our hour of adversity.

I have not heard the able Senator from Illinois discuss that aspect of the matter. I know it is a rather delicate subject, and it touches men here in different ways, politically and economically; but it is one of the horrible aftermaths of war. The idea people have that they can make money out of war is the most stupid and foolish thing that a man can possibly imagine; and the most illusory thing on earth is war profits.

Mr. LEWIS. I catch the viewpoint of the Senator from Washington along the line of the humane policy upon which he has addressed the Senate from time to time. I observe the Senator from Oklahoma rising, and I seem unintentionally to have cut him off.

Mr. THOMAS of Oklahoma. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Oklahoma?

Mr. LEWIS. I yield to the Senator.

Mr. THOMAS of Oklahoma. The question suggested by the Senator from Washington [Mr. BONE] reinforces the position which I thought I made plain a moment ago. The

same bonds in value that the foreigners are under obligation to pay rest upon the American people today. These bonds, to the extent of at least $16,000,000,000 remaining unpaid, are the bonds issued during the war. Of our present indebtedness, $16,000,000,000 represents unpaid bonds issued during the war. Those bonds were issued on the basis of these high prices—$2.50 wheat, 40-cent cotton, $1.50 corn, and other things in proportion. Now the American people are required to pay those bonds with a higher-valued dollar, which means in goods at cheaper prices, and even against our home people at this time there is a requirement to pay back, say, two bushels of wheat for one they borrowed, and to pay back four pounds of cotton for one that was borrowed in 1917 and 1918. The holders of private foreign securities want the public war debts canceled to the end that the resources of our former Allies may be applied to the liquidation of their private obligations.

It is more than possible that persons interested in collecting private foreign loans may be responsible for bringing about and maintaining conditions which absolutely prevent the possibility of our Allies living up to their financial agreements. The Allies, for reasons best known to themselves, have not given the real reason as to why they have defaulted their solemn obligations. As I understood this matter, good faith on our part demands that we intimate to our Allies that it would be agreeable to reconsider the whole question of war debts and to adjust such debts on the basis of the repayment of value comparable to the value received.

Mr. LEWIS. Mr. President, I wish to conclude. I have made perfectly clear that my first desire was to know what the terms of the moratorium were, and upon what basis the privileges were granted these nations of the release of their debts.

I ask also that there be a record in my own administration, that the State Department shall from no tender sense of politeness, or what is called "politeness" in diplomacy, withhold the truth from the American public.

Mr. President, there has been presented in the last few weeks to our Government the suggestion by the larger debtors of some method of adjustment of certain portions of the debts which will not run counter to the reciprocity trade treaties which are now under consideration. As France under her new order has announced a desire to settle the debts, that they may maintain and continue the friendship with the United States, and as a leading officer of England has remarked within the last few days that there surely would be some form of adjustment, I suggest to England that there is rubber, and to France that there is silk. These two alone, if there be none other, represent a quantity which could at least be contributed in such sum as our necessities may require, and begin at least the payment of the installment and the interest now due.

What I ask for, sir, is an exhibition of good faith on the part of the debtors; a spirit of honor, such as they would exact from us, and something which may lead, in the discharge of these obligations, to lifting the heavy burden from the backs and shoulders of the American public, and rescue it from having to drain its Treasury and its pockets in order to pay the debts that are upon us in the salvation of the needy in our country.

I seek the justice which we seek between nations, and I ask the further consideration by my State Department and by my Government of the debts, and that they serve as the agents of the American people in enforcing the recognition and payment of the debts in some manner that would be just to our people and fair to the debtors.

With Warwick to Hastings, in the diplomatic history of England, we say, "Courtesy to all—servile to none."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed the bill (S. 4699) to provide a commissioned strength for the Corps of Engineers, United States Army, for the efficient performance of military and other statutory duties assigned to that corps, with amendments, in which it requested the concurrence of the Senate.

COMMISSIONED STRENGTH FOR CORPS OF ENGINEERS

The PRESIDING OFFICER (Mr. LOFTIN in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 4699) to provide a commissioned strength for the Corps of Engineers, United States Army, for the efficient performance of military and other statutory duties assigned to that corps, which were, on page 1, line 6, to strike out all after the word "and" where it occurs the first time down to and including the word "further" in line 1 of page 2, and to insert "the President is hereby authorized to call to active duty with the Regular Army such number of officers of the Organized Reserves and for such time as may be necessary to meet the demands made and to be made upon the Engineer Corps of the Regular Army notwithstanding the provisions of section 37a of the act of June 3, 1916, as amended: *Provided";* On page 2, line 2, after the word "Engineers", to insert "and the Reserve officers of the Corps of Engineers"; and on page 2, line 8, to strike out all after the word "employed" down to and including the word "act" in line 13.

Mr. SHEPPARD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

RESTRICTION OF IMMIGRATION—DEPORTATION OF ILLEGAL ENTRANTS

Mr. CAPPER. Mr. President, I have just received a copy of resolutions adopted at the annual encampment of the United Spanish War Veterans for the Department of Kansas, held at Topeka on May 15, in which they take a strong stand for the deportation of all aliens who are in the country illegally. They also protest against keeping millions of people on the relief and other public pay rolls who come from other countries and have refused to become naturalized citizens of the United States.

The resolutions were sent to me by the department commander in the following letter:

HEADQUARTERS, DEPARTMENT OF KANSAS,
UNITED SPANISH WAR VETERANS,
Leavenworth, Kans., May 26, 1936.

The Honorable ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SIR: The following resolution was adopted at the annual encampment of the United Spanish War Veterans, Department of Kansas, regarding the deportation of all aliens who are in the country illegally:

"With our estimated 3,000,000 aliens in this country illegally and an equal number on relief, with an undue proportion of aliens in our insane asylums and our prisons, we earnestly recommend the purging of relief rolls, public pay rolls, and public-works pay rolls of this undeserving class, to the end that relief be extended solely to American citizens in need, and that public jobs be filled by Americans.

"We favor the further drastic restriction of unassimilable aliens and the deportation of all illegally residing aliens who have not made the proper attempts to obtain citizenship; and that we restrict immigration by blocking the ports of entry and putting men in charge there who will really see that the laws are enforced."

Hoping that you will use your influence to secure the passage of some bill along these lines, I am,

Yours respectfully,

J. E. MCBRIAN,
Department Commander, Kansas United Spanish War Veterans, Leavenworth, Kans.

Mr. President, I am in hearty sympathy with the stand taken by the Spanish War veterans of my State as set forth in these resolutions. I cannot see any valid reason why the Government of the United States should be called upon to take care of the unemployed of other nations. Let it be understood that I think that would be a fine thing for us to do if we could afford to do it. But under present circumstances, after 15 years of almost continuous farm depression, I say that load is too heavy.

I note by the latest census reports there are some fourteen or fifteen millions of foreign born in the United States. Of

these, some 4,500,000 are aliens; that is, they are not naturalized citizens, nor have they started to take out naturalization papers.

I have nothing against the foreign-born citizens of the United States. The foreign-born citizens of our country are just as much entitled to whatever we have in these United States as are native-born citizens of the United States. But I do not believe it is our duty—in fact, I do not believe it is fair to our own people—to carry the load of the foreign born who come here to make a living but decline to take the responsibilities of citizenship.

Unfortunately, there are a large number of criminals among these foreign-born noncitizens. They should be deported, and deported just as fast as they are found. It is estimated that there are some 20,000 of these who have criminal records. I say they should be returned to the lands from whence they came and just as speedily as they can be picked up and packed out.

I wish most devoutly that economic conditions in this country were such that we could welcome to our shores all foreign born not criminals who would like to come to our country. But that is not our condition. We are having trouble caring for our own people, and I include among our own people all foreign born who have become citizens of the United States. But that still leaves more than 4,500,000 foreign born not citizens. These are of two classes. Either they have businesses or jobs, or they are listed among the unemployed. If they have jobs, those jobs would be filled by Americans if the aliens did not hold the jobs. If they are on the unemployed lists, they add that much to the relief burden under which our people are staggering.

But in addition to thousands of criminal aliens there are several hundred thousand foreign born who entered this country in defiance of the immigration laws, or at least through their evasion.

I say that under present circumstances, with 10,000,000 unemployed in this country, our first duty is to our own people, not to those who do not think enough of this country to become naturalized citizens of this country.

Therefore, I am in favor of and will support legislation dealing with foreign born:

First. That will require deportation of all criminal aliens.

Second. That will require the deportation of all aliens who have entered this country illegally.

Third. That will require the deportation of all aliens who, after having lived here a reasonable length of time, refuse to take out naturalization papers.

CONVEYANCE OF LAND TO MINNESOTA

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 2568, relating to the sale of land by the United States to the State of Minnesota.

There being no objection, the Senate proceeded to consider the bill (H. R. 11331) to authorize the sale and conveyance by the Department of the Interior to the State of Minnesota of the SW¼NW¼ sec. 3, T. 159 N., R. 35 W., fifth principal meridian, in the State of Minnesota.

Mr. KING. Mr. President, may I ask the Senator the position of the Secretary of the Interior and the recommendation of the Committee on Public Lands and Surveys on the bill?

Mr. SHIPSTEAD. Mr. President, I have a letter from the Secretary of the Interior approving the sale provided for in the bill, and there is a unanimous report of the Committee on Public Lands and Surveys.

Mr. KING. Is the land mineral?

Mr. SHIPSTEAD. Oh, no; it has been sold, under the Federal Drainage Act, for taxes, and has been bought by the State. The State desires to get possession so as to use the land for a lookout station for the Forest Service, but must pay certain charges which the Government of the United States requires to be paid before it will give title.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

BOOTH & CO., INC.

Mr. COPELAND. Mr. President, I was absent from the Chamber in connection with the ship-subsidy bill when the calendar was called a few days ago, and two bills were passed over because there was no one present to explain them. One was Calendar No. 2507, House bill 10504, for the relief of Booth & Co., Inc., a Delaware corporation. The Secretary of War makes no objection to the passage of this bill, and an identical bill was passed in the Seventieth Congress. I ask unanimous consent that the Senate consider the bill at this time.

Mr. DAVIS. What is the number of the bill on the calendar?

Mr. COPELAND. Calendar No. 2507.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

There being no objection, the bill (H. R. 10504) for the relief of Booth & Co., Inc., a Delaware corporation, was considered, ordered to a third reading, read the third time, and passed.

CREATION OF THE TREASURY AGENCY SERVICE

Mr. COPELAND. Mr. President, the other day when Calendar No. 2448 was called I interposed an objection. I do not know how other Senators may feel about it, but, so far as I am concerned, I wish to withdraw any opposition I had to Calendar No. 2448, House bill 12556. I ask that the bill be reported in order that the Senate may know what it is.

Mr. VANDENBERG. Mr. President, I shall object to the consideration of that bill.

The PRESIDING OFFICER. Objection is heard.

TONIO MORI MOTO

Mr. COPELAND. Mr. President, I call attention of Senators who may be interested to Calendar No. 2529, House Joint Resolution 388, and ask that it be given immediate consideration.

The PRESIDING OFFICER. The clerk will report the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 388) to authorize the issuance of a reentry permit to Tonio Mori Moto and his readmission upon application while such permit remains valid.

Mr. COPELAND. Mr. President, before objection is made permit me to make a brief explanation of the joint resolution. Homio Mori Moto came to this country when he was a child. He is a Japanese and ineligible to citizenship in our country. When he grew up he married an American woman and has a child by that wife, which is, of course, an American citizen. This man, if he were to go back to his country, as he desires to do, for a few weeks on account of the illness of his old mother, cannot be readmitted to this country. Bear in mind that he is not eligible to deportation. He cannot be excluded. He has been in this country so long that under our laws he cannot be excluded.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. DAVIS. I understand he cannot even become a citizen.

Mr. COPELAND. He cannot become a citizen, but he cannot be excluded. His wife is an American citizen. His child is an American citizen. I think in the interest of humanity this man should be permitted to go back and see his old mother. If we do not pass the joint resolution he is going to stay in this country. I can see no possible objection to permitting him to reenter this country.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection the joint resolution (H. J. Res. 388) was considered, ordered to a third reading, read the third time, and passed.

COLLECTION OF DEMOCRATIC CAMPAIGN FUNDS

Mr. METCALF. Mr. President, it is my understanding that postmasters throughout the United States have received letters bearing a rubber-stamp facsimile of the signature of Postmaster General Farley, acting as chairman of the Demo-

cratic National Committee, urging them to join in a campaign to raise funds to head off a Republican landslide this November. While Postmaster General Farley has attempted to disclaim any part in this campaign, it is only reasonable that he should be held responsible for the acts of the Democratic National Committee. No man can at the same time be Postmaster General of the United States, chairman of the Democratic National Committee, and chairman of the New York State central committee, without taking full responsibility for the use of his name.

Two of these letters asking postmasters to have "a personal part" in the "Roosevelt nominator" plan "to raise a substantial part of the national campaign fund for President Roosevelt", have turned up in Rhode Island. One of them was received by a second-class postmaster, and I think it should be read at this time.

DEMOCRATIC NATIONAL COMMITTEE,
JAMES A. FARLEY, CHAIRMAN,
Hotel Biltmore, New York City, June 13, 1936.

DEAR : I know that you will want to have a personal part in the great national Democratic rallies which are being called to hear President Franklin D. Roosevelt accept his renomination at the national convention in Philadelphia on Saturday evening, June 27.

The Roosevelt Nominators have been formed to organize these rallies, and to raise a substantial part of the national campaign fund for President Roosevelt, for presentation to the party's national treasury when he makes his speech of acceptance, and to launch then and there the victory campaign itself.

The goal is unprecedented and the plan is remarkable. The movement has been made possible because President Roosevelt has created the opportunity for the display of universal public enthusiasm by arranging to go in person to the convention to receive the notification of his renomination and to respond immediately with his speech of acceptance. To hear his address in the presence of a host of 100,000 Democrats, the national convention will hold an open-air session in Franklin Field. The great central national rally at Franklin Field will have its counterparts in cities and towns throughout the country.

I am giving you additional details in the enclosed leaflet and I am also sending you a copy of the Roosevelt Nominators enrollment roster, which will be furnished in necessary quantity to the local chairman.

Here is what I am asking you to do. It is to select without delay a prominent Democrat of your community to act as chairman of the Roosevelt Nominators for your community, secure his acceptance, and wire me, care of Democratic National Committee, Hotel Biltmore, New York, his name and address.

Please hand him the organized material enclosed in this letter so that he can begin organizing immediately. He will be sent at once an official certificate of appointment as chairman of the finance division of the Democratic National Committee for the community, and will be supplied with additional material and enrollment rosters.

Time is short, and I will appreciate your prompt action. With personal thanks to you for the complete support I know you will give this effective plan, and with best wishes,

Sincerely yours,

JAMES A. FARLEY, *Chairman.*

I have it on very good authority that Postmaster Edward F. Carroll, of Providence, R. I., has admitted receiving a large supply of Roosevelt nominator letters bearing what is purported to be the rubber-stamp signature of Postmaster General Farley. If this be true, and I have every reason to believe that it is true, the postmasters acceding to the wishes of the Democratic National Committee would be violating section 218, title 18, of the Criminal Code, and subject to 3 years in prison or a fine of $5,000, or both. I quote the law:

No person in the executive civil service shall use his official authority or influence for the purpose of interfering with an election or affecting the results thereof. Persons who by the provisions of these rules are in the competitive classified service, while retaining the right to vote as they please and to express privately their opinions on all political subjects, shall take no active part in political managements or political campaigns.

The statute also states that it is unlawful for such an employee to—

Directly or indirectly solicit, receive, or be in any manner concerned in soliciting or receiving, any assessment, subscription, or contribution for any political purpose whatever, from any other such officer, employee, or person.

Section 53 of this code states that—

Whoever shall violate any provision of this title shall be fined not more than $5,000, or imprisoned not more than 3 years, or both.

I should like to know how long these acts, apparently unlawful, are to continue. Are we witnessing the emergence of the old type of Tammany in the Federal Government? Has the spoils system completely wrecked all resemblance to a respectable civil service, and will the American people and our courts of justice tolerate the wrecking of our merit system for political purposes? Very recently Mr. J. Edgar Hoover, who has done a noble job of law enforcement in this country, made the statement that Public Enemy No. 1 was "politics."

I should like to call to the attention of the Department of Justice the following alleged assertions:

First. The postmaster at Providence, R. I., received a supply of letters similar to that bearing the rubber-stamp signature of Postmaster General Farley, urging him to take an active part in a campaign to raise funds for the reelection of President Roosevelt.

Second. That the postmaster at Providence, R. I., made the following public statement:

I am a Democrat and I have always been a Democrat. I am also the postmaster; and when there is a change of administration I expect to go out. Until then I feel it is my duty to do everything I can to help the Democratic Party in the State and in the Nation.

Third. That on Wednesday evening, June 17, 1936, the postmaster at Providence, R. I., inspired by the letter alleged to have been signed by Postmaster General Farley, attended a meeting at the Providence-Biltmore Hotel of a group of Roosevelt nominators, called for the purpose of organizing to solicit money for campaign funds.

If these allegations are true—and there is every evidence to substantiate them—it is apparent that the Criminal Code is being widely violated.

is being widely violated, and I call the attention of the Department of Justice to this fact.

Mr. MINTON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from Indiana?

Mr. METCALF. Certainly.

Mr. MINTON. Just what part of the Criminal Code is being violated in this instance?

Mr. METCALF. It is stated in my speech, as the Senator will see if he will read it. I will not go back to it now.

Mr. MINTON. I am afraid that would be a little laborious. I was wondering if the Senator could tell me.

Mr. METCALF. I would have to go through the speech in order to do so.

Mr. ROBINSON. Mr. President, I shall not claim the time of the Senate to discuss the statement of the Senator from Rhode Island, just concluded; in fact, I heard only a small portion of it. I desire, however, to point out briefly the fact that the letter purporting to have been issued by Mr. Farley shows on its face that it was not issued by him. The letter begins with the statement—

Mr. James A. Farley has arranged to finance the entire national campaign by selling Presidential nominator tickets—

And so forth.

I ask leave to have inserted in the RECORD, as a part of my remarks, the statement issued by Mr. Farley on Wednesday, June 17, 1936, relating to this subject.

The PRESIDING OFFICER. Is there objection? The Chair hearing none, the statement will be printed in the RECORD.

The statement referred to is as follows:

WEDNESDAY, JUNE 17, 1936.

In response to a number of inquiries from newspaper correspondents regarding the charge that fourth-class postmasters were being solicited to contribute to the Democratic campaign fund, Postmaster General James A. Farley today made this statement:

"I have noticed the publication of a letter purporting to be signed by me and made public by Representative HALLECK, of Indiana, who says that the letter illustrates the manner in which the entire Postal Service is being mobilized as a campaign machine in behalf of the New Deal.

"I wish to state with absolute definiteness that I never signed such a letter, that I never saw such a letter, or authorized nor countenanced the signature of such a letter.

"It is perfectly obvious from the form of the letter itself that it never emanated from me, for it begins by stating that 'Mr. James A. Farley has arranged to finance the entire national campaign by selling Presidential nominator tickets at $1 each in every section of the country' and then purports to be signed 'James A. Farley.' Furthermore, no such letter was issued through the Democratic National Committee headquarters, either here in Washington or in New York.

"It is possible that some overzealous individual, desirous of swelling the receipts from the meetings that will be held all over the country to listen to the speech of acceptance that will be delivered from Franklin Field, Philadelphia, may have affixed a rubber-stamp signature such as I understand the letter carries. But if so, it was entirely without my knowledge or consent.

"The Post Office Department has been particularly careful to warn postmasters to keep within the law in any political activities. The Republican Congressman who the newspapers say produced the letter was careful to avoid stating when or where it was mailed, or by whom received, so that I have been unable to trace the letter. All he said was that he had received it from a fourth-class postmaster 'specifically protected by the civil-service laws from campaign solicitation.'

"I have caused to be printed in the Postal Bulletin, which will go to every post office in the United States, this order:

" 'It has been brought to my attention that letters and statements have been circulated bearing my name and purporting to be approved by me urging postal officials and postal employees to purchase tickets for participation in events of a political character. All officials and employees in the Postal Service are admonished to give no credence to such letters and statements, as I have not and do not approve of the use of my name in connection with such solicitations by or from people in the Postal Service.

" 'The attention of the entire personnel of the Postal Service is directed to section 208, title 18, of the Criminal Code, which makes it unlawful for any officer or employee of the United States, or any person receiving any salary or compensation for services from money derived from the Treasury of the United States, to directly or indirectly solicit, receive, or be in any manner concerned in soliciting or receiving, any assessment, subscription, or contribution for any political purpose whatever, from any other such officer, employee, or person.' "

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 2039. An act making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies; and

S. 4268. An act to authorize the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3247) to amend title II of the National Industrial Recovery Act as amended by the Emergency Appropriation Act, fiscal year 1935, and as extended by the Emergency Relief Appropriation Act of 1935.

The message further announced that the House had agreed to the reports of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to each of the following bills of the House:

H. R. 3952. An act for the relief of Mr. and Mrs. Bruce Lee; and

H. R. 11140. An act to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1362) for the relief of Ramey Bros., of El Paso, Tex.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes; that the House agreed to the amendment of the Senate to the amendment of the House to the amendment of the Senate numbered 1 of the bill, and that the House receded from its disagreement to the amendment of the Senate numbered 75 and concurred therein.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes.

Mr. GIBSON. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 2325, being the bill (H. R. 9058) for the relief of the Baker-Whiteley Coal Co.

The PRESIDING OFFICER. Is there objection?

Mr. GLASS. Mr. President, what is the pending question?

The PRESIDING OFFICER. The question is on agreeing to the conference report on the Treasury and Post Office Departments appropriation bill.

Mr. ROBINSON. Mr. President, I cannot consent to the consideration of bills on the calendar, considering the state of the business of the Senate at this time. The pending question relates to the conference report.

The PRESIDING OFFICER. Objection is made.

The question is on agreeing to the conference report.

Mr. BLACK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Radcliffe
Ashurst	Connally	Lewis	Reynolds
Bachman	Copeland	Loftin	Robinson
Bailey	Couzens	Lonergan	Russell
Barkley	Davis	McAdoo	Schwellenbach
Benson	Dieterich	McGill	Sheppard
Bilbo	Duffy	McKellar	Shipstead
Black	Frazier	McNary	Smith
Bone	George	Maloney	Steiwer
Borah	Gerry	Metcalf	Thomas, Okla.
Brown	Gibson	Minton	Thomas, Utah
Bulkley	Glass	Moore	Townsend
Bulow	Guffey	Murphy	Truman
Burke	Hale	Murray	Tydings
Byrd	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Van Nuys
Capper	Hatch	Nye	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Holt	Pittman	Wheeler
Chavez	King	Pope	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present. The question is on agreeing to the conference report.

Mr. BLACK. Mr. President, the Senate now has under consideration the report of the conference committee on the Treasury and Post Office Departments appropriation bill. When this bill was originally before the Senate, this body, as I recall, by an overwhelming vote, struck out the appropriation to make payment on the ocean-mail contracts. As the bill returns from conference the report recites the following:

That the House recede from its disagreement to the amendment of the Senate no. 52, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

This is the provision that now appears:

Payments under Merchant Marine Act contracts: For payments under contracts entered into by the Postmaster General prior to March 4, 1933, or any modification thereof, under the provisions of the Merchant Marine Act of 1928 (U. S. C., title 46, secs. 891–891X), $26,500,000, of which $4,500,000 is an estimated amount representing the equivalent poundage-rate cost of transportation of the mail carried on vessels under such contracts and $22,000,000 is an estimated amount representing additional assistance toward the development of the American Merchant Marine: *Provided*, That no part of this sum shall be paid on contract no. 56 to the Seatrain Co.

In other words, Mr. President, if the Senate shall adopt the conference report it will provide an appropriation of $26,500,000 to make payment for ocean-mail contracts. It, therefore, becomes important that the Senate thoroughly understand what is meant by this report.

Mr. McKELLAR. Mr. President——

Mr. BLACK. I yield to the Senator from Tennessee.

Mr. McKELLAR. I invite the Senator's attention to section 401 on page 26 of the subsidy bill passed today, which provides as follows:

No contract heretofore made by the Postmaster General pursuant to the provisions of the Merchant Marine Act of 1928 for the carriage of mail shall be continued in effect after June 30, 1937, and after that date it shall be unlawful for any officer of the United States to pay from any public fund any compensation to the holder of such contract for services thereunder except for such voyages as were completed prior to the expiration date herein fixed and for voyages commenced prior to said expiration date and which shall not have been completed prior to said expiration date.

If the bill becomes a law the appropriation carried in the conference report on the Post Office and Treasury appropriation bill will be absolutely necessary to carry into effect that provision.

Mr. BLACK. I agree with the Senator. If the committee will wait until the House has acted upon and accepted the bill which was passed today by the Senate, so far as I am concerned I shall have nothing further to say.

Mr. GLASS. Mr. President, the Senate ought to know that the committee has waited about 8 weeks.

Mr. BLACK. I think the Senator is correct and so far as I am concerned, I believe the Senate should wait many more "8 weeks" before it reinstates the appropriation without the enactment of proper legislation. To that subject I intend to address myself.

That is not only my feeling, but it is the feeling of a number of other Senators, and it is our intention to do everything possible to see that the appropriation shall not prevail unless and until the bill which was passed by this body today and which provides regulation for the expenditure of those funds shall have been enacted into law.

In response to the statement of the Senator from Tennessee [Mr. McKELLAR], it is quite true that the bill as passed provides that the contracts shall continue in force and effect until July 1937, but there is nothing that would give more joy and more satisfaction to the lobbyists who have been gathered here today, and who are here now in full force, than to be able to have the appropriation bill passed at this time and then, if possible, bring about the defeat of the merchant-marine bill which the Senate today passed and which provides regulation of the method of expenditure of the people's money.

Mr. CLARK. Mr. President——

Mr. BLACK. I yield to the Senator from Missouri.

Mr. CLARK. Bearing out what the Senator has just said, I went up to the Commerce Committee room a little while ago and it was so filled with shipping lobbyists that I could hardly get inside the room.

Mr. BLACK. I can readily understand that.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. BLACK. I yield.

Mr. McKELLAR. The Senator knows that I was opposed to the bill which was passed today by the Senate. If we had had a yea and nay vote on it, the RECORD would have shown that I was against it. However, that bill provides, and probably wrongly provides, that the old contracts shall be continued until June 30, 1937. It all depends on whether the conference report is adopted as to whether that provision of the so-called subsidy bill can be carried out. I would have preferred, and I think the entire Appropriations Committee, or if not the entire committee at least a majority of it, would have preferred that all payments under these alleged contracts should have been stopped, and we did so provide in the appropriation bill; but now that the merchant marine bill actually provides for the continuance of the contracts until June 30, 1937, it is obvious that we will have to appropriate the additional $22,000,000.

Mr. CLARK. Mr. President, will the Senator from Alabama yield?

Mr. BLACK. I yield.

Mr. CLARK. I called attention this morning, and the Senator from Alabama himself called attention yesterday, to the situation which might develop. So far as I am concerned, I would have preferred not to have the ship-subsidy bill at all, and to have the appropriation for the present ocean-mail contracts omitted or discontinued. That would have brought about a situation which would have compelled action along the line which I believe to be the proper line; namely, a situation in which the full interests of the Government would be protected.

I think most of us who entertain the views held by myself and the Senator from Alabama agree that the bill which passed the Senate this morning is an improvement over the present situation, but if the Senate should now adopt the conference report it would put it entirely within the power of those who prefer the present ocean-mail contract system to any new system containing any regulation, to kill the merchant-marine bill and leave the situation in status quo.

Mr. McKELLAR. In other words, the Senator feels that those who are really interested in the subsidy would prefer to have the subsidy bill defeated?

Mr. CLARK. Yes; I think the shipping interests prefer the existing ocean-mail contracts to a subsidy bill. While it is an outright, frank subsidy bill, it contains certain regulatory provisions which are entirely absent from the present law. If the shipping interests could bring about the approval of the conference report and then kill the bill which was passed by the Senate this morning, they would be glad to do it, because it would bring about a perpetuation of the present situation.

Mr. McKELLAR. That is the reason why I was opposed to the passage of the subsidy bill.

Mr. CLARK. I would have preferred not to pass the subsidy bill if I had been certain the conference report reinstating the $26,500,000 could be defeated, but with the defeat of the subsidy bill and the reinstatement of the appropriation of $26,500,000, we are simply perpetuating the present ocean-mail contracts.

Mr. BLACK. Mr. President, may I say in response to what has been said by the Senator from Tennessee [Mr. McKELLAR] that I think there is no doubt that those who are drawing down money under these contracts which the Postmaster General has declared to be illegal would prefer to have the appropriation approved and to have the subsidy bill defeated as it was passed by the Senate this morning.

Here is the reason: There is now no regulation whatever as to the method of expenditure of the $26,500,000 by the ship companies. The bill which passed the Senate this morning limits the profits, limits the salaries, limits the bonuses, limits the securities, provides safeguards for labor, requires that the new authority created shall promulgate rules and regulations regarding the registration of every lobbyist who comes to Washington or who resides in Washington and who seeks to influence legislation or seeks to influence Government contracts. It is my belief that if that provision had been in effect several years ago the Government would have been several million dollars better off. I am absolutely sure if there had been originally a provision in the Jones-White Act which limited profits and limited bonuses and salaries and gratuities paid out of the taxpayers' money, the taxpayers of the United States would have saved many million dollars.

It is but natural that the gentlemen who are drawing this subsidy should desire to continue in exactly the same method they have been proceeding in the past. Was not that illustrated last year?

At the very close of the session, the question of the continuation of this subsidy or the passage of a new bill came up. I objected at that time on this floor and sought to defeat the continuation of the subsidy, stating that unless it was defeated no legislation on the subject could possibly get through both Houses. We were not successful in defeating the appropriation at that time. The subsidized shipping interests were perfectly satisfied. They continued to draw their funds on these contracts which the Postmaster General has reported to be illegal. They have continued to draw their funds up to this very day. If it is possible to break down the opposition to this conference report—which I do not believe is possible during this week—but if it is possible to do it, and if the

efforts to pass the conference report in this body are successful, I predict that no legislation will go through at this session of Congress regulating the method of paying these subsidies. I predict further that at the next session, just as at this one, the matter will go along from time to time and from month to month until the end of the session of Congress, and then the same question will come up about the appropriation, and we shall have the same old fight.

Mr. President, we do not believe the matter should be handled in that way. We took the position last year that the only way to bring about the passage of legislation on the subject was to cut off the money which was flowing through these illegal contracts. We now take that position. It is true that under the bill which was passed today, in order to bring about a thorough and complete readjustment with perfect fairness to the Government and to those who are operating the shipping lines, the contracts need not necessarily be canceled until next June.

It is therefore perfectly proper that this appropriation bill should pass at this session of Congress, if and when that bill becomes the law. On the other hand, in the public interest we believe that unless that bill becomes the law, not one dime should be appropriated by this Congress to carry on these illegal contracts.

That is the fight we are waging. That is the fight we intend to continue to wage on this question.

In order that there may be no question about the issues involved, it is my intention to read at some length from the report of the Postmaster General in connection with this subject. Of course, it will be impossible for me to read this entire volume in the 3 or 4 hours I intend to address the Senate at this time; but I shall endeavor to read as much of it as I can within the limited period of time allotted to me on this subject.

Mr. HATCH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MALONEY in the chair). Does the Senator from Alabama yield to the Senator from New Mexico?

Mr. BLACK. I yield to the Senator.

Mr. HATCH. What is the volume the Senator has in his hand?

Mr. BLACK. This volume is entitled "Investigation of Air Mail and Ocean Mail Contracts; Letters from the Postmaster General to the Chairman of the Special Committee", which contains the report made by the Postmaster General to the President of the United States on the legality of the very contracts which are in issue at this time.

Mr. HATCH. I was wondering if that is the volume which contains the testimony regarding the expenses incurred by a certain person in the interest of shipping during last session, I believe. One year they amounted to something like $250,000.

Mr. BLACK. Oh, yes; some of that evidence is in this volume. The Senator from New Mexico is talking about the gentleman who spent 75 cents a day for tips, who was down here, and who spent a great deal of his time in Washington in connection with his contracts.

Mr. HATCH. I recall that that testimony was quite interesting, and I am sure the Senators would be interested in hearing it read today.

Mr. BLACK. I shall certainly attempt, before I finish, to read it. If I do not read it in my remarks at this time, it may be possible that I shall discuss the same matter again tomorrow morning early, or tomorrow at some time during the day; and in my second address, if I do not reach it now in due course, I shall endeavor to find that particular item, because it is a most interesting one.

I am reading from the report of the Postmaster General to the President on the very contracts which are involved in this conference report. Let us see, first, the history at the beginning of letting these contracts. It was in 1928 that the Jones-White law was enacted. I read now from page 4 of the report of the Postmaster General to the President of the United States:

> As soon as the Merchant Marine Act of 1928 was passed, the ship operators, especially those who were operating over established trade routes and more especially those who had purchased vessels from the Shipping Board with a contract of guaranteed service, began their efforts to secure ocean-mail contracts. It is pointed out that in every case the purchasers of Shipping Board vessels operating over exclusive trade routes were awarded mail contracts. Practically all of them were let at the maximum rates permitted by law, notwithstanding the fact that they had already entered into solemn and binding agreements with the Shipping Board, and supported their agreements with bonds to operate the vessels purchased, over the identical route, for periods of 5 or more years. There was no valid reason, therefore, for awarding mail contracts to those who had entered into such agreements with the Shipping Board and made such bonds, and already were well established and entrenched in their trade routes.
>
> The course generally pursued by those desiring to secure mail contracts was for them to send their representatives to the Post Office Department and Shipping Board and have the Post Office Department establish a so-called mail route over their identical trade route, beginning at the same ports and ending at the same ports then served by the trade route. In every case there was the formality of an advertisement—

This is not my language; this is the language of the Postmaster General, which was written after hearings extending over a period of months of sworn evidence, with the Government and the contractor represented at the hearings.

Now let me proceed.

> In every case there was the formality of an advertisement, but in fact it was a mere formality because it was so worded as to the ports to be served, the type of vessels to be used, and the length of time within which service might be required, that without exception the contract was awarded to the bidder favored by the Post Office Department and the Shipping Board, and, with few exceptions, at the highest rates allowed by law. In fact, with the exception of a very few cases, there was only one bidder for the route, and always the favored bidder got the contract.
>
> After the first contracts were awarded to the existing lines, two other kinds of bidders entered the picture. One was the prospective contractor who agreed to build new ships. In that case an estimate was made as to a so-called differential between the cost of construction and operation under American flags, as compared to the cost in foreign countries. After negotiation with the Shipping Board and Post Office Department and agreements having been reached as to the type of construction, the route would be advertised with the usual short-time service initiation and with immediate building requirements, which would not allow time even for the making or drawing of plans. The rate of pay had already been agreed upon in an amount which the Government officials and ship operators had determined to be a fair estimate of such differential. This matter will be discussed later.

In other words, the Postmaster General states with reference to all the contract that although the law said they should be let to the highest bidder, before the plans were ever drawn up calling for the bids the rate of payment has been agreed upon between the representatives of the Government and the contractor, who will receive his full compensation under those contracts if this conference report shall be adopted.

Those are the words of the Postmaster General which I have read. I now read further:

> It may be said that in spite of the fact that authority had been taken away from Government officials to negotiate mail contracts, by the act of 1928, and imposed upon them the duty to award the contracts by competitive bidding, nevertheless they continued to make private agreements and negotiate private contracts. Their advertisement was a mere sham and matter of form.

The Postmaster General, after a hearing at which all these people were represented before him, after considering all of the evidence under oath, reported that the very advertisement on which these contracts were let was a mere sham and a mere matter of form.

If this conference report shall be adopted and no legislation shall be passed, next year about the end of the session it will be necessary again to read to the Senate that we are again appropriating this money on contracts based on advertisements which are a mere sham and pretense and a fraud upon their face.

Mr. President, let us see what happened a little later. Let us turn to page 8. It is not my intention to read all this. It would take a little too long, because there are 766 pages. But I now refer to page 8, still reading from what the Postmaster General said:

> When the Merchant Marine Act of 1928 was passed by Congress, the principal argument urged was that it was necessary to establish a permanent merchant marine on a sound basis. Congress assumed that this would be done, and that the enormous sums

advanced as mail pay, the general provision for loans by the Shipping Board at low rates of interest, and the low sales price of Shipping Board vessels would result in the establishment of a strong merchant marine for the United States. The recent investigation has shown that comparatively little of the enormous grants has gone into the building of a permanent merchant marine on a sound basis.

The liberal treatment accorded to the operators under the ocean-mail contracts has resulted in much waste and extravagance. Too many of the contractors have diverted these grants or subsidies, or by whatever name this aid may be called, to other than sound shipping operations. Many of them have employed lobbyists and special representatives at enormous fees.

It may be possible that I am honored this afternoon by having some of these gentlemen listen to my remarks and to my reading of the report of the Postmaster General. I hope so.

Many of them have employed lobbyists and special representatives at enormous fees. They have paid high salaries and excessive dividends. In order to pipe these funds away from the mail contracting company, they have organized holding companies, operating companies, terminal companies, agency companies, stevedoring companies, repair companies, towboat companies, and supply companies, thus freezing out independent firms.

One of the worst things in connection with the method of operation heretofore under these subsidies has been that very thing, the freezing out of small, independent groups attempting to engage in business without the aid of governmental subsidies. The evidence before our committee showed that in numerous instances subsidized companies have not been satisfied with the profits they made from their subsidized ship lines, but had taken advantage of their natural monopoly by reason of their subsidies and had taken away the business from small, independent towing companies, independent terminal companies, and independent stevedore companies.

It might be interesting right at this point to call attention to a few of the investments made by stevedoring companies and towing companies in this country, and the profits obtained from their investments. I intend at a later time to put this entire statement in the RECORD. It has not been published by the special committee up to this date, but some of it is most interesting.

Let us take, for instance, the Pacific Lighterage Corporation. I call the attention of the Senator from Washington to this matter. The Pacific Lighterage Corporation at Seattle, Wash., is affiliated with the Dollar interests.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. BONE. It is simply too terrible for contemplation to have the Senator from Alabama bring out these Washington ghosts. We want to hide our shame out there.

Mr. BLACK. This company has been doing very well. It it a lighterage corporation. The Dollar Co., as many know, is subsidized. We have in our report, which I may include in my remarks tomorrow, the record of the phenomenal growth of this company from $500 until it reached, as I recall, about $8,000,000 in a short period of years. During that time, of course, a few moderate salaries of from fifty to one hundred thousand dollars were paid out from time to time. But we did not make a report on the Pacific Lighterage Corporation, although we have the evidence.

The machinery and equipment of that company, according to this report, and the depreciated value amounted to $14,492.43. From 1927 to 1932 the net profits of this company, whose property had a depreciated value of $14,000, amounted to $1,442,156.67. That, I assume, is what would be called a reasonable profit by this company engaged in this business at that time.

The compensation of the officers during that period amounted to $96,675. The dividends in cash amounted to $1,130,750. Of course, we all know that there is no money and no profit at all in any of the business connected with these governmental subsidies.

However, it is interesting to note that during this period of 5 years the profit from this $14,500 investment amounted approximately to one and a half million dollars.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. HOLT. How did that compare with other businesses during that period?

Mr. BLACK. It is perhaps true that there were few businesses which did not have a governmental subsidy or a governmental monopoly that could hope to make such a tremendous profit as that. The percentage has not been figured out, and I am sorry it has not been. I would imagine, just from a rough guess, it would easily be 10,000 percent.

Now let us go to another company. I shall refer to one down in Savannah, Ga. The name of the company is the Dixie Stevedore Co. It is affiliated with the South Atlantic Steamship Line, which also draws a subsidy from the United States Government.

This company had an investment, according to its report, of $1,404.32. Let us see how its profits ranged during that period. From 1926 to 1934 the net profit of this company was $495,214.34. The investment was $1,404.32.

These figures are very interesting. I have a list of them here from all over the United States. The chief interest lies in the fact that there have been a number of strikes of those engaged in working for stevedoring and terminal companies. There is very little money invested in any of these companies. They make their profit from human labor, and therefore we see that with an investment of $1,404, one company during the period mentioned made net profits of $495,214.34 out of human labor. During that time it paid cash dividends of $480,500.

Here is another one, the Georgia Stevedoring Co., of Brunswick, Ga. It also is connected with the South Atlantic Steamship Lines, a subsidized line. Bear in mind that these stevedoring companies and terminal companies have practically no investment in cash. They do their work with human beings. They employ them at one price and sell their services at another price. That may be partially responsible for the great strike we read about which occurred on the Pacific coast. It is interesting in that connection to remember the profits which I read at the very beginning of my remarks.

Let us look at the Georgia Stevedoring Co. at Brunswick, Ga., and let us see what its investment was. It showed machinery and equipment depreciated at $5,878.61. Let us see what its profits were from 1920 to 1934. They were $1,295,651.46. Officers' compensation during that period amounted to $265,967.96. It is not surprising in the face of these figures that there have been numerous strikes on the part of the employees of these stevedoring and terminal companies throughout the Nation.

Here is one down at Galveston, Tex., the Oceanic Stevedoring Co. of Texas, connected with or affiliated with the South Atlantic Steamship Lines. It had an investment of $512.70. This stevedoring company had an investment, according to its books, in machinery and equipment, the depreciated value of which was $512.70. From 1926 to 1933 it had net profits of $143,600.64.

To those who are not familiar with the history of the ocean-mail contracts I may state that it has been reported from year to year that they were all losing money, but when finally we obtained the report of the stevedoring companies with which they do business and which were affiliated with them, and the report of the terminal companies, of the agency companies, and the various other associates, subsidiaries, affiliates and holding companies, it always developed, when the profits were combined, that all of them were making a profit and were not working at a loss.

Let us go up to Baltimore and see what is happening at Baltimore, Md. Here is the Atlantic Coast Shipping Co. of Maryland, Baltimore, affiliated with the American-South African Steamship Line. According to their books they had machinery and equipment at a depreciated value of $32,972.49. Note that; almost $33,000 invested in machinery. They paid in cash dividends from 1929 to 1932, a period of 4 years, $1,471,409.66. That probably is a reasonably good dividend to pay on an investment of $32,000. But we must not forget that the profits made by the stevedoring company and the terminal company do not come from their

investment in dollars. They come from the fact that they employ the men who do the work as stevedores and in connection with the terminal facilities at one wage rate and sell their labor at another wage rate.

Here is an independent company in Baltimore which did very well—the Covington Marine Corporation. It had in investment, according to its books, $122.35. That is a reasonable investment for a stevedoring company. From 1923 to 1932 their net profits were $148,167.99. Their officers' compensation was $198,184.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. TYDINGS. Does the Senator know how much of that income was charged to foreign ships?

Mr. BLACK. No; I do not. I do not know how much of any of this was charged to foreign ships. The Senator has not been here while I read some of these figures. They are very illuminating. I called attention before the Senator came in to the fact that stevedoring companies and terminal companies of various kinds have little if any investment. They make their profit by employing men and then selling the services of those men. The first one I read, for instance, showed, with an investment of $14,000 in machinery and equipment, there was a profit in 5 years of approximately $1,500,000. That profit was made out on the Pacific coast. During a portion of that period there was considerable controversy between the companies and the men as to the amount of wages they were to receive.

Here is one, the Matson Terminals, Inc., another company on the Pacific coast. It operates in San Francisco. It is affiliated with the Oceanic & Oriental Navigation Co. I have the figures here on it from 1926 to 1933. It had a rather large investment compared with some of the others. It had an investment in depreciated machinery and equipment of about $91,000. During that period it made a profit of $2,971,062.93. It was in San Francisco, as I recall, that there was a strike by the men claiming that they were securing inadequate compensation for the services performed by them, and they were held up by a certain section of the press of this country as engaged in communistic activities.

Here we have a real fact which tends to show the reason why these men were demanding a fairer share in the profits of the company. We find, with an investment of $91,000 in machinery and equipment, that over a period of 7 years from 1926 to 1933 there was a total net profit of approximately $3,000,000. How was that made? It was made in the main by employing workmen as stevedores engaged in terminal facilities and paying them one price and selling their services for another price. This company is affiliated with the Oceanic & Oriental Navigation Co., which draws a huge subsidy from the United States Government, and which is included in the contracts which would be paid off with little hope of change if the conference report should be adopted.

Mr. President, I ask that this entire list be incorporated in my remarks at this point in the RECORD. I may state, in order that there may be no misunderstanding as to what this is, that it is information which was given to the Special Committee Investigating Ocean and Air Mail Contracts, in answers to questionnaires, and in evidence which was obtained from various companies directly and from their reports.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Name	City	Affiliated with—	Period covered (dates are inclusive)	Net profits	Officers' compensation	Dividends (cash)	Machinery and equipment depreciated	Date
Pacific Lighterage Corporation	Seattle	Dollar interests	1927–32	$1,442,156.67	$96,675.00	$1,130,750.00	$14,492.43	Dec. 31, 1927
Pacific Lighterage Co.	do	do	1923–27	644,903.81	54,200.00	519,250.00	9,916.80	Dec. 31, 1932
Portland Stevedoring Co.	Portland, Oreg.	States Steamship Corporation.	1928–32	434,342.64	14,499.23	418,750.00	18,522.68	Do.
Do.[1]	do	do	1921–29	703,417.78	86,272.90	282,592.80	20,143.75	Dec. 31, 1928
Western Stevedoring Co.	Seattle	do	1929–32	86,748.99		60,000.00	2,587.27	Dec. 31, 1932
Dixie Stevedoring Co.	Savannah	South Atlantic Steamship Line.	1926–34	495,214.34	134,754.08	480,500.00	1,404.32	June 30, 1934
Georgia Stevedoring Co.	Brunswick	do	1920–34	1,295,651.46	265,967.96	1,323,080.12	5,878.61	Dec. 31, 1932
American Shipping & Stevedoring Co.	Savannah	Independent	1927–33	29,916.61	43,456.18	20,000.00	1,341.54	June 30, 1933
Oceanic Stevedoring Co. of Louisiana	New Orleans	South Atlantic Steamship Line.	1925–33	56,875.26		53,782.14	489.22	Dec. 31, 1932
Oceanic Stevedoring Co. of Texas	Galveston	do	1926–33	143,600.64		118,658.09	512.70	Do.
Oceanic Stevedoring Co. of Alabama[2]	Mobile	do	1929–33	109,176.44		108,000.00	1,717.61	Do.
Delta Stevedoring Co.	New Orleans	Mississippi Shipping Co.	1924–31	89,728.30		89,728.30	5,234.72	Dec. 31, 1931
Ryan Stevedoring Co.	Mobile	Waterman Steamship Corporation.	1924–34	167,472.60	82,800.00	145,382.72	18,288.17	June 30, 1934
Sabine Stevedoring Co.[3]	Beaumont	Lykes Bros. Steamship Co.	1926–32	24,097.21		23,006.60	158.50	Dec. 31, 1932
Southern Stevedoring Co.[4]	Tampa	do	1929–32	54,267.10		54,267.10	534.65	Do.
Do.	Galveston	do	1928–32	93,298.49		93,370.16	327.35	Do.
Do.	New Orleans	do	1931–32	56,850.74		57,205.28	4,404.85	Do.
Texas Star Stevedoring Co.	Houston	do	1930–31	52,655.81	12,450.73	52,655.81	1,329.08	Dec. 31, 1931
Huron Stevedoring Co.	New York City	Grace Steamship Co.	1918–33	460,348.52		411,962.22	17,491.27	Dec. 31, 1933
Atlantic Stevedoring Co.	do	American-West African Line.	1925–32	50,056.93	173,350.06	66,120.00	13,792.81	Dec. 31, 1932
Tidewater Stevedore & Wharf Co.	do	American Scantic Line.	1919–33	147,899.30	161,125.50	147,900.00	2,743.76	Dec. 31, 1930
Empire Stevedoring Co.[5]	do	American Diamond Line.	1920–34	551,933.94	91,850.00	509,146.00	4,532.18	June 30, 1934
Commercial Stevedoring Co.	do	Cosmopolitan - American France Line.	1920–32	303,697.15	71,419.29	301,000.00	5,422.50	Dec. 31, 1932
Atlantic Coast Shipping Co. of Massachusetts.	Boston	American - South African Line.	1928–32	119,412.18		161,140.00	2,089.00	Dec. 31, 1930
Atlantic Coast Shipping Co. of Maryland.	Baltimore	do	1928–32	1,053,779.62		1,471,409.66	32,972.49	Dec. 31, 1932
Overseas Shipping Co.	New York City	do	1928–32	197,325.15		795,000.00	19,914.60	Do.
Union Stevedoring Co.	Brooklyn	Independent	1919–33	282,397.43	573,423.36	113,178.04	2,205.46	Feb. 28, 1933
Quaker City Contracting Co.[6]	Philadelphia	do	1924–32	25,166.42	98,666.62		10,040.79	Dec. 31, 1932
Covington Marine Corporation	Baltimore	do	1923–32	148,167.99	198,183.33	39,894.21	122.35	Do.
Virginia Stevedoring Co.[7]	Norfolk	do	1924–32	40,089.67	86,216.65		160.34	Do.
Coastal Freight Handlers Co.[8]	Philadelphia	American Scantic Line.	1926–33	14,404.81	66,136.75		2,612.06	Do.
Marra Bros., Inc.[9]	New York City	Independent	1924–32	131,677.00	203,614.00		5,068.08	Do.
Tidewater Stevedoring Co.	Newport News	do	1920–30	3,153.10	58,780.63	4,000.00	864.65	Dec. 31, 1930
Tidewater Stevedoring Corporation	do	do	1931–32	7,826.29	7,870.00	6,000.00	2,179.22	Dec. 31, 1932
Old Dominion Stevedoring Corporation.	Norfolk	do	1928–32	27,920.85	190,000.00		1,924.06	Do.
Associated Marine Corporation	New York City	do	1928–30	1,602,507.06	465,175.61		145,107.95	Dec. 31, 1930
Matson Terminals, Inc.	San Francisco	Oceanic & Oriental Navigation Co.	1926–33	2,971,062.93			91,290.17	Dec. 31, 1933
John T. Clark & Son, Inc.	New York City	Independent	1920–32	9,049.49	420,707.51	10,000.00	72,147.37	Dec. 31, 1932
Total				14,128,250.72	2,657,545.33		539,965.36	

[1] Began with a paid capital of $5,000 in 1920.
[2] Began with a capital of $5,000 in 1929.
[3] Began with capital of $5,000 in 1925.
[4] Began with capital of $5,000 in 1926.
[5] Began with capital of $3,000 in 1920.
[6] Director fees, $100; began with capital of $400 in 1923.
[7] Director fees, $100; began with capital of $500 in 1924.
[8] Began with capital of $500 in 1925.
[9] Began with capital of $5,000 in 1924.

Mr. BLACK. Mr. President, there are many others I could read showing profits made in various sections of the country. This has been in the main, however, limited to those associated with subsidized companies.

There was one interesting feature we discovered in connection with the stevedore companies. We found in one company in New York the profits were so immense and it was so difficult to distribute the profits as dividends that they paid their directors $100 for each directors' meeting when they met as directors of the stevedore company.

I apologize for having departed temporarily from the report of the Postmaster General.

Mr. CLARK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Missouri?

Mr. BLACK. I yield.

Mr. CLARK. May I ask the Senator if that was the same stevedore company whose president admitted on the witness stand that he did not know where it was located or where its offices were located and had even forgotten he was president of the company?

Mr. BLACK. I read the profits of one of the companies. It is true that the president of one of the companies, when asked about the company, did not recall its name, did not recall where it was located, did not recall the fact that he was president. He had forgotten that he drew $7,500 salary from it the previous year as president. That company was located on the west coast, but it finally developed that the head office of the company was located in New York.

I now return to the report of the Postmaster General and read from page 15 as follows:

> Proceeding upon the sound theory that it is necessary that this Government must have an adequate merchant marine, I am definitely of the opinion that decided changes must be made in the administration of the subsidy.
>
> The reports on each contract, which are sent herewith, do not contain positive, definite recommendations as to what treatment I would advise being given in each case.

I digress long enough to state that it is my intention to take up each of the several contracts in order that the Senate may understand the varying reports made upon each separate contract.

> It is pointed out wherein the contracts appear to have been illegally or improvidently awarded; and, wherever possible, suggestions have been made that economies might be effected in the particular contracts under consideration. It appeared that in practically every case the contract was a negotiated contract, and that the contracts in most instances were awarded at the highest rates possible under the law.
>
> I am further of the opinion that if the American merchant marine is to be operated under private ownership and receive substantial aid from the United States, the shipowners should not only contribute a considerable portion of their own means, which they have not done except from funds derived from their Government operations, but they should also be required to deal fairly with the Government and efficiently operate their businesses.
>
> If the merchant marine is to be continued for the benefit of foreign commerce, then it is my opinion that all sections of the United States should be equitably served, that there should be a careful survey of trade routes, and that money should not be squandered by operation over routes that do not justify the expense; nor should the number of routes or sailings thereon be so numerous, as in the past, that they would have no commercial value to the country.
>
> An immediate construction program should be mapped out.
>
> The evidence undoubtedly and clearly shows that we do not have enough fast and modern vessels either to compete in foreign commerce or for our national defense. We are woefully lacking in vessels that may be used as naval auxiliaries. If Government aid is given in the construction of new vessels, the Government should be protected, by contract, with the right to take the vessels over at their cost, less reasonable depreciation, in case of emergency.

I digress at this point in connection with this report to call attention to the fact that in the bill which was passed by the Senate today this recommendation of the Postmaster General was adopted. The Senator from Washington [Mr. SCHWELLENBACH], feeling there might be some question as to whether or not the bill accomplished that purpose in the form in which it was presented to the Senate, offered an amendment which was adopted in order that it might be so clear that no one might misunderstand.

I continue reading:

> As stated herein, at least ten of the ocean-mail contractors are engaged or affiliated in operating foreign-flag vessels or are agents for competing foreign-flag lines.

In this connection I may state, relative to the inquiry propounded to me by the Senator from Maryland [Mr. TYDINGS] a few minutes ago, that it is doubtless true that some of these stevedore companies affiliated with the subsidized lines did do business with foreign steamship companies. That would naturally follow since ten of those ocean-mail contractors drawing subsidies from the Government are engaged with or affiliated in operating foreign-flag vessels or as agents for competing foreign-flag lines. In other words, under these contracts, which will be tentatively approved by this body if the conference report should be adopted at this stage of the proceedings, according to the report of the Postmaster General 10 of the contractors are affiliated or associated with foreign-flag ships in competition with subsidized lines, which subsidies are paid by the taxpayers of this country.

Going further, the Postmaster General says:

> A truly American merchant marine cannot be expected to develop as a result of encouragement and aid to these foreign-flag operators and agents.

In other words, the Postmaster General calls direct attention to the fact that if this conference report is adopted, by that action we shall be benefiting foreign-flag lines. Of course, the talk has always been that the object was to subsidize American lines, employing American citizens.

Reading further from the Postmaster General:

> It has not been the intention of Congress that operators of vessels engaged in the protected intercoastal and coastwise trade should be given aid to stifle out their other American competitors who receive no Government aid. Nevertheless, by one subterfuge or another, a very great many of the ocean-mail contractors, especially some of the larger ones, have resorted to the practice of creating subsidiary corporations for that purpose, to which much Government aid has been poured through the parent company; others are intercoastal almost exclusively in their business, but have been permitted to receive mail contracts and pay because they happen to touch at some foreign port on their intercoastal routes.

In other words, Mr. President, the Postmaster General is calling attention here to the fact that we have a large number of American companies that are engaged in intercoastal traffic. They have, as competitors, other companies which are engaged in intercoastal traffic. Under our law, we give a monopoly of the intercoastal trade to American companies; but the Postmaster General calls attention to the fact that we subsidize some of the intercoastal lines, and require unsubsidized American companies to compete with favored subsidized companies in the intercoastal trade.

Continuing further, the Postmaster General says:

> All American operators in the protected trade should receive the same treatment. Aid in that particular trade should be given to all or none, and any change in policy or law should carry with it the same kind of protection and benefits to all.

I might pause here to call attention to the fact that the bill which was passed today meets that objection of the Postmaster General, and does away with this special privilege to some of the companies.

Reading further from the Postmaster General's report:

> The Government cannot hope to receive the full measaure of benefit from its expenditures if those who receive Government aid in the form of mail contracts, or otherwise, are permitted to operate in an extravagant manner and pay unconscionable fees, salaries, and dividends; and to organize subsidy companies, such as machine shops, agencies, or other companies, which are permitted to make exorbitant profits and incidentally, stifle independent shops and firms; or to own, or in turn to be owned wholly or in any substantial part, by holding companies that have exorbitant expenses.

Mr. POPE. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. BLACK. I yield.

Mr. POPE. To what extent is that objection taken care of in the present bill?

Mr. BLACK. In my judgment, we have gone as far as it is possible to go at this time in taking care of that particular objection in this bill.

Mr. POPE. It does take care of the matter of salaries?

Mr. BLACK. Yes; it takes care of the matter of salaries; but in the bill that was passed today the salaries are limited to $25,000. It was my own judgment that those who depend for their incomes upon money from the Federal Treasury should not draw as much as $25,000. Many of those who hold up their hands in horror when we talk about limiting the salaries paid by a subsidized company out of Federal money will also hold up their hands in horror if we offer to pay a Government employee one-tenth of what they are perfectly willing to have paid to the officials of the subsidized company. Of course, there is this difference: When we supply the money out of the Treasury as a subsidy we are worshiping at the shrine of nominal private operation.

So long, therefore, as we worship at the shrine of private operation, and we observe that symbol, it is perfectly all right to take the taxpayers' money and permit salaries of $100,000 to be paid.

Several years ago, when the Reconstruction Finance Corporation was first created, I offered an amendment to provide that those who borrowed money from the taxpayers should not pay salaries more than the amount paid the Vice President of the United States. My recollection is that my proposal received 18 votes in the Senate. I then raised the limit to $25,000, and then raised it to $100,000; but the proposal still had, as I recall, only 18 votes in the Senate. It was perfectly all right to limit the salaries of persons who were paid out of the Public Treasury when they worked directly for the Government. It was a rather horrible crime on my part, however, at that time to suggest that merely because they got their money from the Federal Government through a loan from the Reconstruction Finance Corporation, they likewise should have their salaries limited, so long as they had to depend upon the Public Treasury.

Mr. POPE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama further yield to the Senator from Idaho?

Mr. BLACK. I yield to the Senator.

Mr. POPE. Of course, the Senator must have in mind the contention that private industry is so much more efficient than public administration that that fact should permit private officials to draw very much larger salaries than public officials draw.

Mr. BLACK. Of course, the theory is that if we will go through the form of making it private operation by putting our hands down into the Public Treasury and taking out the money and putting it into the treasury of a private corporation, instantaneously, simply by a magic touch, the situation is so changed that the employee of the company that draws the taxpayers' money should have no limitation on his salary. That, of course, is done on the theory that he is a far more capable executive when he works for a private company which draws public money than he is when he works for the Government which pays him public money.

Mr. POPE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama further yield to the Senator from Idaho?

Mr. BLACK. I yield further to the Senator.

Mr. POPE. And it is also one who has that type of philosophy who criticizes so severely the expenditure of Government funds, the "extravagance" of the Government in taking care of the poor and the needy, and who at the same time will spend, for salaries and for other expenses, very large sums in private industry?

Mr. BLACK. The Senator is absolutely correct. It is the old theory of spending other people's money. It has been my philosophy from the beginning, with reference to any business which has to be supported by the Public Treasury, that if the Public Treasury supplies the funds, the Government should control the business.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator from Washington.

Mr. BONE. I am wondering if the bill in its present form, as it passed the Senate today, contains, in the judgment of the Senator from Alabama, provisions sufficient in themselves to prevent a siphoning-off of the funds allowed under this bill into the hands of subsidiaries, such as lighterage companies and other subsidiaries of the character the Senator has described, and which were so vividly portrayed in the investigations made by his committee. I think that is very important; and I desire to know whether those provisions were sufficient to prevent, in the future, abuses of that character.

Mr. BLACK. I fully agree with the Senator that it is important; and, in my judgment, practically so far as it is possible to do so with any subsidy bill, it has been done in this measure.

There is a very decided difference between regulating the business which the Government actually controls, without any intermediaries, and attempting to regulate a business where the Government supplies the money through subsidies but has to depend upon intermediaries.

Our investigation showed that with reference to some of these companies practically all of the money, every dollar of it, had been supplied by the United States Government.

Mr. BONE. Mr. President, I find myself wondering all the time, in the light of the revelations of the Black committee, why it is that astute and clever American businessmen were not smart enough to know that when they were getting this money from the United States Treasury, just so much lagniappe, if they permitted the abuses which grew up under that system to continue they would inevitably destroy the very thing they sought to preserve. At this moment I cannot understand why men were so disregardful of the ordinary rules of common prudence. They might have known that ultimately this thing would become known and that it would destroy itself, as abuses inevitably tend to do. Apparently they were not satisfied to get this easy money out of the Treasury but they wanted to permit these subsidiary outfits to siphon off, to drain off, all this vast sum into the hands of the subsidiaries, where it could not properly be charged to the operation of the vessels.

I think the Senator will agree with me that there probably would not have been this demand for a change, a demand which had to be met, if it had not been that these abuses simply grew intolerable. I cannot imagine the American people ever looking with complacence on any outfit getting as much as $114,000 for hauling 1 pound of mail across the ocean. The American people are dead to every standard of decency, and certainly financial justice and decency, if they tolerate that.

If we are to be compelled to pay out such ungodly sums of money for hauling the mail, we had better own the boats; because if we have to continue to place around the necks of the people huge taxation in order to carry on the merchant marine, it would be infinitely better if we should own the vessels. As a taxpayer myself, I would rather pay those taxes knowing that the Government owned the boats than to be paying out that money in order to make private profits for some men who are part of an organization which has put over some of this rough stuff in the past.

I think the records of the Black committee present one of the most ominous pages of American history; I think I am justified in putting it that way. They reveal a very unhappy attitude of mind on the part of businessmen toward their own Government, men who ought to have been above that, because the Jones-White Act was enacted in the sacred name of patriotism.

I know the Senator has read many of the arguments advanced in behalf of the Jones-White Act. I have a lot of the matter touching that measure here, and I know out West we were told that the Jones-White Act was one of the great pieces of statesmanship, that it was drawn here very carefully by able Members of Congress.

In the very records of the Munitions Committee there is evidence that every line of that measure, practically without

exception, was written by attorneys for the private steamship interests of this country, brought down to Congress, and over $200,000 was spent in Washington put the bill across.

As the Senator from Alabama knows, the bill contained a lot of very peculiar provisions, one of them a provision that in the event the Government wanted one of the vessels which it had built, which it had "sugared" and subsidized at figures that were astounding—if it wanted one of those vessels to preserve this Republic in time of war peril, it then had to pay the outfit which got the boat from the Government the then fair market price or value of the boat.

It was suggested on the floor of the Senate yesterday that in case of war, when a nation's back was against the wall, when the will to live rose paramount to every other consideration, the price of tonnage would go out of sight. The bill coldly, deliberately provided that this Government could be rooked to the extent of paying wartime, inflated, boom prices for tonnage if it was to get one of the vessels back.

I asked one of the outstanding witnesses before the Munitions Committee about some of the peculiar provisions in the Jones-White measure and he expressed great astonishment that this provision was in the bill. But he said it was just an illustration of some of the terrible things that were put over on the country in this law that we know as the Jones-White Act.

I asked him at that time how it came about that a bill went through Congress which provided that Uncle Sam was to put up nearly all if not all the money for the boats, and then, if it had to take them back, it was required to pay the then fair market price for the boats, which would be the wartime price. Every Member of the Senate knows that in time of war the price of tonnage jumps clear out of sight. Yet that bill coldly provided that this Government should pay these fellows the inflated wartime prices for the boats.

There was no explanation of that peculiar thing. I asked this gentleman, who was the president of the New York Shipbuilding Co., one of the Big Three, about the matter. I said, "Mr. Wilder, can you tell us who drew the Jones-White Act"?

This man spoke from the book. He was not a gentleman expressing any theoretical opinion. He was a man who came down here handling the money. He said, "Mr. Jones drew the preamble."

I stated to him that I was talking about the peculiar phraseology of the act, and asked him what attorney drew it. He said, "I do not know what attorney. I did an awful lot of work on it."

This was the president of the New York Shipbuilding Co. This was not a patriotic gesture of a patriotic Member of the House of Representatives, but the president of the New York Shipbuilding Co., which was to make great profits out of this merchant-marine program contemplated under the Jones-White Act.

He said:

I did an awful lot of work on it, and I am not an attorney. Hundreds of different people were working on it, and came in with contributions.

It was a sort of omnium gatherum of odds and ends supplied by the Big Three and the private shipbuilding interests of the country, who were sitting around waiting to get their fingers on the money to be available under the measure.

I said "private shipbuilding companies."

Mr. WILDER. Private shipbuilding companies, and particular ship operators.

Senator BONE. Who drew the provisions in the Jones-White Act authorizing the sale of these vessels at a tiny fraction of their cost to which was added a provision that if the Government took them back in case of war, they would pay the price the company wanted to exact for the boats?

Mr. WILDER. Is that in the Jones-White Act?

Senator BONE. That is in the Jones-White Act, in practical effect.

Mr. WILDER. I thought that antedated it.

Then I answered that this would require the payment of the going market value of the boats in case of war.

Mr. President, that was an illustration of how that thing was handled at that time, and how coldly, purposefully that bill was put through, containing provisions which any careful examination of the bill would have revealed. It meant a ruthless raid on the Treasury in the event of war.

Mr. CLARK. Mr. President, will the Senator from Alabama yield to me?

Mr. BLACK. I yield.

Mr. CLARK. The Senator from Washington will recall that the testimony in the same investigation, given by the same witnesses, disclosed that this one fellow, representing three shipbuilding companies, had expended in excess of $250,000 at one session of Congress.

Mr. BONE. That was the session at which the Jones-White Act was passed.

Mr. CLARK. To get the Jones-White bill passed.

Mr. BONE. Yes.

Mr. CLARK. Obviously they expected to get the money back in some way. There has been nothing in the record of any of the investigations which has indicated that the New York Shipbuilding Co., the Newport News Shipbuilding Co., or the Bethlehem Co., or any of the rest of them, were putting out money for their health.

The Senator will also recall that in the shipbuilding contract which the New York Shipbuilding Co. had with the Government during the war, on a cost-plus basis, they included in the basis on which the percentage of cost plus should be figured such items as very large expenditures for wine, liquors, and cigars, and when I questioned the auditor of the New York Shipbuilding Co. about it, he said that liquor and wine were just as necessary concomitants of shipbuilding as steel was. There were also included in the basis on which they were going to figure their own profit under the contract, as part of their overhead, the expenses of maintaining a representative in China and one in Japan during the World War. That was figured into the base as part of the cost on which their percentage was to be figured.

I am just wondering if the same system of bookkeeping and the same system of figuring wines, liquors, and cigars, and Chinese and Japanese representatives and other elements of that sort is to be carried into the subsidy business, as apparently it has been in figuring the basis of compensation in the air-mail contracts. I am wondering whether we are still to have that same system in existence.

Mr. BONE. My friend the Senator from Missouri will recall that in one instance one of the contracts even permitted the company to charge off the amount of income tax it paid as an operating expense. To me it is one of the most astounding things which has been uncovered.

Mr. CLARK. Let me say, if the Senator from Alabama will permit me, that in the particular instance to which the Senator from Washington refers we had an amusing illustration of the way in which they handled their books and the way in which they charged the Government. If the United States Government charged the New York Shipbuilding Co.—I believe that was the one in connection with which the incident came up—a million dollars income tax, the Government did not get the million dollars, but the New York Shipbuilding Co., having a 10-percent cost-plus contract, was not only reimbursed for the million dollars tax, but was paid $100,000 on top of that under the cost-plus contract, because the Government charged the million-dollar tax.

Mr. BONE. The most astounding aspect of this whole problem is that if a man in public life dares so much as to criticize that sort of business certain people in this country who ought to be above such a thing and who ought to have the welfare of the country and its people at heart—because unless their welfare is served and preserved there cannot be any prosperity in this country—will subject a person who dares make such criticism to the most scathing denunciation, and even question his honor and integrity, and intimate that he is not a loyal citizen of the Republic, simply because he dares be so profane as to lay his hand on such a golden calf. I suggest to my friend the Senator from Alabama that such conduct has led to a great deal of bitterness on the part of a great mass of people, when they

see a man in public life damned and anathematized simply because he seeks to correct extreme abuses.

If people in this country desire public men to approach a solution of public problems dispassionately, without bitterness, they must learn one thing, and that is to quit criticizing men in public life who are merely trying to correct gross public abuses, and if they do not understand that simple thing we are in for some hard sledding in this country. The sooner the people of the country understand that the better. A man is not unpatriotic, he is not an enemy to his country when he objects to his country's being rooked. He is not an enemy of this country, he is not an enemy of our Republic, nor an enemy of the boys and girls growing up when he objects to a man's getting something for nothing. Yet we have the peculiar condition in this country of a great many people, and well-meaning people, who, in their conservatism, or what they think is conservatism, simply feel that it is bad to criticize anything, although in their hearts they recognize a certain practice as being a gross and grave abuse. That attitude is 10 times as dangerous as the criticism itself, because the very repression that is suggested thereby in itself dams up the reservoirs of just wrath, and this mountain of wrath keeps piling up and piling up and piling up until finally we get to a point where those who sincerely and honestly would seek to correct abuses find themselves confronting such a public sentiment that it is impossible sometimes to apply remedies which are not too drastic.

I feel that the Senator from Alabama probably agrees with that statement. He has been himself a target for a great deal of abuse for trying to show up a great many things which have been uncovered by the Black committee in its investigation of the air-mail contracts and ocean-mail contracts. Senators should recognize abuses, particularly those on this side of the aisle, and ought to be courageous in attacking abuses, because if they do not root them out the Democratic Party has no right to live. Certainly if the Democratic Party cannot devote itself to social service and making life a little better and sweeter for the mass of the people—and it can only achieve that objective by working for standards of economic justice—if the Democratic Party cannot do that and set its face resolutely toward the eastward in that kind of a task, it must pay the price that must be paid by any party or group—the loss of public confidence.

I only hope we have the nerve to go ahead, not without intelligence, but to go ahead dispassionately and clearly, as befits lawyers, of whom there are a great many on this side of the aisle, and set our hands to the task of correcting the abuses before they grow so great and so threatening that they make the people of the country believe that in being quiescent we are betraying the people. That is why I am glad, Mr. President, that at least some remedial steps are being taken here, perhaps too slowly to suit some of us; perhaps faster—God only knows—than people can absorb, but at least our duty seems to be plain to drive ahead and try and correct these things. That is why I am so sympathetic with the work which the Senator from Alabama performed in disclosing these conditions, and I am astonished that any group of Americans can find anything to criticize in the Senator's work in uncovering what he has uncovered.

I apologize to the Senator for having taken so much of his time, but I rather resent that the Senator from Alabama should be so criticized by those of reactionary minds for uncovering the things which he has uncovered.

Mr. BLACK. Mr. President, I appreciate very greatly the interruption of the Senator, and his reference to the work of the committee on which I served. In line with the suggestion which was made as to the work done in Washington, I am reminded of some evidence which came out before the committee. Several gentlemen are engaged in the shipping business. One of the partners was berating another member of the partnership and told him in substance that he had not been contributing his part in the work of the business. He said that all this particular partner did was to pussyfoot around Washington. His partner very frankly wrote back to him and told him that he must realize that in their business there was nothing which equals in importance this very pussyfooting around Washington. That it was necessary that he be here, that he be on the job constantly with reference to subsidies and modifications of the contracts, and so forth.

Then a little later, in connection with the statement that efforts are made to punish Members of the Senate and House, we had some very interesting evidence with reference to my friend the Senator from Tennessee. The Senator from Tennessee had been very active in seeking to protect the Public Treasury from the ravages of some of these gentlemen from time to time. Naturally his activities had aroused their wrath. So they arranged to send a series of editorials to be published in various papers in the State of Tennessee. They sent them out through an organization which operates in connection with the Mississippi River. The statement was that if they could build a sufficient fire under the Senator from Tennessee they believed that they might be able to cause him to change his course.

Mr. CLARK. They would try to build a fire under me also.

Mr. BLACK. Undoubtedly they would try to build a fire under the Senator from Missouri or under any other Senator who attempts to see that the public interest is protected.

I asked one of the gentlemen of whom we were making inquiry something about the editorials, and in commenting I said, "You did not get very far that way, did you? It is my understanding that the Senator from Tennessee continued his fight in connection with that contract." He was compelled to admit that the fire in that connection had failed to accomplish any purpose whatever so far as he could discover. That evidence came out in the record, and it is but a sample of the method that is used from time to time in connection with these matters.

Mr. President, I again apologize to the Senate for departing for a time from the report of the Postmaster General. I have been delayed longer than I expected to be.

I realize, since there are 766 pages of this document, that it will require perhaps a little more expeditious action than I have been taking heretofore in order to complete discussion of the report. I now read from page 20 of the letter of the Postmaster General. This is with reference to the letting of a contract on foreign ocean-mail route no. 4, and reads as follows:

> Negotiation for this contract was instituted by letter from Frank C. Munson, president of the Munson Line, to the Postmaster General, dated May 22, 1928. On June 18, 1928, E. R. White, Superinterdent of the Division of International Postal Service, wrote to the Munson Line, enclosing a copy of a pamphlet containing the information contained in the newspaper advertisement, together with certain other information, and inviting the Munson Steamship Line to submit a proposal on route no. 4. The files of the Post Office Department do not reveal that any copy of the pamphlet advertisement was transmitted to any person other than the Munson Steamship Line by a letter inviting a proposal on this line. Twenty-six days elapsed between the date of first publication of the advertisement and the date when bids were opened, and 34 days elapsed between the first publication of the advertisement and the date when the beginning of service was demandable. Testimony tc the effect that no person other than the Munson Steamship Line could reasonably determine its ability to perform the contract in time to submit a bid for the service, is uncontroverted. There was only one bid, that of the Munson Steamship Line, which was at the maximum rates permitted by law.

The reading of this document containing the report of the Postmaster General would bring to the attention of Senators with increasing monotony the same statement, "There was only one bid", "There was only one bid possible", "This bid was for the maximum amount."

I continue reading from page 20:

> CHANGES IN THE CONTRACT ON ROUTE NO. 4
>
> The service provided in the contract was "from New York to Buenos Aires by Rio de Janeiro and Montevideo and such other intermediate ports at which contractor's vessels may call."
>
> The contract further contained the provision, "that if mutually agreed to by the Postmaster General and the contractor, the Post Office Department may extend the service to additional ports, curtail the route to omit ports, change the service to substitute ports or increase or reduce the number of trips, with allowance of not exceeding the contract rate for the increased outbound mileage involved, and with a deduction at the contract rate for any decreased outbound mileage involved."

On January 29, 1930, Mr. Frank C. Munson requested that route 4 be extended to include the port of Hamilton, Bermuda, and further requested that he be permitted to make 26 "extra voyages" to Bermuda. On February 3, 1930, the Postmaster General directed a memorandum to the Second Assistant Postmaster General, as follows:

"Please draft a suitable answer to Mr. Munson. It seems to me that until the Merchant Marine Committee disposes of the controversies before it, it would be wise for us to mark time."

This memorandum contains a pen-and-ink notation from the Second Assistant Postmaster General to E. R. White, Director of the Division of International Postal Service, as follows:

"Be guided by P. M. G. remarks. It would cause a great row were we to grant Munson's request now."

At this time an amendment had been introduced providing, according to Congressman Davis, who introduced it, "that the mail contracts authorized in the 1928 act shall not be awarded to any company which directly or indirectly operates foreign-flag ships in competition with American-flag ships in the foreign trade of the United States."

The foreign-flag activities of Frank C. Munson are later discussed. On March 14, 1930, the service on route 4 was extended to include Hamilton, Bermuda.

On December 22, 1930, Mr. Munson again addressed to the Postmaster General a request for 26 more trips per year to Bermuda, stating in his letter that:

"As a part of this request we recognize your wish to have us agree to build, and will agree within 4 years to deliver on this route a rebuilt steamship *Mount Vernon* or steamship *Agamemnon*, and within 8 years, provided the present contract is extended for a similar 10-year period, a new passenger steamer of not less than 25,000 displacement tons, and 20 knots speed."

On January 24, 1931, an order was signed by the Second Assistant Postmaster General permitting the Munson Line to make not more than two trips a week additional from January 26 to April 30, and not more than one trip each 2 weeks from May 1 to June 30, 1931. The order states:

"The contractor having agreed to such increase and having agreed further that the Postmaster General may reduce the service so as to omit the additional trips herein authorized if the contractor fails, by April 1, 1931, to agree with the Postmaster General upon a program of ship construction."

No program of ship construction was ever agreed upon. However, the Postmaster General at no time reduced the service, but by successive orders dated May 22, 1931, June 15, 1931, July 9, 1931, August 20, 1931, September 21, 1931, November 6, 1931, March 30, 1932, July 11, 1932, September 29, 1932, October 24, 1932, November 30, 1932, and December 6, 1932, continued this service to December 31, 1932. This action was taken in spite of the fact that on August 11, 1931, the Second Assistant Postmaster General advised Mr. Munson that the condition of the appropriation would not enable the Post Office to continue the service beyond the end of August.

Under this arrangement the Munson Line, during the fiscal year ended June 30, 1931, made 54 voyages for which it received $374,833.06 passenger revenue, $183,274.07 mail pay, and only $21,326.09 freight revenue, a total of $598,291.07, including $18,857.85 miscellaneous revenue. For the succeeding fiscal year 1932, there were 66 voyages, passenger revenue being $348,007.82, mail pay $368,566.62, and only $56,581.23 freight revenue, a total of $793,846.52, including $20,690.85 miscellaneous revenue. For the fiscal year 1933, there were 39 voyages, the passenger revenue being $201,968.81, the mail pay $197,586.88, and the freight revenue only $28,653.64, a total of $438,136.48, including miscellaneous revenue of $9,927.15.

The total result of this operation shows that there was received revenue in the amount of $1,830,274.07 of which $749,427.57, or 41 percent, was mail pay. The passenger revenue was $924,809.69 and the freight revenue only $106,560.96, miscellaneous revenue amounting to $49,475.85. The above revenue computations take into account 23 voyages during the fiscal year 1931, on which the mail pay was on a poundage basis.

I will repeat that sentence. I am afraid some of the Senators did not understand it:

The above revenue computations take into account 23 voyages during the fiscal year 1931, on which the mail pay was on a poundage basis. There were 136 voyages under this arrangement and 23 voyages on the poundage basis. All voyages under this arrangement were voyages of ships which sailed from New York to Bermuda and returned to New York. Voyages on the mail route from New York to Buenos Aires by way of Bermuda are not included. This arrangement has been terminated, the last voyage having been made in the fiscal year ended June 30, 1933.

At this time, Mr. President, I desire to place in the RECORD certain figures from page 26 of the Postmaster General's report relating to the salaries of the officials of the Munson Steamship Co.

From 1926 to 1934, inclusive, the following salaries were paid, according to this report:

Carlos W. Munson, chairman of the board	$329,200
Frank C. Munson, president	465,600
F. M. Kellog, vice president	158,500
C. B. Kellog, vice president	$158,500
W. B. Keene, vice president	119,700
Asmus Leonhard (who retired in 1932), vice president	68,640
J. W. Reynolds, secretary	107,820
C. M. Dimm, treasurer	101,500

(Dimm ceased to be treasurer on Sept. 1, 1933.)

The total amount of these salaries for this 9-year period is $1,509,460. In addition to the above salaries, the company set up on its books in 1929 provision for a bonus to the officers of the company in the amount of $100,000; $58,818 was actually drawn, $32,400 by F. C. Munson, $20,000 by Carlos W. Munson, and $6,418 by other officers. The sum of $41,182 still stands as a credit on the books of the Munson Steamship Line.

I now turn to page 63 of this report. I have been placing in the RECORD some of the salaries and bonuses that were paid, but only a few. I expect to place in the RECORD a great many more before I shall have finished. Now, I wish to call attention to some of the wages paid to the crews. These figures are with reference to the American South African Line, Inc.

It will be recalled by those who have been closely following my remarks here this afternoon that I placed in the RECORD previously the profits of the stevedoring companies connected with this particular concern. I now quote from the report of the Postmaster General, on page 63, this statement:

CREW WAGES

The United States Shipping Board wage and manning scale in force when this contractor received a mail contract was $3,496 per month for a Hog Island type vessel. It was developed that the contractor is now paying on a similar type vessel the sum of $2,855, or a difference of $641 per month per vessel. This is equivalent to an annual difference of $7,692 on each vessel. Based on the continuous operation of four vessels of this type—the *City of New York* being a different type—the difference in wages and manning requirements is equivalent to an annual reduction of approximately $30,768. This reduction in crew wages and manning requirements was brought about by the contractor, notwithstanding the fact that the contractor was realizing in net profits a handsome return on its invested capital, as has already been shown.

It will be noted that this company, which had and still has a contract which is included in the amounts sought to be paid to the subsidized shipping companies, reduced the wages of its seamen upon obtaining this subsidized contract. There seems to be no belief on the part of some that it is necessary to pay wages to people who work in the lower scale of wages on a par with what the Government pays them, although there is tremendous opposition to requiring those who draw salaries out of Government money for subsidized vessels to be compelled to accept salaries as low as those paid to people who work for the Government.

Let us see what this company did during the time it was reducing the wages of its seamen.

The company was then operating without a subsidy:

The contractor, under private operations, for the period from December 19, 1925, to December 21, 1928, immediately preceding the award of the mail contract, made a profit of $311,576.04. During the period of the mail-contract operations extending from January 1, 1929, to December 31, 1933, the contractor made a net operating profit, before income tax, of $1,186,881.05, or a net operating profit of $1,004,881.75 after income tax.

That is the time when the wages of the employees, the seamen, were going down:

During the period prior to October 1, 1928, when this contract was awarded the contractor collected in mail pay under the 1920 act approximately $100,000 and for the last 3 months of 1928, under the 1928 act, approximately $14,000, or a total of $114,000. Deduct this latter sum from the profits of $311,576.04 and there remains a net profit, without considering mail pay, of approximately $197,000. This latter sum will approximate 10 percent per annum return on the outstanding capital stock of the company for the 3-year period preceding the award of the mail contract.

In other words, before the mail subsidy was given to this company it made 10 percent per annum profit on its investment. That, however, was not sufficient.

The contractor has made during period of mail contract, before income tax, a profit of $1,188,881.03, which profit has averaged approximately 77 percent per annum on the outstanding capital stock ($306,600) of the company.

This is one of the companies that is included in this twenty-six and a half million dollars. I read further:

The net investment of the stockholders has increased each year due to an accumulation of undivided profits.

It will also be remembered that when the undivided profits remained there undistributed the individuals who made the profits did not have to pay an income tax as an individual would have done had he not invested in the corporation. They permitted their profits to remain in the corporation, with the payment of the regular corporation tax, instead of being compelled to pay in the higher income-tax brackets as they would have done if the profits had been distributed.

A substantial amount of the contractor's capital has, however, been invested in securities; but if it should be assumed that the contractor has tied up in the operations of its steamship business an average sum of $1,000,000, which is considered a high estimate, then the profits, before income tax, during the period of the mail contract (depression years) would have yielded a return of approximately 23 percent per annum. It may also be pointed out that the contractor's profits were determined after the payment of substantial executive salaries, legal fees, the carrying charges on the new vessel and the inclusion of depreciation on the new vessel.

The profits referred to hereinbefore are exclusive of all intercompany profits. The Atlantic Coast Shipping Co. of Massachusetts, Inc., the Atlantic Coast Shipping Co. of Maryland, Inc., and the Overseas Shipping Co., Inc., are affiliates of the contractor through interlocking directorates. These companies performed the stevedoring services of the contractor for the period from October 1, 1928, to August 1933, and during such period their net profits from the services rendered the American South African Line, Inc., are reported to have been $42,035.14.

This contractor has paid in dividends to December 31, 1933, the sum of $189,142, $38,698 of which applies to period prior to mail contract and the balance of $150,444 during the period of the mail contract.

NET WORTH

The net book worth of the American South African Line, Inc., at December 31, 1933:

Capital stock:		
Issued for cash, 3,638 shares at $100	$363,800.00	
In treasury, 572 shares at $100	57,200.00	
		$306,600.00
Surplus:		
Net earnings, December 1925 to Dec. 31, 1928, inclusive		311,576.04
Net earnings during period from Jan. 1, 1929, to Dec. 31, 1933, inclusive, of miscellaneous earnings of $292,794.65		1,297,676.60

Mr. CLARK. Mr. President, will the Senator yield for the purpose of letting me suggest the absence of a quorum?

Mr. BLACK. I yield.

Mr. CLARK. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McGILL in the chair). The clerk will call the roll.

Mr. McKELLAR. A parliamentary inquiry. Has any business been transacted since the last roll call?

The PRESIDING OFFICER. Business has been transacted since the last quorum call, the Chair is advised by the parliamentary clerk. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Radcliffe
Ashurst	Connally	Lewis	Reynolds
Bachman	Copeland	Loftin	Robinson
Bailey	Couzens	Lonergan	Russell
Barkley	Davis	McAdoo	Schwellenbach
Benson	Dieterich	McGill	Sheppard
Bilbo	Duffy	McKellar	Shipstead
Black	Frazier	McNary	Smith
Bone	George	Maloney	Steiwer
Borah	Gerry	Metcalf	Thomas, Okla.
Brown	Gibson	Minton	Thomas, Utah
Bulkley	Glass	Moore	Townsend
Bulow	Guffey	Murphy	Truman
Burke	Hale	Murray	Tydings
Byrd	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Van Nuys
Capper	Hatch	Nye	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Holt	Pittman	Wheeler
Chavez	King	Pope	

The PRESIDING OFFICER (Mr. McGILL in the chair). Seventy-nine Senators having answered to their names, a quorum is present.

Mr. GLASS. Mr. President, will the Senator from Alabama yield to me, so that I may make a brief statement touching the controversy?

Mr. BLACK. I yield.

Mr. GLASS. Mr. President, some uninformed persons might receive the impression that the 5 hours of discussion we have had this afternoon has been directed against the adoption of the conference report on the Treasury and Post Office bill. As a matter of fact, those of us who are well informed know perfectly well that that is not the case. The appropriation of from $26,000,000 to $29,000,000 for foreign mail has appeared in every appropriation bill enacted since 1929 in pursuance of contracts made by the Postmaster General who was in office when the contracts were made. The appropriation has been passed in the Senate without any word of protest, as I recall, from the gentlemen who now think they are speaking against this appropriation, and without any protest from any source except from my next ranking colleague on the Appropriations Committee, the Senator from Tennessee [Mr. McKELLAR]. As a matterof fact, that Senator and I, members of the Appropriations Committee, have been protesting for the past 3 years against this appropriation in the guise of an appropriation for foreign mail service; and this year we protested so vehemently and so successfully against it that it was omitted from the appropriation bill. The bill went to the House and the House declined to agree to the bill as reported to the Senate and passed by the Senate omitting this appropriation.

But for the fact that we eliminated the appropriation in question from the bill, we should never have had the so-called ship-subsidy bill before the Senate at all. The very fact that we eliminated that appropriation, alleged to be for foreign mail, when, as a matter of fact, only $4,500,000 of it was for foreign mail, the balance being for ship subsidy, produced the merchant marine bill, the only rationally fair bill on the subject that has been presented to Congress for a long time.

I simply do not wish any Senator or anyone else to get the impression that this is something new, that it is something presented here by reason of lobbyists. Lobbyists know whom they should see, and as well they know whom they should not see. I have never had a lobbyist come to my office. I have never read one of their letters. If there were any lobbyists in Washington they made absolutely no impression upon the Appropriations Committee in reporting this item. The only way we could reach an agreement with the House conferees, who were practically under instructions by vote of the House on this item, was by requiring that it be separated and that we should no longer practice the fraud of pretending to appropriate $26,000,000 for foreign mails when only $4,500,000 of that amount was ever used for foreign mails. Therefore we made the separation. In the conference report as presented it will be found that only $4,500,000 of the total amount of $26,000,000 is applied to foreign mails, the remainder being applied to ship subsidies.

I desired to make this brief statement in order that this long discussion may not be misinterpreted into any criticism or reflection upon the Senate Committee on Appropriations.

Mr. BLACK. Mr. President, may I state that with practically every word the Senator has uttered I am in thorough accord. He has doubtless forgotten I joined with the Senator from Tennessee [Mr. McKELLAR] and the Senator from Virginia [Mr. GLASS] from year to year in opposition to these appropriations. It is absolutely correct that both the Senator from Virginia and the Senator from Tennessee have vigorously opposed these appropriations and that the Senator from Virginia has called attention from time to time to the fact that they constitute a fraud on their face in that, while they purported to be for the carriage of mail, they are in reality a ship subsidy.

In my judgment, the Senator from Virginia is absolutely correct in his statement that if we had not stricken from the original bill this appropriation for carrying out these contracts, it would have been wholly impossible to have gotten as far as we have in connection with a rational subsidy bill.

Mr. GERRY. Mr. President, will the Senator yield to enable me to submit a request for the consideration of a bill at this time?

Mr. BLACK. I am going to yield the floor in 2 or 3 minutes.

Mr. GLASS. Mr. President, I do not want anything done which would interfere with the conference report. Those

who know parliamentary law, as I do not, may easily displace the conference report. I am not going to have it displaced. If the request of the Senator from Rhode Island would not displace the conference report, I shall not object; but if it should, I shall object.

Mr. ROBINSON. Mr. President, I think it is generally understood that consideration of other matters by unanimous consent would not displace the pending business, which is the conference report.

Mr. GLASS. Then I shall not make any objection.

Mr. GERRY. I ask unanimous consent for the present consideration of Calendar 2448, House bill 12556, which was reported from the Finance Committee favorably. It proposes to create in the Treasury Department a Treasury agency service which combines the Customs Agency Service for the Enforcement Division of the Alcohol Tax Unit of the Internal Revenue Bureau and a secret service, and also the enforcement of the Narcotics Act.

The PRESIDING OFFICER. The Senator from Rhode Island asks unanimous consent for the immediate consideration of a bill, which will be reported by title.

The CHIEF CLERK. A bill (H. R. 12556) to create the Treasury Agency Service, to provide for the more adequate protection of the revenue and a more effective enforcement of the revenue and other laws administered by the Treasury Department, and for other purposes.

The PRESIDING OFFICER. Is there objection?

Mr. VANDENBERG. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. McKELLAR. Mr. President, will the Senator from Alabama yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. BLACK. I yield.

Mr. McKELLAR. As I understand the position of the Senator from Alabama and those who are cooperating with him, it is that if the conference report is agreed to and the appropriation is made, in his judgment, the shipping companies will have enough influence in the House to prevent the passage of the ship bill which was passed by the Senate this morning?

Mr. BLACK. I would not want to make a statement about the House. It is my judgment that the best way to obtain the passage of the shipping bill is to delay action upon the appropriation contained in the conference report.

Mr. McKELLAR. It seems to me in the present temper of the Senate—and I do not know about the temper of the House at this time—if the shipping companies should take any such step as that, they would lose in the very near future any legislation at all, because, in my judgment, the Senate would never stand for any such procedure upon their part.

As the Senator knows, I am utterly opposed to the ship-subsidy bill. My opposition has long been known. I did not vote for the bill today. I voted against it. I do not favor it. I do not think it is a wise policy. I am utterly opposed to it, just as much so as is the Senator from Alabama or any other Senator, because I believe it is wrong. To my mind it is an utterly monstrous thing that big, rich shipping companies, with enormous incomes, should ask that we should add to their incomes a Government bounty. I am utterly opposed to it. Perhaps it might be the best plan to agree to the conference report, and if the shipping companies undertake to interfere with the passage of the bill in the House, it would aid us in preventing the passage of a ship-subsidy bill in the future.

Mr. BLACK. It is my belief that my idea and attitude in connection with the subject are in accord with the ideas and attitude of the distinguished Senator from Virginia [Mr. GLASS] and of the Senator from Tennessee. There is a difference in judgment as to the best method of obtaining the result which I think all of us desire.

I believe we would make better progress, though I do not desire to make any request, if the conference report should be laid aside for other matters to be taken up. It is our intention, and I say it frankly, to discuss the conference report at great length. That is the intention of quite a number of us. If I thought by the adoption of the conference report at this time we could obtain the enactment of proper legislation to carry on in line with the suggestion made by the Senator from Tennessee and the Senator from Virginia, I should not object to a vote on the conference report, because so far as the remainder of the conference report is concerned I am very strongly in favor of it.

Personally, I cannot see where any injury would be done at all if we should lay aside the conference report until the House has acted on the subsidy bill which was sent over to it today. While it is not my intention at the present time to continue the discussion further, yet several of my colleagues are waiting to take the floor. I myself could discuss it at great length but for the fact that I think it should be discussed by others from different viewpoints and by those who might make the attack in a far more effective manner than I can.

Mr. GLASS. Mr. President, I do not think the Senate should be deprived of the opportunity of hearing the eloquent Senators who wish to discuss the matter.

Mr. BLACK. I have no objection to giving the Senate that privilege. We simply want it distinctly understood that we do not desire to stand in the way of other proposed legislation which is awaiting action. We have no hesitation in informing the Senator from Virginia that we shall be glad if he will stay with us until tomorrow morning and listen to us discuss the conference report.

I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 5) to prevent the adulteration, misbranding, and false advertising of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 4020) to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House insisted upon its amendments to the bill (S. 2953) to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia, disagreed to by the Senate, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PALMISANO, Mr. PATMAN, and Mr. DIRKSEN were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 12971. An act to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.; and

H. R. 13001. An act to eliminate unnecessary expense in the administration of estates of deceased and incompetent veterans, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 283. An act for the relief of Beatrice I. Manges;

S. 2047. An act to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes;

S. 2456. An act to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia;

S. 2912. An act to repatriate native-born women who have heretofore lost their citizenship by marriage to an alien, and for other purposes;

S. 3440. An act to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof;

S. 3841. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

S. 4026. An act to amend the National Defense Act of June 3, 1916, as amended;

S. 4464. An act to authorize the coinage of 50-cent pieces in celebration of the opening of the San Francisco-Oakland Bay Bridge;

S. 4512. An act to amend section 641 of the Code of Laws for the District of Columbia;

S. 4568. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia;

H. R. 237. An act for the relief of the Rowesville Oil Co.;

H. R. 254. An act for the relief of the Farmers' Storage & Fertilizer Co., of Aiken, S. C.;

H. R. 4900. An act to amend the naturalization laws in respect of residence requirements, and for other purposes;

H. R. 9485. An act to convey certain lands to Clackamas County, Oreg., for public-park purposes;

H. R. 9654. An act to authorize the purchase by the city of Scappoose, Oreg., of a certain tract of public land revested in the United States under the act of June 9, 1916 (39 Stat. 218);

H. R. 10356. An act authorizing the Secretary of the Navy to convey a right-of-way over certain lands situated in Solano County, Calif., to the State of California for State highway purposes;

H. R. 10630. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11103. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.;

H. R. 11140. An act to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States;

H. R. 12848. An act to provide an additional place of holding terms of the United States district court in the eastern district of Kentucky, and to amend section 83 of the Judicial Code, as amended;

S. J. Res. 241. Joint resolution to declare December 26, 1936, a legal holiday in the District of Columbia;

S. J. Res. 272. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937;

S. J. Res. 273. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes;

S. J. Res. 280. Joint resolution to ratify and confirm the appointment of Isaac Gans as a member of the Alcoholic Beverage Control Board of the District of Columbia;

S. J. Res. 286. Joint resolution fixing the date of meeting of the Seventy-fifth Congress; and

H. J. Res. 179. Joint resolution authorizing the President to present in the name of Congress a Medal of Honor to J. Harold Arnold.

REGULATION OF FOOD, DRUGS, AND COSMETICS

The PRESIDING OFFICER (Mr. McGILL in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 5) to prevent the adulteration, misbranding, and false advertising of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes.

Mr. COPELAND. I move that the Senate disagree to the amendment of the House, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. COPELAND, Mr. BAILEY, Mrs. CARAWAY, Mr. CLARK, Mr. McNARY, Mr. VANDENBERG, and Mr. GIBSON conferees on the part of the Senate.

INSPECTION OF VESSELS CARRYING EXPLOSIVES, ETC.

During the delivery of Mr. BLACK's speech,

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New York?

Mr. BLACK. I do.

Mr. COPELAND. I know the Senator does not wish to have the trend of his thought broken; but I ask unanimous consent for the immediate consideration of Calendar No. 2541, being the bill (S. 4780) to extend the laws governing inspection of vessels, and for other purposes. It has to do with dangerous steamship cargoes, and we hope will be passed by the House tonight.

Mr. DAVIS. What is the calendar number of the bill?

Mr. COPELAND. It is Calendar No. 2541, Senate bill 4780.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

Mr. McKELLAR. One moment.

Mr. GLASS. Mr. President, I shall have to object if the consideration of the bill will interfere with the consideration of the conference report.

Mr. McKELLAR. I hope the Senator from New York will withdraw the request for the present.

Mr. COPELAND. Of course, if my request interferes with the parliamentary procedure I shall not press the matter; but I did not understand that that would be the case. The bill is a very important one. It has to do with the transportation of inflammables, dynamite and other explosives, on ships. There has been a great urge to pass the bill, and it is the belief of the House that if it could be passed here it would have action over there.

Mr. GLASS. Yes; but if we do not adopt this conference report the United States Treasury and the Post Office Department will be without funds, and will be unable to operate.

Mr. COPELAND. I shall not press the matter; but will not the Senator make an exception of this particular bill?

Mr. McKELLAR. I ask the Senator to bring it up a little later, if he will.

Mr. COPELAND. I thank the Senator.

After the conclusion of Mr. BLACK's speech,

Mr. BONE obtained the floor.

Mr. COPELAND. Mr. President, will the Senator yield to enable me to submit a request for the immediate consideration of a bill?

Mr. BONE. I yield for that purpose.

Mr. COPELAND. I ask unanimous consent for the immediate consideration of Senate bill 4780.

The PRESIDING OFFICER. The bill will be reported by title.

The CHIEF CLERK. A bill (S. 4780) to extend the laws governing inspection of vessels, and for other purposes.

Mr. ROBINSON. Mr. President, may I ask the Senator from New York a question?

Mr. COPELAND. Certainly.

Mr. ROBINSON. Was the bill on the calendar when it was called yesterday? I am impressed that the measure is one which should receive consideration. I do not know who objected to its consideration when the calendar was called yesterday.

Mr. COPELAND. It was not reported until after the call of the calendar was completed yesterday.

Mr. ROBINSON. And no request has heretofore been made for its consideration?

Mr. COPELAND. Only the request which I submitted a few moments ago.

Mr. ROBINSON. I have no objection to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

There being no objection, the bill (S. 4780) to extend the laws governing inspection of vessels and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That title 52 of the Revised Statutes is amended by inserting after section 4417 thereof a new section designated section 4417a to read as follows:

"SEC. 4417a. (1) All vessels, regardless of tonnage, size, or manner of propulsion, and whether self-propelled or not, and whether carrying freight or passengers for hire or not, that shall have on board any inflammable or cumbustible liquid cargo in bulk, except public vessels owned by the United States, other than those engaged in commercial service, shall be considered steam vessels for the purposes of this title and shall be subject to the provisions thereof: *Provided*, That this section shall not apply to vessels having on board only inflammable or combustible liquid for use as fuel or stores or to vessels carrying liquid cargo only in drums, barrels, or other packages.

"(2) In order to secure effective provision against the hazards of life and property created by the vessels to which this section applies, the Board of Supervising Inspectors, with the approval of the Secretary of Commerce, shall establish such additional rules and regulations as may be necessary with respect to the design and construction, alteration, or repair of such vessels, including the superstructures, hulls, places for stowing and carrying such liquid cargo, fittings, equipment, appliances, propulsive machinery, auxiliary machinery, and boilers thereof; and with respect to all materials used in such construction, alteration, or repair; and with respect to the handling and stowage of such liquid cargo; the manner of such handling or stowage, and the machinery and appliances used in such handling and stowage; and with respect to equipment and appliances for lifesaving and fire protection; and with respect to the operation of such vessels; and with respect to the requirements of the manning of such vessels and the duties and qualifications of the officers and crews thereof; and with respect to the inspection of all the foregoing: *Provided*, That the provisions of this section shall not apply to common carriers engaged in interstate or foreign commerce which transport such liquid cargo by water insofar only as such common carriers are subject to the regulations formulated by the Interstate Commerce Commission under the provisions of section 233 of the act of March 4, 1909 (ch. 321, 35 Stat. 1135), as amended (U. S. C., 1934 ed., title 18, sec. 383). In establishing such rules and regulations the Board of Supervising Inspectors may, with the approval of the Secretary of Commerce, adopt rules of the American Bureau of Shipping or similar American classification society for classed vessels insofar as such rules pertain to the efficiency of hulls and the reliability of machinery of vessels to which this section applies. In establishing such rules and regulations, the Board of Supervising Inspectors shall give due consideration to the kinds and grades of such liquid cargo permitted to be on board such vessel.

"(3) Before any rules and regulations, or any alteration, amendment, or repeal thereof, are approved by the Secretary of Commerce under the provisions of this section, except in an emergency, the said Secretary shall publish such rules and regulations and hold hearings with respect thereto on such notice as he deems advisable under the circumstances.

"(4) No vessel subject to the provisions of this section shall, after the effective date of the rules and regulations established hereunder, have on board such liquid cargo, until a certificate of inspection has been issued to such vessel in accordance with the provisions of this title and until a permit has been endorsed on such certificate of inspection by a board of local inspectors, indicating that such vessel is in compliance with the provisions of this section and the rules and regulations established hereunder, and showing the kinds and grades of such liquid cargo that such vessel may have on board or transport. Such permit shall not be endorsed by a board of local inspectors on such certificate of inspection until such vessel has been inspected by such board of local inspectors, or by any other board or officer of the Bureau of Marine Inspection and Navigation designated by the Director thereof, and found to be in compliance with the provisions of this section and the rules and regulations established hereunder. For the purpose of any such inspection approved plans and certificates of class of the American Bureau of Shipping or other recognized classification society for classed vessels may be accepted as evidence of the structural efficiency of the hull and the reliability of the machinery of such classed vessels except as far as existing law places definite responsibility on the Bureau of Marine Inspection and Navigation. A permit issued under the provisions of this section shall be valid for a period of time not to exceed the duration of the certificate of inspection on which such permit is endorsed, and shall be subject to revocation by a board of local inspectors whenever such a board shall find that the vessel concerned does not comply with the conditions upon which such permit was issued: *Provided*, That the provisions of this subsection shall not apply to vessels of a foreign nation having on board a valid certificate of inspection recognized under law or treaty by the United States: *And provided further*, That no permit shall be issued under the provisions of this section authorizing to be on board any vessel, described in the provisions of sections 4472 and 4278 of the Revised Statutes, section 234 of the act of March 4, 1909 (ch. 321, 35 Stat. 1135), as amended (U. S. C., 1934 ed., title 18, sec. 384), and section 8 of the act of August 2, 1882 (ch. 374, 22 Stat. 189; U. S. C., 1934 ed., title 46, sec. 171), any of the materials expressly prohibited to be carried on such vessels by the afore-mentioned provisions.

"(5) Vessels subject to the provisions of this section shall have on board such shipping documents as may be prescribed by the Board of Supervising Inspectors with the approval of the Secretary of Commerce indicating the kinds, grades, and approximate quantities of such liquid cargo on board such vessel, the shippers and consignees thereof, and the location of the shipping and destination points.

"(6) (a) In all cases where the certificate of inspection does not require at least two licensed officers, a board of local inspectors shall enter in the permit issued to any vessel under the provisions of this section the number of the crew required to be certificated as tankermen.

"(b) A board of local inspectors shall issue to applicants certificates as tankerman, stating the kinds of liquid cargo the holder of such certificate is, in the judgment of such board, qualified to handle aboard vessels with safety, upon satisfactory proof and examination, in form and manner prescribed by the Board of Supervising Inspectors with the approval of the Secretary of Commerce, that the applicant is in good physical condition, that such applicant is trained in and capable efficiently to perform the necessary operations aboard vessels having such liquid cargo on board, and that the applicant fulfills the qualifications of tankerman as prescribed by the Board of Supervising Inspectors under the provisions of this section. Such certificates shall be subject to suspension or revocation on the same grounds and in the same manner and with like procedure as is provided in the case of suspension or revocation of licenses of officers under the provisions of section 4450 of this title.

"(7) The owner, master, or person in charge of any vessel subject to the provisions of this section, or any or all of them, who shall violate the provisions of this section, or of the rules and regulations established hereunder, shall be subject to a fine of not more than $1,000 or imprisonment for not more than 1 year, or both such fine and imprisonment.

"(8) The rules and regulations to be established pursuant to this section shall become effective 90 days after their promulgation unless the Secretary of Commerce shall for good cause fix a different time."

DEPARTMENTS OF TREASURY AND POST OFFICE APPROPRIATIONS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes.

Mr. BONE obtained the floor.

Mr. HOLT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from West Virginia?

Mr. BONE. I do.

Mr. HOLT. Before the Senator begins, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Radcliffe
Ashurst	Connally	Lewis	Reynolds
Bachman	Copeland	Loftin	Robinson
Bailey	Couzens	Lonergan	Russell
Barkley	Davis	McAdoo	Schwellenbach
Benson	Dieterich	McGill	Sheppard
Bilbo	Duffy	McKellar	Shipstead
Black	Frazier	McNary	Smith
Bone	George	Maloney	Steiwer
Borah	Gerry	Metcalf	Thomas, Okla.
Brown	Gibson	Minton	Thomas, Utah
Bulkley	Glass	Moore	Townsend
Bulow	Guffey	Murphy	Truman
Burke	Hale	Murray	Tydings
Byrd	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Van Nuys
Capper	Hatch	Nye	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Holt	Pittman	Wheeler
Chavez	King	Pope	

The PRESIDING OFFICER (Mr. BILBO in the chair). Seventy-nine Senators having answered to their names, a quorum is present.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. The Chair has recognized the Senator from Washington [Mr. BONE].

Mr. ROBINSON. Will the Senator from Washington yield to me?

Mr. BONE. Yes.

Mr. ROBINSON. Mr. President, it is apparent that for the present, and in the immediate future, no progress can be made respecting the conference report now under consideration. I think we all realize that if the session is to terminate tomorrow, it is necessary to facilitate the business of the Senate as much as possible.

There is on the Senate calendar a measure which a number of Senators are very anxious to have considered at this time. From my inquiries, I learn that there is opposition to the passage of the bill; but I believe the work of the Senate will be expedited if an opportunity is afforded to take it up.

I therefore ask unanimous consent that the conference report now before the Senate be temporarily laid aside. It is my information that every effort is being made in the body at the other end of the Capitol to take action regarding the so-called ship-subsidy bill, which passed the Senate only today about 1 o'clock. That bill, however, is a House bill, our consideration of it being confined largely to Senate amendments reported by the Committee on Commerce.

I ask also that the Senate proceed to the consideration of House bill 12800, a bill to regulate interstate commerce in bituminous coal, and for other purposes.

Several Senators addressed the chair.

Mr. ROBINSON. Just one moment. I ask unanimous consent first that the conference report be temporarily laid aside.

Mr. HASTINGS. I object.

Mr. ROBINSON. I suggest to the Senator from Virginia that he consider withdrawing his motion for the present.

Mr. HASTINGS. Will the Senator yield to me?

Mr. ROBINSON. The motion is a preferential motion, and can be made at any time.

Mr. HASTINGS. Mr. President——

Mr. ROBINSON. Just one moment. The Senator from Virginia would manifestly sacrifice nothing by taking the course I am now proposing. Otherwise, what will happen will be a continuation of a filibuster which has already been conducted for some hours. If the Senator from Virginia will withdraw his motion, I assure him that when he is ready to resume consideration of the conference report, I will be glad to cooperate to bring it back before the Senate.

Mr. HASTINGS. Mr. President, will the Senator yield before he makes the request of the Senator from Virginia?

Mr. ROBINSON. I yield.

Mr. HASTINGS. I should like, in all fairness, to state to the Senator from Arkansas and to other Senators that absolutely nothing will be gained by any such procedure. The bill which he suggests taking up when the conference report shall be laid aside is a measure of very great importance, involving very serious questions, upon which Senators have different views. It involves a price-fixing feature which is objectionable to many. To many of us it seems it would create a monopoly, to which we are opposed, and I desire to say frankly to the Senator from Arkansas, after having consulted others who are interested in the matter, that there is not a hope, even if we stay here night and day, to have that bill passed by next Monday night.

Of course I appreciate the fact that after the Democratic convention we may return, and while I doubt whether there are votes enough either to have the bill taken up or to pass it, it may be that it can be done at that time; but in all frankness, and without any desire to be presumptuous with respect to it, I wish to say that it is not possible within the period of tonight and the next two days to pass that bill through the Senate. I am sure the statement I make is concurred in by many other Senators who are present.

Mr. ROBINSON. Mr. President, I realize that the Senator has expressed his good-faith opinion, and I know that he indicates that I am merely proposing to trade one filibuster for another. [Laughter.] At the same time, I feel that it is entirely possible that the opinions of many Senators on the subject may change. At any rate, there should be an opportunity for the consideration of the bill to which I have referred, and I am reluctant to yield.

I inquire whether the Senator from Virginia is disposed to withdraw his motion.

Mr. GLASS. Mr. President, I am always disposed to follow the leader on this side, and out of respect to his suggestion I yielded to his desire to ask unanimous consent to lay the conference report aside in order that the other bill might be brought up. But I am not willing to withdraw the conference report, with due respect to the Senator.

Mr. ROBINSON. As I understand, the Senator declines to withdraw his motion?

Mr. GLASS. I do.

Mr. ROBINSON. Very well, Mr. President; I do not see that there is anything to be accomplished by pressing the matter further, and I know of nothing except to let the war go on. [Laughter.]

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. McNARY. Mr. President, may I address an observation to the Senator from Arkansas?

Mr. ROBINSON. Certainly.

Mr. McNARY. In view of the situation described by the Senator from Arkansas, would he not now consent to a recess until 11 o'clock tomorrow morning?

Mr. ROBINSON. Mr. President, I do not feel that that would be fair to the proponents of the conference report. I am unable at this time to comply with that suggestion. Even though the effort to do business should prove futile, I think we should continue our efforts.

Mr. McNARY. Mr. President, if I may make another suggestion, I suggest that the Senate now take a recess until 8 o'clock this evening.

Mr. ROBINSON. I cannot agree to that.

Mr. CLARK. Mr. President, may I make a suggestion to the Senator from Arkansas?

Mr. ROBINSON. Certainly.

Mr. CLARK. Those of us who are intent on not perpetuating an appropriation for the present ocean-mail contracts have been in conference this afternoon, I may say, with some of the responsible Members of the House of Representatives who are interested in the proposition. We were told some time this afternoon that the ship-subsidy bill would be taken up for consideration in the House, and we were prepared at any time, had we been informed that the House had passed the bill, which the Senate passed this morning under what we thought was an agreement, to permit a vote on the conference report which is now pending.

Instead of that, the House has recessed until 7:30 o'clock this evening. Our information is that the bill will be taken up for consideration when the House resumes its session this evening. I think I can assure the Senator from Arkansas that no substantial progress will be made until information has come from the House that the ship-subsidy bill has been passed. If the Senator desires to hold the Senate in session, of course, that is his privilege, as leader of the Senate. There are a number of us here who are prepared to speak at some length on this subject.

Mr. ROBINSON. Mr. President, I think I should interrupt the Senator from Missouri to say that I have been advised by the supporters of the so-called Guffey coal bill that they would not look with favor on the discontinuance of efforts to do business in the Senate and thus be denied any opportunity to have consideration of the bill to which I am referring.

Mr. CLARK. Mr. President, let me say to the Senator from Arkansas that the discussion which has taken place here today has nothing on the face of the earth to do with the Guffey coal bill, so far as most of us are concerned.

Mr. ROBINSON. That is the very point. While on the face of the record the Guffey coal bill is not involved, the conduct of the filibuster on the conference report has prevented an opportunity for a vote on a motion to take up

the Guffey coal bill. To recess now out of respect for that filibuster would be to yield the opportunity which may be afforded to consider that proposed legislation.

I feel frankly that an opportunity should be afforded to take up that bill and test out whether the sentiment of the Senate is opposed to the measure. That test might very well come on a motion to proceed to the consideration of the bill. If the Senate should vote down the motion to proceed to the consideration of the measure, as the Senator from Delaware [Mr. HASTINGS] indicates in his opinion would be done, I should consider such action as final respecting the Guffey coal bill for the present session, and I believe the Senator from Pennsylvania [Mr. GUFFEY] and the Senator from West Virginia [Mr. NEELY] and others who are interested in the proposed legislation would take that view. If the bill should be taken up, I realize that fact would not assure its passage. I wish to be frank about that matter. However, it would give an opportunity for those who favor the proposed legislation, as well as those who oppose it, to discuss the measure, and it would enable us to reach a conclusion respecting the practicability of passing the bill in the time that remains.

Mr. CLARK. Mr. President, I will say to the Senator from Arkansas, speaking for myself, and I believe I also speak for the Senator from Alabama [Mr. BLACK], the Senator from Washington [Mr. BONE], and a number of Senators who are very much interested in the ship-subsidy proposition which we have been fighting, that we have no disposition on earth to delay the consideration of the Guffey coal bill. So far as I am concerned, I am against the Guffey coal bill and intend to vote against it, but I am, frankly, willing for it to be taken up. However, we are in a situation here where, in our view, we cannot afford to allow the adoption of the conference report carrying an appropriation of $29,500,000 for the present ocean-mail contracts until the bill which was passed today by the Senate shall have been considered and passed by the House. Otherwise we shall still be in the same stalemate we have been in for years on the present ocean-mail contract system.

If the Senator from Arkansas can secure an agreement to take up the Guffey coal bill and postpone the consideration of the conference report until after the House shall have taken action, so far as I am concerned, I shall have no objection, although I intend to vote against the Guffey coal bill.

I have been informed, however, that in spite of all negotiations which have taken place today, by which the House has agreed to pass the ship-subsidy bill which was considered and passed by the Senate this morning, very high Government officials are at the other end of the Capitol trying to have such action postponed.

I wish to say, so far as the talk of lobbyists is concerned, that I do not think any Member of this body or anybody else would for a moment concede that the lobby of the Shipping Trust would have any influence on the Senator from Virginia [Mr. GLASS], or the Senator from Tennessee [Mr. MCKELLAR], or the Appropriations Committee; but I myself went up to the Commerce Committee this afternoon, and the room was so chock full of lobbyists of the Shipping Trust, many of whom I recognized, because I have seen them here and heard them testify in hearings, that I myself could hardly get inside of the room.

I desire to absolve the chairman of the Appropriations Committee from any participation in that, because he was in his private room trying to take a nap when I went in and woke him up. A little later I was standing outside the main door of the Senate Chamber, and I saw a group of these lobbyists pass by on their way to the House four abreast, like a wartime-strength infantry company.

As one who does not desire the present ocean-mail contracts to be preserved, I am not willing to take any chance by allowing the conference report to be adopted while the bill which was passed by the Senate today might be defeated and the present system be perpetuated.

Mr. NEELY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from West Virginia?

Mr. BONE. I yield.

Mr. NEELY. The Senator from Delaware objected to the unanimous-consent request of the Senator from Arkansas [Mr. ROBINSON] to lay aside the conference report temporarily in order to enable the Senate to vote on the question of proceeding to the consideration of the Guffey coal bill. Later the Senator from Delaware indicated that he thinks the motion, if submitted, would be lost. In the circumstances will not the Senator from Delaware withdraw his objection and let us vote on my motion to take up the coal bill?

I am authorized to state that the Senator from Pennsylvania [Mr. GUFFEY], the author of the coal bill, joins me in agreeing that if the Senate, on a roll call, refuses to adopt my motion, no further effort will be made between now and tomorrow night by either the Senator from Pennsylvania or me to proceed to the consideration of the coal-conservation bill. Manifestly, a negative vote now would demonstrate the futility of endeavoring to obtain an affirmative vote within the next 24 hours.

The PRESIDING OFFICER. Does the Senator from Delaware desire to respond?

Mr. HASTINGS. Mr. President, I have no authority at the present time to consent to anything. The Senator from Virginia [Mr. GLASS] has objected to laying aside consideration of the conference report.

Mr. ROBINSON. Oh, no, Mr. President; the Senator from Virginia did not object to my request, I will state for the information of the Senator from Delaware.

Mr. HASTINGS. I thought he did.

Mr. ROBINSON. No; it was the Senator from Delaware who objected. I did make a second suggestion to the Senator from Virginia, after the Senator from Delaware had objected to my request, and that was that he withdraw his motion for the present, in view of the fact that he can renew it within 5 minutes if he chooses to do so; but the Senator from Virginia at that time did not assent to it.

In order that the matter may be made clear, I now ask unanimous consent that the conference report be temporarily laid aside. I will state frankly that if that is done it is my intention to move the consideration of the Guffey coal bill, and thereupon a test can be had as to whether the Senate desires to take it up.

Mr. VANDENBERG. Mr. President, I will save the Senator's time by announcing that I shall object.

Mr. KING. There are others likewise who would object.

Mr. ROBINSON. I apprehended that there might be, but I wished to find out.

The PRESIDING OFFICER. The Senator from Arkansas having been satisfied, the Senator from Washington may proceed.

Mr. ROBINSON. I will state that the Senator from Arkansas is not satisfied. He is informed. [Laughter.]

Mr. MCNARY. Mr. President, will the Senator from Washington yield?

Mr. BONE. I yield.

Mr. MCNARY. Is the Senator now convinced and converted to the belief that it is useless to go forward at this time, and may not a recess be taken until 8 o'clock so as to afford Senators an opportunity to have dinner?

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 8:30 o'clock this evening.

The motion was agreed to; and (at 6 o'clock and 50 minutes p. m.) the Senate took a recess until 8:30 p. m.

EVENING SESSION

At the expiration of the recess, the Senate reassembled.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed the bill (S. 81) to provide for the collection and publication of statistics of peanuts by the Department of Agriculture, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following joint resolutions, in which it requested the concurrence of the Senate:

H. J. Res. 608. Joint resolution extending for 2 years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1938, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter;

H. J. Res. 641. Joint resolution making appropriations for the payment of expenses incurred in an election contest for a seat in the House of Representatives from the Twentieth Congressional District of the State of New York; and

H. J. Res. 642. Joint resolution to enable the Secretary of Agriculture to apply such methods of control of grasshoppers as in his judgment may be necessary.

GRAND HAVEN LIGHTHOUSE RESERVATION, MICH.

Mr. VANDENBERG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 12971, authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation. The departments concerned are all in harmony. A similar bill is on the Senate calendar, and, therefore, I am moving that the Senate proceed to the consideration of the bill which has passed the House.

The bill (H. R. 12971) to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich., was read twice by its title.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

On motion by Mr. VANDENBERG, the bill (S. 4779) to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich., was ordered to be indefinitely postponed.

HOUSE JOINT RESOLUTIONS REFERRED

The following joint resolutions were each read twice by their titles and referred as indicated below:

H. J. Res. 608. Joint resolution extending for 2 years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1938, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter; to the Committee on Finance.

H. J. Res. 642. Joint resolution to enable the Secretary of Agriculture to apply such methods of control of grasshoppers as in his judgment may be necessary; to the Committee on Appropriations.

AMENDMENT OF NATIONAL INDUSTRIAL RECOVERY ACT—CONFERENCE REPORT

Mr. GEORGE. Mr. President, I submit a conference report on Senate bill 3247, which I think will lead to no debate.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3247) to amend Title II of the National Industrial Recovery Act, as amended by the Emergency Appropriation Act, fiscal year 1935, and as extended by the Emergency Relief Appropriation Act of 1935, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment, insert the following: "That the acquisition by the United States of any real property heretofore or hereafter acquired in connection with any low-cost housing or slum-clearance project heretofore or hereafter constructed with funds allotted to the Federal Emergency Administration of Public Works pursuant to title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, or any other law, shall not be held to deprive any State or political subdivision thereof of its civil and criminal jurisdiction in and over such property, or to impair the civil rights under the local law of the tenants or inhabitants on such property; and insofar as any such jurisdiction has been taken away from any such State or subdivision, or any such rights have been impaired, jurisdiction over any such property is hereby ceded back to such State or subdivision.

"SEC. 2. Upon the request of any State or political subdivision in which any such project has been or will be constructed, the Federal Emergency Administrator of Public Works is authorized to enter into an agreement, and to consent to the renewal or alteration thereof, with such State or subdivision for the payment by the United States of sums in lieu of taxes. Such sums shall be fixed in such agreement and shall be based upon the cost of the public or municipal services to be supplied for the benefit of such project or the persons residing on or occupying such premises, but taking into consideration the benefits to be derived by such State or subdivision from such project.

"SEC. 3. Such payments in lieu of taxes, and any other expenditures for operation and maintenance (including insurance) of any low-cost housing or slum-clearance project described in section 1, shall be made out of the receipts derived from the operation of such projects. To provide for such payments and expenditures the Federal Emergency Administrator of Public Works is authorized from time to time to retain out of such receipts such sums as he may estimate to be necessary for such purposes.

"SEC. 4. (a) In the administration of any low-cost housing or slum-clearance project described in section 1, the Federal Emergency Administrator of Public Works shall fix the rentals at an amount at least sufficient to pay (1) all necessary and proper administrative expenses of the project; (2) such sums as will suffice to repay, within a period not exceeding sixty years, at least 55 per centum of the initial cost of the project, together with interest at such rate as he deems advisable.

"(b) Dwelling accommodations in such low-cost housing or slum-clearance projects shall be available only to families who lack sufficient income, without the benefit of financial assistance, to enable them to live in decent, safe, and sanitary dwellings and under other than overcrowded housing conditions: *Provided*, That no family shall be accepted as a tenant in any such project whose aggregate income exceeds five times the rental of the quarters to be furnished such family. The term 'rental' as used in this subsection includes the average cost (as determined by the Federal Emergency Administrator of Public Works) of heat, light, water, and cooking, where such services are not supplied by the lessor and included in the rent.

"SEC. 5. In connection with any low-cost housing or slum-clearance project described in section 1, the Federal Emergency Administrator of Public Works, with the approval of the President, is authorized to dedicate streets, alleys, and parks for public use, and to grant easements."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title, and agree to the same.

WALTER F. GEORGE,
DAVID I. WALSH,
Managers on the part of the Senate.

CHESTER THOMPSON,
JOHN D. DINGELL,
FRANK CROWTHER,
Managers on the part of the House.

Mr. GEORGE. Mr. President, I move that the Senate agree to the conference report.

The motion was agreed to.

STATISTICS OF PEANUTS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 81) to provide for the collection and publication of statistics of peanuts by the Department of Agriculture, which were, on page 2, line 9, to strike out "and/or" and insert "or"; and on the same page, line 10, to strike out "and/or" and insert "or."

Mr. GEORGE. Mr. President, I move that the Senate concur in the House amendment.

The motion was agreed to.

NAVAL AIR STATION, ALAMEDA, CALIF.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 4020) to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon, which were, on page 3, line 14, to strike out all after word "all" down to and including "Alameda" in line 22 and insert "encumbrances: *Provided, however,* That at least $1,000,000 be expended for

or contracted to be expended in the actual work of development of said naval air base by December 31, 1939, otherwise said lands shall automatically revert back to said city of Alameda"; on page 3, line 24, after the word "install", to insert "acquire"; and on page 4, line 14, to strike out all after the word "appropriated" down to and including the word "act" in line 2 of page 5 and insert "such sums as may be necessary to effectuate the purposes of this act, but not over $15,000,000."

Mr. WALSH. I move that the Senate concur in the House amendments.

The motion was agreed to.

THE BONUS

Mr. CLARK. Mr. President, yesterday the Senate passed Senate bill 4785. An identical bill, House bill 13001, passed the House today. This is a bill very strongly recommended by the Treasury Department, having to do with the payment of the bonus, on the ground, as the Treasury Department informs us, that the veterans entitled to the bonus are dying at the rate of between 75 and 80 a day. Since the Bonus Act was passed some 10,000 veterans have died.

Recently the Comptroller General has issued an order which precludes the payment of a bonus certificate to the heirs of a deceased veteran unless a legal representative has been appointed by a court, which in many cases would result in the poor widow of a veteran having to spend half of her inheritance from her veteran husband in court proceedings.

The bill passed the House unanimously, and was unanimously reported by the Committee on Finance. I, therefore, ask that the bill which passed the House be now taken up for consideration by the Senate.

The bill (H. R. 13001) to eliminate unnecessary expense in the administration of estates of deceased and incompetent veterans, and for other purposes, was read twice by its title.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

On motion by Mr. CLARK, the bill (S. 4785) to eliminate unnecessary expense in the administration of the estates of deceased and incompetent veterans, and for other purposes, was ordered to be indefinitely postponed.

SEVENTY-FIFTH ANNIVERSARY OF THE BATTLE OF GETTYSBURG

Mr. BARKLEY. From the Committee on the Library, I report back favorably without amendment the joint resolution (H. J. Res. 532) for the establishment of a commission in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg in 1938, and I ask unanimous consent for its present consideration.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the joint resolution (H. J. Res. 532) for the establishment of a commission in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg in 1938 was considered, ordered to a third reading, read the third time, and passed.

EXPENSES OF AN ELECTION CONTEST, HOUSE OF REPRESENTATIVES

The PRESIDENT pro tempore laid before the Senate the joint resolution (H. J. Res. 641) making appropriations for the payment of expenses incurred in an election contest for a seat in the House of Representatives from the Twentieth Congressional District of the State of New York, which was read twice by its title.

Mr. McKELLAR. I ask unanimous consent for the present consideration of the joint resolution.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed.

DEPARTMENTS OF TREASURY AND POST OFFICE APPROPRIATIONS—CONFERENCE REPORTS

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Lewis	Reynolds
Ashurst	Connally	Loftin	Robinson
Bachman	Copeland	Lonergan	Russell
Bailey	Davis	McAdoo	Schwellenbach
Barkley	Dieterich	McGill	Sheppard
Benson	Duffy	McKellar	Shipstead
Bilbo	Frazier	McNary	Smith
Black	George	Maloney	Steiwer
Bone	Gerry	Metcalf	Thomas, Okla.
Borah	Gibson	Minton	Thomas, Utah
Brown	Glass	Moore	Townsend
Bulkley	Guffey	Murphy	Truman
Bulow	Hale	Murray	Tydings
Burke	Harrison	Neely	Vandenberg
Byrd	Hastings	Norris	Van Nuys
Byrnes	Hatch	Nye	Wagner
Capper	Hayden	O'Mahoney	Walsh
Caraway	Holt	Pittman	Wheeler
Carey	King	Pope	
Chavez	La Follette	Radcliffe	

The VICE PRESIDENT. Seventy-eight Senators having answered to their names, a quorum is present.

Mr. BONE. Mr. President, during the course of the remarks of the Senator from Alabama [Mr. BLACK] this afternoon I took occasion to refer to the attitude of critics of men in public life who presumed to criticize the tremendous, profligate expenditures of the United States Government in connection with the operation of the ship and air-mail subsidy program which our Government has been carrying on for many years.

I said at that time that these critics castigated men in public life for daring to lay profane hands on that sort of an operation, an operation which, in my judgment, was nothing short of a loot of the United States Treasury.

During the course of the investigations by the Munitions Committee of the United States Senate we had before that committee a well-known citizen of the United States, who was one of the most vociferous critics of those who sought either to limit the increasing expenditures for armament or to limit the operations under the air-mail and ocean-mail program. That man was William B. Shearer; and for the information of the Members of the Senate I am going to read from the record of the Munitions Committee a little of the sworn testimony given by Mr. Shearer, and I think it will be very revealing as indicating the attitude of mind of those who presume to sit in criticism of those who desire to protest against what they conceive to be and honestly believe to be vicious abuses in the Government.

It seems that Mr. Shearer, who was a high-class lobbyist for shipbuilding companies and who claimed credit for having wrecked one peace conference at Geneva, had written a certain letter, and in this letter Mr. William B. Shearer made use of this expression:

> Twelve Senators only opposed the cruiser bill, of which nine are recorded in the Department of Justice records with past affiliations with the Communist Party.

I suggested this afternoon, Mr. President, that the men who have the viewpoint of Mr. Shearer and men who have the viewpoint of those who object to any criticism of this profligate and wanton expenditure of public money to enrich a few are generally very intemperate in their expressions. There is very little limit placed upon the bitterness and the pungency of their remarks when they presume to criticize. The Senator from Missouri [Mr. CLARK] took this witness in hand at about this point and asked:

> Mr. Shearer, who were the nine Senators who were recorded in the Department of Justice records as having had past affiliations with the Communist Party?

Mr. President, I think that most of the good lawyers in the Senate will agree with me that it is at least in some States almost libel per se to write of a man that he is a Communist, that he is bent upon overthrowing our form of government. So here we find this man saying of and concerning nine

United States Senators, some of whom are still Members of this body, that they had Communist affiliations. This very intemperate charge was made because these Senators had the temerity to vote against an appropriation which they considered too large. It may have been an error of judgment on their part; possibly they were wrong, and perhaps they did not measure up to the patriotic standards of Mr. William B. Shearer, but again he exemplified the attitude of mind of that type of critic who cannot restrain his bitterness, cannot restrain his intemperance, cannot restrain that innate impulse to be mean, harsh, and unjust. Let us go into this record and find out now just how accurate these glib gentlemen are when they indict Members of the Senate.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. CLARK. The Senator will also recall that before the Munitions Committee a letter was put in evidence from Mr. Shearer to some of his employers, who were the members of the ship-building trust, in which he said, in so many words, that he felt justified in accusing any Seantor or any Representative who happened to vote against his proposals for a big Navy of being Communists and traitors and disloyal citizens. That exemplified not only the spirit of Mr. Shearer, but apparently the purpose and animus back of those who employed Mr. Shearer, and who continued to employ him for long months after he had publicly denounced them and sued them in the courts of the United States.

Mr. BONE. The Senator from Missouri is absolutely correct. I think when we get through with this record tonight, it is going to be an eye-opener to some Members of the Senate who exercised their prerogative of voting their own consciences and their own honest desires in this body. I desire to show Senators, when they presume to do a thing like that, the risk they run at the hands of superheated patriots such as Mr. Shearer, who did precisely and exactly as the Senator from Missouri has indicated.

In response to a further question by the Senator from Missouri, Mr. Shearer produced the book that contained all this hideous record, this dark and gloomy story of communism on the part of Members of this august body. Mr. Shearer announced that he did not write this book, but the documents and photographs compiled by the Department of Justice after a certain raid in Michigan revealed the names and the dark fact that Members of the United States Senate were in an unholy conspiracy to overthrow the Government of the United States by reason of having communist affiliations. As a red sniper and a heresy hunter and a witch burner there probably is no one in the United States who approaches Mr. Shearer in the degree of efficiency he has achieved. It is unfortunate that he did not live in the time of Cotton Mather so he could have burned over slow fires those who suffered the irremediable misfortune of disagreeing with the gentleman.

Mr. BARKLEY. Mr. President, will the Senator yield to me for the purpose of asking unanimous consent for the present consideration of a bill?

Mr. BONE. I yield.

GEORGE M. COHAN

Mr. BARKLEY. Mr. President, the House has passed the bill authorizing the President to confer a medal upon George M. Cohan, who wrote the song Over There during the war. I ask unanimous consent that the Committee on the Library be discharged from the further consideration of the bill, and that it be considered at this time.

The PRESIDING OFFICER. Without objection, the Committee on the Library is discharged from further consideration of the bill.

Mr. McNARY. Mr. President, is that bill on the calendar and is it a House bill?

Mr. BARKLEY. It is a House bill. It has been referred to the Committee on the Library, and on account of other matters it has been impossible for the committee to consider it. It is simply a gesture of appreciation. There is no expense to speak of involved in connection with the bill. The Senator will recall that Mr. Cohan wrote the song Over There during the war, and prior to that he had written another song, A Grand Old Flag. The granting of the medal to Mr. Cohan is simply in recognition of his services to his country.

Mr. McNARY. The bill involves the granting of a medal rather than carrying an appropriation.

Mr. BARKLEY. The bill carries no appropriation.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 4641) authorizing the President to present a gold medal to George M. Cohan was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is authorized to present, but not in the name of Congress, a gold medal of appropriate design to George M. Cohan, in recognition of his services during the World War in composing the patriotic song Over There, and prior thereto that thrilling song A Grand Old Flag.

DEPARTMENTS OF TREASURY AND POST OFFICE APPROPRIATIONS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes.

Mr. BONE. Mr. President, at this particular point in this very remarkable and enlightening inquiry the Senator from Missouri [Mr. CLARK] asked Mr. Shearer who were the Senators who were listed as Communists by the Department of Justice of the United States. The big G-men had been doing some work investigating our honorable body and had uncovered this hideous plot against the Republic. Mr. Shearer said: "Let us get at it. Read it and find out."

The Senator from Missouri was a bit obtuse evidently at this point and was not able to follow the gentleman who was in front of us. Finally the Senator got around to the book, and then Mr. Shearer announced that these Senators had struck below the belt, and he said: "When a thing of that kind gets dirty, we all have to resort to dirt."

And so Mr. Shearer got dirty in the fashion which I am now about to describe. I asked Mr. Shearer at that time——

Mr. CLARK. Mr. President, may we have order?

The PRESIDENT pro tempore. Senators will be in order, and the occupants of the gallery will likewise be in order.

Mr. BONE. I am surprised. I thought my brethren had more curiosity about these Communists. I thought everybody in this presence would keep quiet and let me make this revelation in the manner in which I should like to make it. [Laughter.]

I asked Mr. Shearer if he had the list of Communist Senators to whom he had referred, and he said we would have to read the book. I said to Mr. Shearer:

> You name one of them as Senator Swanson, of Virginia, now Secretary of the Navy. Do you want to identify Mr. Swanson as a Communist?

Mr. Shearer announced he was referring to the book where the Senator had been thoroughly and completely identified as a Communist. Of course it ought to give Members of the Senate a very great thrill to know that their friend and former colleague and associate, Claude Swanson, of Virginia, is a Communist! "Comrade" Swanson is identified. [Laughter.]

Mr. Shearer then said:

> Take another one I am going to point out to you.
> Senator BONE. McKELLAR, of Tennessee; KENDRICK, of Wyoming.

Two well-known, outstanding Communists and fellow "reds" of Claude Swanson! [Laughter.]

Then Mr. Shearer announced I was reading the names in the manner in which I had read the names a day or two previously, which seemed to annoy Mr. Shearer very much. It may have been something in the inflection of my voice. I tried indeed to be patient with this superheterodyne patriot, but I admit he was trying my patience sorely.

Mr. CLARK and Mr. NEELY addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Washington yield, and if so, to whom?

Mr. BONE. I yield to both Senators. [Laughter.]

Mr. NEELY. I merely wish to ask the Senator from Washington if Representative BLANTON has been informed about these Communists in the Senate? [Laughter.]

Mr. BONE. I assure my friend from West Virginia that I do not want to cause Mr. BLANTON any more trouble. He is having lots of trouble and he might not survive the shock if he knew this end of the Capitol was infested with Communists. [Laughter.]

I yield now to my friend from Missouri.

Mr. CLARK. Has the Senator given the Senate the benefit of the name of the pamphlet in which Mr. Shearer denounced the present Secretary of the Navy and the senior Senator from Tennessee [Mr. MCKELLAR] and the late Senator Kendrick, of Wyoming, and numerous other distinguished Senators as Communists? As I recall, the title of the pamphlet which was sent out with funds supplied by shipbuilders and by Mr. William Randolph Hearst, it was the Cloak of Benedict Arnold.

Mr. BONE. The Senator's memory is treacherous. That was another outstanding document prepared by this great flag waver, this 1,000-percent American.

Mr. MCKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Tennessee?

Mr. BONE. I yield.

Mr. MCKELLAR. In presenting this testimony from this man Shearer, does the Senator vouch for it? Is the Senator reiterating the charges of this unmitigated scoundrel? Is that what the Senator is doing here tonight? The Senator is smiling. If that is what he is doing, he is smiling in a very bad situation.

Mr. BONE. If the Senator will bear with me a little while I shall be very glad——

Mr. MCKELLAR. I wish the Senator would answer my question. My question was whether the Senator is vouching for his witness?

Mr. BONE. I am merely indicating the type of man.

Mr. MCKELLAR. Cannot the Senator answer one way or the other? Is he afraid to answer? [Laughter.]

Mr. BONE. I am very certain my friend must know by this time that I am not vouching for him. I should hate to express my private opinion of Mr. Shearer at this time.

Mr. MCKELLAR. I think the Senator ought to say whether or not he is vouching for this unmitigated falsifier from whom he is reading.

Mr. BONE. I am going to get around to identifying Mr. Shearer's viewpoint a little later.

He continued

These men at this point—

That is to say, these Senators who came under the criticism described by Mr. Shearer—

were embarrassed by the Conference for Progressive Political Action.

Mr. MCKELLAR. Mr. President, will the Senator yield again?

Mr. BONE. Very well.

Mr. MCKELLAR. The Senator is engaged in a filibuster before crowded galleries. He is undertaking to read before the occupants of the galleries, I believe in a facetious manner—I think the Senator intends to be facetious—the charges of some miscreant of whom probably no one in the galleries ever heard. I think the Senator is doing a very ungracious and very improper thing in reading the statements of this man for whom he says he does not vouch, who he says is not worthy of belief, and yet here in this body he is undertaking in a filibuster, a filibuster against the Treasury and Post Office Department appropriation bill, before crowded galleries, to read from the statements of a man for whom he says he does not vouch. The Senator ought not to do such a thing. It is unbecoming, ungracious, improper, and wholly out of place in a body of this kind.

Mr. BONE. I not only do not vouch for this man, but this man was the subject of the most vigorous attack at the hands of the Munitions Committee. His name is William B. Shearer. I think the Senator will agree with me he is one of the biggest crooks in the United States, a man hired by the shipbuilding companies and referred to on the floor of the Senate repeatedly as "the big bass drum of Geneva." He was the man credited with having wrecked one of the peace conferences at Geneva, in 1927, I believe it was. William B. Shearer's statements shocked every decent, wholesome, patriotic American, in my judgment, and the incident was one of the outstanding stenches in the public life of Washington.

Mr. MCKELLAR. Just a moment.

Mr. BONE. I am not yielding further to the Senator.

Mr. MCKELLAR. The Senator is reading here on the floor of the Senate that vile, infamous stench to which he referred.

Mr. BONE. I agree with the Senator.

Mr. MCKELLAR. I think it is unbecoming on the part of the Senator.

Mr. BONE. I agree with the Senator, but I do not know whether the Senator heard my remarks in the beginning. I am merely pointing out, and I think the Senator understands, as I am sure everyone else does, how utterly intemperate, how utterly baseless are the charges made by the very men who have fought to preserve the very things the Senator from Tennessee has opposed on this floor time after time and for doing which he has earned my unstinted admiration.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Missouri?

Mr. BONE. Yes.

Mr. CLARK. I can very readily understand the natural indignation of the Senator from Tennessee at anything a man like William B. Shearer might say about him; but while a filibuster may be in progress, I suggest to the Senator that it is to a very pertinent point of the conference report now under consideration that the Senator from Washington is addressing his remarks. In other words, the issue presented in this conference report is as to whether or not, by the appropriation of $29,500,000, and the possible failure of the House to take action on any reformatory measure having to do with ocean-mail contracts, the present situation may be preserved.

It has been in evidence before the Munitions Committee, and I think before the Black Ocean Mail Committee, and I am certain it was in evidence before the Munitions Committee, that Mr. Shearer was one of the lobbyists who participated to a very large extent in the $250,000 fund which was created for the passage of the so-called Jones-White Act. I am certain the Senator from Washington took no more stock than I do in the charges against such eminent citizens as the Secretary of the Navy, the Senator from Tennessee, the late Senator from Wyoming, and other eminent citizens; but the Senator from Washington certainly is entitled to show the methods by which the shipbuilders, acting through lobbyists like Wilder and Shearer, have created in this country an impression that Members of the House and of the Senate, no matter what their high rectitude might be, were not loyal to the United States. In other words, the Senator from Washington is trying, as I take it, to show the methods which have been employed for the purpose of creating the system which we are trying to eliminate tonight.

Mr. BONE. I thank the Senator from Missouri for his observations because he has stated the case better than I could hope to state it. This man Shearer admitted in this testimony—and we all knew from experience that it occurred—that he had circularized various groups all over the United States with this intemperate, vicious, and unfair attack upon men in public life in Washington for daring to lift their voices against abuses like those which were discussed here this afternoon. My purpose is to point out the utter folly and the utter stupidity, aside from the utter unfairness, of this kind of business; to point out how men in public life are made the butt of this sort of cruel attack when they dare stand up and vote as the Senator from Tennessee and others voted here. I hope the Senator from Tennessee does not think I in anywise agree with this man, for before the committee I had an exchange with the gentleman that was anything but pleasant.

Now I am going to continue with this testimony.

TREASURY AGENCY SERVICE

Mr. COPELAND. Mr. President, will the Senator yield to me for just a moment in order that I may ask unanimous consent for the consideration of a bill?

Mr. BONE. Yes.

Mr. COPELAND. I ask unanimous consent that House bill 12556 be laid before the Senate and that it be considered at this time.

The PRESIDENT pro tempore. The clerk will state the title of the bill.

The CHIEF CLERK. A bill (H. R. 12556) to create the Treasury Agency Service, to provide for the more adequate protection of the revenue and a more effective enforcement of the revenue and other laws administered by the Treasury Department, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. DAVIS. Mr. President, what is the bill?

Mr. COPELAND. This bill is to permit a reorganization within the Treasury Department of activities already there. There has grown up a number of activities—the Narcotics Division and other divisions in the Internal Revenue Bureau—as to which it seems desirable to the Secretary of the Treasury that there should be a consolidation of these activities within the Department.

Mr. ROBINSON. The bill has been unanimously reported by the Finance Committee?

Mr. COPELAND. It has been; yes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

Mr. O'MAHONEY. Mr. President, I desire to offer an amendment to the bill.

The PRESIDENT pro tempore. By unanimous consent, the votes by which the bill was ordered to a third reading and passed will be reconsidered. The bill is before the Senate and open to amendment.

Mr. O'MAHONEY. Mr. President, on page 1, lines 8 and 9, I move to strike out the words "The Secretary of the Treasury is authorized" and to substitute in lieu thereof "The President is authorized, by and with the advice and consent of the Senate," so that the provision for the appointment of the head of this agency will make it necessary that the nomination be made by the President and sent to the Senate for confirmation.

Mr. TOWNSEND. Mr. President, may I ask what bill is before the Senate?

The PRESIDENT pro tempore. The bill before the Senate is House bill 12556, to create the Treasury Agency Service, to provide for the more adequate protection of the revenue and a more effective enforcement of the revenue and other laws administered by the Treasury Department, and for other purposes.

Mr. TOWNSEND. I object to the consideration of the bill.

The PRESIDENT pro tempore. The Senator from Delaware objects.

AWARDS OF MIXED CLAIMS COMMISSION, ETC.

Mr. CLARK. Mr. President, will the Senator from Washington yield to me?

Mr. BONE. I yield to the Senator from Missouri.

Mr. CLARK. By direction of the Committee on Finance, I ask unanimous consent to report back favorably, without amendment, House Joint Resolution 608, extending for 2 years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1938, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter.

The PRESIDENT pro tempore. Without objection, the report will be received.

Mr. McKELLAR. Mr. President, wait one minute. What is the matter before the Senate?

Mr. CLARK. The matter before the Senate is the conference report on the Treasury and Post Office Departments appropriation bill. I am asking unanimous consent to take up a joint resolution which passed the House today, and which is certified by the Committee on Finance and by the Treasury Department as being an emergency matter.

Mr. President, let me say that the joint resolution simply provides for the extension of the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of the awards of the War Claims Arbiter which have already been allowed, and for which the money is in the Treasury. The joint resolution does not provide for a single charge of any kind against the Treasury. It simply extends the time limit; and unless the joint resolution is passed, certain claimants will be debarred of their rights.

I ask unanimous consent for the present consideration of the joint resolution.

The PRESIDING OFFICER (Mr. DUFFY in the chair). Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. ROBINSON. Mr. President, if the Senator from Washington will yield for that purpose, I should like to move an executive session. There are on the Executive Calendar a number of matters which require consideration, and particularly a treaty which has been before the committee for a prolonged time.

Mr. BONE. I shall be very happy to yield if I do not lose the floor.

Mr. ROBINSON. Very well. I move that the Senate proceed to the consideration of executive business.

Mr. CLARK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. DUFFY in the chair). The Senator from Missouri will state it.

Mr. CLARK. By agreeing to the request of the Senator from Arkansas, the Senator from Washington will not lose the floor, will he?

Mr. ROBINSON. Certainly not.

Mr. BONE. I do not wish to lose the floor by yielding.

Mr. McKELLAR. Mr. President, another parliamentary inquiry: Will the conference report lose its place?

The PRESIDING OFFICER. It will not.

Mr. ROBINSON. Mr. President, I move that the Senate proceed to the consideration of executive business.

Mr. CLARK. Mr. President, would not the Senator be willing to include in his motion that it be understood that the Senator from Washington [Mr. BONE] will have the floor at the conclusion of the executive session?

Mr. ROBINSON. Certainly. I ask unanimous consent that the Senate proceed to the consideration of executive business, and that when that business shall have been disposed of, the Senator from Washington, now having the floor, may resume the floor.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations (and withdrawing a nomination), which were referred to the appropriate committees.

(For nominations this day received, and nomination withdrawn, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nomination of Col. Frank Maxwell

Andrews to be major general, commanding general, General Headquarters Air Force, with temporary rank from June 16, 1936, and also the nominations of sundry other officers for appointment to temporary rank in the Air Corps of the Regular Army, under the provisions of the act approved June 16, 1936.

He also, from the same committee, reported favorably the nominations of several officers for promotion in the Regular Army.

He also, from the same committee, reported favorably the nominations of several officers for appointment, by transfer, in the Regular Army.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers in the Navy and the Marine Corps.

Mr. KING, from the Committee on Finance, reported favorably the nomination of Richard L. Disney, of Oklahoma, to be a member of the Board of Tax Appeals for a term of 12 years from June 2, 1936, vice Herbert F. Seawell, term expired.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. NEELY, from the Committee on the Judiciary, reported favorably the nomination of Albert Branson Maris, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania.

Mr. DIETERICH, from the Committee on the Judiciary, reported favorably the following nominations:

John W. Clancy, of New York, to be United States district judge for the southern district of New York; and

Samuel Mandelbaum, of New York, to be a United States district judge for the southern district of New York.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the calendar is in order.

TREATY—SAFETY OF LIFE AT SEA

Mr. PITTMAN. Mr. President, I ask that the treaty on the safety of life at sea be laid before the Senate and that it be considered at this time.

The Senate, as in Committee of the Whole, proceeded to consider Executive B (71st Cong. 2d sess.) the International Convention for Promoting Safety of Life at Sea, signed at London, May 31, 1929, which was read the second time as follows:

INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA

PREAMBLE

The Governments of Germany, the Commonwealth of Australia, Belgium, Canada, Denmark, Spain, the Irish Free State, the United States of America, Finland, France, the United Kingdom of Great Britain and Northern Ireland, India, Italy, Japan, Norway, the Netherlands, Sweden, the Union of Socialist Soviet Republics; being desirous of promoting safety of life at sea by establishing in common agreement uniform principles and rules directed thereto;

Considering that this end may best be achieved by the conclusion of a Convention;

Have appointed their plenipotentiaries, namely:

The Government of Germany:
Dr. Friedrich Sthamer, Ambassador Extraordinary and Plenipotentiary of the German Reich in London.
Mr. Gustav Koenigs, Ministerialdirigent in the Reichsverkehrsministerium, Geheimer Regierungsrat, Berlin.
Mr. Arthur Werner, Oberregierungsrat in the Reichsverkehrsministerium, Geheimer Justizrat, Berlin.
Mr. Walter Laas, Professor, Director of the "Germanischer Lloyd" Classification Society, Berlin.
Dr. Otto Riess, Director ret. of the Reichsschiffsvermessungsamt, Geheimer Regierungsrat, Neubrandenburg.
Mr. Hermann Giess, Ministerialrat in the Reichspostministerium, Berlin.
Vice-Admiral Hugo Dominik, President of the "Deutsche Seewarte," Hamburg.

The Government of the Commonwealth of Australia:
Captain Henry James Feakes, Royal Australian Navy, Commonwealth Naval Representative in London.
Lieut.-Commander Thomas Free, Royal Naval Reserve (retired).
Captain J. K. Davis, Commonwealth Director of Navigation.

The Government of Belgium:
Baron de Gerlache de Gomery, Director-General of the Marine Department.
Mr. Gustave De Winne, Ingénieur en Chef, Director of the Marine Department.
Mr. Georges Goor, Adviser to the Marine Department.

The Government of Canada:
Mr. Alexander Johnston, Deputy Minister of Marine.
Mr. Lucien Pacaud, Secretary in the Office of the Canadian High Commissioner in London.

The Government of Denmark:
Mr. Emil Krogh, Assistant-Secretary in the Marine Department, Ministry of Industry, Commerce and Shipping.
Mr. V. Topsöe-Jensen, Judge of the Supreme Court of Appeal.
Captain V. Lorck, Chief Examiner of Masters and Mates.
Mr. J. A. Körbing, Technical Managing Director of the United Steam Ship Company, Copenhagen.
Mr. Aage H. Larsen, Engineer in Chief of the Ministry of Industry, Commerce and Shipping.
Mr. Arnold Poulsen, Engineer Commissioner to the Ministry of Industry, Commerce and Shipping.

The Government of Spain:
Rear-Admiral Don Francisco Javier de Salas y Gonzales, Head of the Naval Commission in Europe.

The Government of the Irish Free State:
Mr. J. W. Dulanty, Commissioner for Trade for the Irish Free State in Great Britain.
Mr. E. C. Foster, Chief Surveyor in the Marine Branch, Department of Industry and Commerce.

The Government of the United States of America:
The Honourable Wallace H. White, Junior, Member of Congress, Chairman of the Committee on Merchant Marine and Fisheries.
Mr. Arthur J. Tyrer, Commissioner of Navigation, Department of Commerce.
Mr. Charles M. Barnes, Chief of the Treaty Division, Department of State.
Rear-Admiral George H. Rock, Construction Corps, United States Navy, Assistant Chief of the Bureau of Construction and Repair, Navy Department.
Captain Clarence S. Kempff, United States Navy, Hydrographer, Navy Department.
Mr. Dickerson N. Hoover, Supervising Inspector-General of the Steamboat Inspection Service, Department of Commerce.
Mr. William D. Terrell, Chief of the Radio Division, Department of Commerce.
Rear-Admiral John G. Tawresey, Construction Corps, United States Navy (retired), United States Shipping Board.
Mr. Herbert B. Walker, President of the American Steamship Owners' Association.
Mr. Henry G. Smith, President of the National Council of American Shipbuilders.
Captain Charles A. McAllister, President of the American Bureau of Shipping.

The Government of Finland:
Baron Gustaf Wrede, President of the Shipping Board.
Captain Väinö Bergman, Inspector of Shipping.
Consul Karl Kurten, Manager of the Finnish Shipowners' Association.

The Government of France:
Mr. Rio, Senator and former Minister.
Captain Haarbleicher, Naval Construction Corps, Director of Mercantile Shipping Service, Department of Public Works.
Commander Marie, Naval Construction Corps, Direction of Mercantile Shipping.
Captain Thouroude, Naval Attaché to the French Embassy in London.

The Government of the United Kingdom of Great Britain and Northern Ireland:
Sir Herbert W. Richmond, Vice-Admiral, Royal Navy.
Sir Westcott Abell, Professor of Naval Architecture, Armstrong College, Newcastle-on-Tyne.
Mr. A. L. Ayre, Vice-President of the Shipbuilding Employers' Federation.
Captain F. W. Bate, Professional Officer, Mercantile Marine Department, Board of Trade.
Mr. C. H. Boyd, Mercantile Marine Department, Board of Trade.
Sir William C. Currie, President of the Chamber of Shipping of the United Kingdom.
Mr. A. J. Daniel, Principal Ship Surveyor, Board of Trade.
Sir Norman Hill, Chairman of the Merchant Shipping Advisory Committee.
Sir Charles Hipwood, Principal Assistant Secretary, Mercantile Marine Department, Board of Trade.
Captain A. R. H. Morrell, Trinity House.

The Government of India:
Sir Geoffrey L. Corbett, Commerce Department, Government of India.
Captain E. V. Whish, Port Officer, Bombay.
Mr. M. A. Master, General Manager of the Scindia Steam Navigation Company.

The Government of Italy:
Lieut.-General of Port G. Ingianni, General Director of the Mercantile Marine.
Vice-Admiral A. Alessio, Chief of the Technical Inspectorate of the Mercantile Marine.
Count D. Rogeri di Villanova, Counsellor to the Italian Embassy in London.
Dr. T. C. Giannini, Counsellor of Emigration.
Major-General of Port F. Marena, Vice-Inspector of Harbour Master Offices.
Engineer-General E. Ferretti, Chief of the Technical Office of the Italian Naval and Aeronautical Register.
Mr. G. Gneme, Chief of the Telegraph Service of the General Direction of Postal and Telegraphic Services.
Commander L. Biancheri, Royal Italian Navy.

The Government of Japan:
Mr. Yukio Yamamoto, Inspector-General of the Mercantile Marine Bureau, Expert in the Department of Communications.
Captain Shichihei Ota, Imperial Japanese Navy.
Mr. Itaro Ishii, First Class Secretary of Embassy.

The Government of Norway:
Mr. B. Vogt, Norwegian Minister in London.
Mr. L. T. Hansen, Director of the Department of Shipping, Ministry of Commerce and Navigation.
Mr. J. Schönheyder, Surveyor-in-Chief of the Ship and Engineer Division, Ministry of Commerce and Navigation.
Mr. Arth H. Mathiesen, Vice-President of the Norwegian Shipowners' Association.
Captain N. Marstrander, Chairman of the Board of the Norwegian Masters' Association.
Mr. A. Birkeland, Manager of the Norwegian Seamen's and Firemen's Union.

The Government of the Netherlands:
Vice-Admiral C. Fock, Inspector-General of Navigation.
Mr. C. H. de Goeje, Ex-Inspector-General of Navigation, Netherland East Indies.
Mr. A. van Driel, Adviser on Naval Architecture, Shipping Inspection Service.
Mr. J. A. Bland van den Berg, Inspector of Coastal and Ships' Radiotelegraphy.
Mr. Phs. van Ommeren, Junior, Chairman. of Phs. van Ommeren, Ltd.
Mr. H. G. J. Uilkens, Ex-Commodore of the Netherland Steamship Company.

The Government of Sweden:
Baron Palmstierna, Swedish Minister in London.
Mr. Nils Gustaf Nilsson, Assistant Under-Secretary in the Board of Trade.
Captain Erik Axel Fredrik Eggert, Maritime Expert to the Social Board.

The Government of the Union of Socialist Soviet Republics:
Mr. Jan Lvovitch Arens, Counsellor to the U. S. S. R. Embassy in Paris.
Captain Karl Pavlovitch Eggi, Commander of the Icebreaker "Lenin," Soviet Merchant Fleet (Sovtorgflot).

Who, having communicated their full powers, found in good and due form, have agreed as follows:

CHAPTER I.—PRELIMINARY

ARTICLE 1

The Contracting Governments undertake to give effect to the provisions of the present Convention for the purpose of promoting safety of life at sea, to promulgate all regulations and to take all other steps which may be necessary to give the present Convention full and complete effect.

The provisions of the present Convention are completed by Regulations contained in Annex I, which have the same force and take effect at the same time as the present Convention. Every reference to the present Convention implies at the same time a reference to the Regulations annexed thereto.

ARTICLE 2

Applications and Definitions

1. The provisions of the present Convention shall apply to ships belonging to countries the Governments of which are Contracting Governments, and to ships belonging to territories to which the present Convention is applied under Article 62, as follows:

Chapter II.—(*Construction*), to passenger ships (mechanically propelled) on international voyages.
Chapter III.—(*Life-saving Appliances*), to passenger ships (mechanically propelled) on international voyages.
Chapter IV.—(*Radiotelegraphy*), to all ships engaged on international voyages except cargo ships of less than 1,600 tons gross tonnage.
Chapter V.—(*Safety of Navigation*), to all ships on all voyages.
Chapter VI.—(*Certificates*), to all the ships to which Chapters II, III and IV apply.

2. The classes of ships to which each chapter applies are more precisely defined, and the extent of the application is shown, in each chapter.

3. In the present Convention, unless expressly provided otherwise—

(*a*) a ship is regarded as belonging to a country if it is registered at a port of that country;

(*b*) the expression "Administration" means the Government of the country in which the ship is registered;

(*c*) an international voyage is a voyage from a country to which the present Convention applies to a port outside such country, or conversely; and for this purpose every colony, overseas territory, protectorate or territory under suzerainty or mandate is regarded as a separate country;

(*d*) a ship is a passenger ship if it carries more than 12 passengers;

(*e*) the expression "Regulations" means the Regulations contained in Annex I.

4. The present Convention, unless expressly provided otherwise, does not apply to ships of war.

ARTICLE 3

Cases of Force Majeure

No ship, which is not subject to the provisions of the present Convention at the time of its departure on any voyage, shall become subject to the provisions of the present Convention on account of any deviation from its intended voyage due to stress of weather or any other cause of *force majeure*.

Persons who are on board a ship by reason of *force majeure* or in consequence of the obligation laid upon the master to carry shipwrecked or other persons shall not be taken into account for the purpose of ascertaining the application to a ship of any provisions of the present Convention.

CHAPTER II.—CONSTRUCTION

ARTICLE 4

Application

1. This chapter, except where it is otherwise expressly provided, applies to new passenger ships engaged on international voyages.

2. A new passenger ship is a ship the keel of which is laid on or after the 1st July, 1931, or a ship which is converted to passenger service on or after that date, all other passenger ships being described as existing passenger ships.

3. Each Administration may, if it considers that the route and the conditions of the voyage are such as to render the application of the requirements of this chapter unreasonable or unnecessary, exempt from the requirements of this chapter individual ships or classes of ships belonging to its country which, in the course of their voyage, do not proceed more than 20 miles from the nearest land.

4. In the case of a passenger ship which, in the course of its voyage, does not proceed more than 200 miles from the nearest land, the Administration of the country to which the ship belongs may allow relaxations from such of the requirements of Regulations IX, X, XV, and XIX as may be proved to the satisfaction of the Administration to be neither reasonable nor practicable.

5. In the case of existing passenger ships engaged on international voyages which do not already comply with the provisions of this chapter relating to new passenger ships, the arrangements on each ship shall be considered by the Administration of the country to which the ship belongs, with a view to improvements being made to provide increased safety where practicable and reasonable.

6. In the case of passenger ships engaged on international voyages which are employed in the carriage of large numbers of unberthed passengers in special trades, such, for example, as the pilgrim trade, an Administration, if satisfied that it is impracticable to enforce compliance with the requirements of this chapter, may exempt such ships, when they belong to its country, from those requirements on the following conditions:

(*a*) That the fullest provision which the circumstances of the trade will permit shall be made in the matter of construction.

(*b*) That steps shall be taken to formulate general rules which shall be applicable to the particular circumstances of these trades. Such rules shall be formulated in concert with such other Contracting Governments, if any, as may be directly interested in the carriage of such passengers.

7. This chapter does not apply to ships which are not mechanically propelled or to wooden ships of primitive build, such as dhows, junks, &c.

ARTICLE 5

Watertight Subdivision of Ships

1. Ships shall be as efficiently subdivided as is possible having regard to the nature of the service for which they are intended. The requirements respecting subdivision are given in the following articles and in the Regulations.

2. The degree of subdivision provided for by these requirements varies with the length of the ship and with the service, in such manner that the highest degree of subdivision corresponds with the ships of greatest length primarily engaged in the carriage of passengers.

3. Regulations I to V indicate the method to be followed in order to determine the degree of subdivision applicable to a ship.

4. In order that the required degree of subdivision shall be maintained, a loadline corresponding to the approved subdivision draft shall be assigned and marked on the ship's sides. A ship having spaces which are specially adapted for the accommodation of passengers and the carriage of cargo alternatively may, if the owners desire, have one or more additional loadlines assigned and marked to correspond with the subdivision drafts which the Administration may approve for the alternative service conditions.

The freeboard corresponding to each approved subdivision loadline, and the conditions of service for which it is approved, shall be clearly indicated on the Safety Certificate. Subdivision loadline shall be marked and recorded in the manner provided in Regulation VII.

ARTICLE 6

Peak and Machinery Space Bulkheads, Shaft Tunnels, &c.

All ships shall be fitted with watertight forward and after peak bulkheads and with watertight bulkheads at the extremities of the machinery space, and, in screw ships, with watertight shaft tunnels or equivalent subdivision in accordance with the provisions of Regulation VI.

ARTICLE 7

Construction, Testing, &c.

Regulations VIII to XIII and XV to XXI prescribe rules for—

(*a*) the construction and testing of subdivision bulkheads, inner bottoms, watertight decks, trunks, ventilators, fire-resisting bulkheads, &c.;

(*b*) the conditions governing openings in bulkheads, in the ship's sides and in the weather deck, and the character and use of means which shall be provided for closing these openings;

(*c*) the tests and the periodical inspections and operation of the means of closing openings in bulkheads and in the ship's side;

(*d*) exits from watertight compartments;

(*e*) pumping arrangements; and

(*f*) power for going astern and auxiliary steering apparatus.

ARTICLE 8

Stability Test

Every new passenger ship shall be inclined upon its completion and the elements of its stability determined. The operating personnel shall be supplied with such information on this subject as is necessary to permit efficient handling of the ship.

ARTICLE 9

Entries in the Official Log Book

A record of the closing and opening of watertight doors, &c., and of all inspections and drills, shall be entered in the official log book as required by Regulation XIV.

ARTICLE 10

Initial and Subsequent Surveys of Ships

The general principles which shall govern the survey of ships, whether new or existing, as regards hull, main and auxiliary boilers and machinery, and equipments, are stated in Regulation XXII. Each Contracting Government undertakes—

(1) to draw up detailed regulations in accordance with these general principles, or to bring its existing regulations into agreement with these principles;

(2) to secure that these regulations shall be enforced.

The detailed regulations referred to in the preceding paragraph shall be in all respects such as to secure that, from the point of view of safety of life, the ship is fit for the service for which it is intended.

CHAPTER III.—LIFE-SAVING APPLIANCES, &c.

ARTICLE 11

Interpretation

For the purposes of this chapter—

(*a*) the expression "new ship" means a ship the keel of which is laid on or after the 1st July, 1931, all other ships being described as "existing ships";

(*b*) the expression "short international voyage" means an international voyage in the course of which a ship is not more than 200 miles from the nearest land;

(*c*) the expression "buoyant apparatus" means buoyant deck seats, or buoyant deck chairs, or any other buoyant apparatus

ARTICLE 12

Application

1. This chapter, except where it is otherwise expressly provided, applies to new passenger ships which are mechanically propelled and engaged on international voyages.

2. Special provisions are laid down in Articles 13, 14, 19 and 25 with regard to new passenger ships engaged on short international voyages.

3. Each Administration, if it considers that the route and the conditions of the voyage are such as to render the application of the full requirements of this chapter unreasonable or unnecessary, may to that extent exempt from the requirements of this chapter individual ships or classes of ships belonging to its country which, in the course of their voyage, do not go more than 20 miles from the nearest land.

4. In the case of existing passenger ships which are mechanically propelled and engaged on international voyages and which do not already comply with the provisions of this chapter relating to new passenger ships, the arrangements on each ship shall be considered by the Administration of the country to which the ship belongs, with a view to securing, so far as this is practicable and reasonable, compliance with the general principles set out in Article 13 not later than the 1st July, 1931, and substantial compliance with the other requirements of this chapter.

5. In the case of passenger ships which are mechanically propelled and engaged on international voyages and which are employed in the carriage of large numbers of unberthed passengers in special trades, such, for example, as the pilgrim trade, an Administration, if satisfied that it is impracticable to enforce compliance with the requirements of this chapter, may exempt such ships, when they belong to its country, from those requirements on the following conditions:

(*a*) That the fullest provision which the circumstances of the trade will permit shall be made in the matter of lifeboats and other life-saving appliances and fire protection.

(*b*) That all such boats and apparatus shall be readily available within the meaning of Article 13.

(*c*) That a life-jacket shall be provided for every person on board.

(*d*) That steps shall be taken to formulate general rules which shall be applicable to the particular circumstances of these trades. Such rules shall be formulated in concert with such other Contracting Governments, if any, as may be directly interested in the carriage of such passengers.

ARTICLE 13

Lifeboats and buoyant apparatus

The general principles governing the provision of lifeboats and buoyant apparatus in a ship to which this chapter applies are that they shall be readily available in case of emergency and shall be adequate.

1. To be readily available, the lifeboats and buoyant apparatus must comply with the following conditions:

(a) They must be capable of being got into the water safely and rapidly even under unfavorable conditions of list and trim.

(b) It must be possible to embark the passengers in the boats rapidly and in good order.

(c) The arrangement of each boat and article of buoyant apparatus must be such that it will not interfere with the operation of other boats and buoyant apparatus.

2. To be adequate, the provision of lifeboats and buoyant apparatus must satisfy the following conditions:

(a) Subject to the provisions of subparagraph (b) of this paragraph there must be accommodation in boats for all persons on board, and there must, in addition, be buoyant apparatus for 25 percent of the persons on board.

(b) In the case of passenger ships engaged on short international voyages the boats must be provided in accordance with the requirements set out in the table in Regulation XXXIX, and there must be, in addition, buoyant apparatus so that the boats and buoyant apparatus together provide accommodations for all on board as set out in Regulation XXXVIII. There must, in addition, be buoyant apparatus for 10 percent of the persons on board.

(c) No more boats shall be required on any passenger ship than are sufficient to accommodate all persons on board.

ARTICLE 14

Ready availability and adequacy

The arrangements for securing the principles of ready availability and adequacy mentioned in article 13 shall be in accordance with the provisions of Regulations XXXVII, XXXVIII, and XXXIX.

ARTICLE 15

Standard Types of Boats—Life Rafts—Buoyant Apparatus

All the lifeboats, life rafts and buoyant apparatus shall comply with the conditions fixed by this Convention and Regulations XXIV to XXIX.

ARTICLE 16

Construction of Boats

All boats must be properly constructed, and shall be of such form and proportion that they shall have ample stability in a seaway, and sufficient freeboard when loaded with their full complement of persons and equipment.

Each boat must be of sufficient strength to enable it to be safely lowered into the water when loaded with its full complement of persons and equipment.

ARTICLE 17

Embarkation of the Passengers in the Boats

Suitable arrangements shall be made for embarking the passengers in the boats at an embarkation deck. There shall also be a suitable ladder provided at each set of davits.

ARTICLE 18

Capacity of Boats and Life Rafts

The number of persons that a boat of one of the standard types or an approved life raft or buoyant apparatus can accommodate and the conditions of approval of life rafts and buoyant apparatus shall be ascertained in accordance with the provisions of Regulations XXX to XXXV inclusive.

ARTICLE 19

Equipment of Boats and Life Rafts

Regulation XXXVI prescribes the equipment for boats and life rafts.

ARTICLE 20

Life-jackets and Life-buoys

1. Every ship to which this chapter applies shall carry for every person on board a life-jacket of a type approved by the Administration, and in addition, unless these life-jackets can be adapted for use by children, a sufficient number of life-jackets suitable for children.

2. Every such ship shall also carry life-buoys of a type approved as aforesaid to the number required by Regulation XL.

3. A life-jacket or life-buoy shall not be approved by an Administration unless it satisfies the requirements of Regulation XL applicable to life-jackets and life-buoys respectively.

4. In this article the expression "life-jacket" includes any appliance capable of being fitted on the body, having the same buoyancy as a life-jacket.

ARTICLE 21

Means of Ingress and Egress—Emergency Lighting

1. Proper arrangements shall be made for ingress to and egress from the different compartments, decks, &c.

2. Provision shall be made for an electric or other system of lighting, sufficient for all requirements of safety, in the different parts of the ship, and particularly upon the decks on which the lifeboats are stowed. On ships in which the boat deck is more than 9.15 metres (30 feet) above the waterline at the lightest seagoing draught, provision shall be made for the illumination from the ship of the lifeboats when alongside and in process of or immediately after being launched. There must be a self-contained source capable of supplying, when necessary, this safety lighting system, and placed in the upper parts of the ship above the bulkhead deck.

3. The exit from every main compartment occupied by passengers or crew shall be continuously lighted by an emergency lamp. The power for these emergency lamps shall be so arranged that they will be supplied from the independent installation referred to in the preceding paragraph in the event of failure of the main generating plant.

ARTICLE 22

Certificated Lifeboatmen—Manning of the Boats

1. In every ship to which this chapter applies there must be, for any boat or life raft carried in order to comply with this chapter, such number of certificated lifeboatmen as is required by Regulation XLI for that boat.

2. The allocation of the certificated lifeboatmen to each boat and life raft remains within the discretion of the master, according to the circumstances.

3. By "certificated lifeboatman" is meant any member of the crew who holds a certificate of efficiency issued under the authority of the Administration in accordance with the conditions laid down in the afore-mentioned Regulation.

4. The manning of the boats shall be as prescribed in Regulation XLII.

ARTICLE 23

Line-throwing Appliances

Every ship to which this chapter applies shall carry a line-throwing appliance of a type approved by the Administration.

ARTICLE 24

Dangerous Goods—Fire Protection

1. The carriage, either as cargo or ballast, of goods which by reason of their nature, quantity, or mode of stowage, are, either singly or collectively, liable to endanger the lives of the passengers or the safety of the ship, is forbidden.

This provision does not apply to the ship's distress signals, nor to the carriage of naval or military stores for the public service of the States under conditions authorised by the Administration.

Each Administration shall, from time to time by official notice, determine what goods are to be considered dangerous goods, and shall indicate the precautions which must be taken in the packing and stowage thereof.

2. The arrangements to be made for the detection and extinction of fire shall be as prescribed in Regulation XLIII.

ARTICLE 25

Muster Roll and Drills

Special duties for the event of an emergency shall be allotted to each member of the crew.

The muster list shall show all these special duties and shall indicate, in particular, the station to which each man must go, and the duties that he has to perform.

Before the vessel sails, the muster list shall be drawn up and exhibited,[1] and the proper authority shall be satisfied that the muster list has been prepared for the ship. It shall be posted in several parts of the ship, and in particular in the crew's quarters.

Regulations XLIV and XLV prescribe the conditions under which musters of the crew and drills shall take place.

CHAPTER IV.—RADIOTELEGRAPHY

ARTICLE 26

Application and Definition

1. This chapter applies to all ships engaged on international voyages except cargo ships of less than 1,600 tons gross tonnage.

2. For the purposes of this chapter a cargo ship means any ship not being a passenger ship.

ARTICLE 27

Fitting of Radio Installation

1. All ships to which this chapter applies shall, unless exempted under Article 28, be fitted with a radiotelegraph installation complying with the provisions of Article 31, as follows:

(*a*) All passenger ships, irrespective of size.

(*b*) All cargo ships of 1,600 tons gross tonnage and upwards.

2. Each Administration may delay the application of the provisions of paragraph (1) (*b*) to cargo ships belonging to its country of less than 2,000 tons gross tonnage for a period not exceeding five years from the date of the coming into force of the present Convention.

ARTICLE 28

Exemptions from the Requirements of Article 27

1. Each Administration may, if it considers that the route and the conditions of the voyage are such as to render a radiotelegraph installation unreasonable or unnecessary, exempt ships belonging to its country from the requirements of Article 27 as follows:

I.—*Passenger Ships.*

(*a*) Individual passenger ships or classes of passenger ships which, in the course of their voyage, do not go more than—

(i) 20 miles from the nearest land;

or

(ii) 200 miles in the open sea between two consecutive ports.

(*b*) Passenger ships which make voyages entirely within the restricted areas specified in the Annex to this article.

II.—*Cargo Ships.*

Individual cargo ships or classes of cargo ships which, in the course of their voyage, do not go more than 150 miles from the nearest land.

2. Each Administration may, in addition, exempt ships belonging to its country of the following classes:

I.—Barges in tow and existing sailing ships.

An existing sailing ship is one the keel of which is laid before the 1st July, 1931.

II.—Ships of primitive build, such as dhows, junks, &c., if it is practically impossible to fit them with a radiotelegraph installation.

III.—Ships which are not normally engaged on international voyages, but which in exceptional circumstances are required to undertake a single voyage of that kind.

Annex to Article 28

1. The Baltic Sea and approaches thereto East of a line drawn from Utsire (Norway) in the North to Texel (Netherlands) in the South, outside the territorial jurisdiction of the Union of Socialist Soviet Republics.

2. The portions of the Gulf of Tartary and the Sea of Okhotsk covered in voyages between ports in Hokkaido and ports in Japanese Sakhalin.

3. The Chosen (Tyosen) Strait between a line in the North drawn from Kawajiri Misaki (Cape Natsungu) to Fusan, and a line in the South drawn from Nagasaki to Giffard Island (off the South-West point of Quelpart Island) and thence to Tin to (Amherst Island).

4. The Yellow Sea North of Parallel 37° North.

5. The Formosa Strait between a line in the North drawn from Fuki Kaku (Syauki Point) to Foochow and a line in the South drawn from South Cape (the South point of Formosa) to Hong Kong.

6. The area within the following limits:

Parallel 10° N. from long. 94° E. to the coast of Asia, coast of Asia to Saigon (Cape Tiwan), straight lines between Cape Tiwan, lat. 4° 30′ N. long 110° E., south point of Palawan Island, Palmas (Miangas) Island, lat. 0° long. 140° E., lat. 0° long. 148° E., lat 10° S. long. 148° E., Cape York, north coast of Australia from Cape York to Port Darwin (Cape Charles), straight lines between Cape Charles, Ashmore Reef (East Island), lat. 10° S. long. 109° E., Christmas Island, lat. 2° N. long. 94° E., lat. 10° N. long. 94° E., outside the territorial jurisdiction of Australia and of the United States of America.

7. The Caribbean Sea, outside the territorial jurisdiction of the United States of America, in relation to voyages made by sailing ships only.

8. The area of the South Pacific Ocean bounded by the Equator, Meridian 130° W., Parallel 34° S., and the coast of Australia, outside the territorial jurisdiction of Australia.

9. The Tong King Gulf and portions of the China Sea lying to the West of a line drawn from Hong Kong to Lat. 17° N. Long. 110° E., thence due South to Latitude 10° N., and thence West to Saigon.

10. The portions of the Indian Ocean covered in voyages between ports in Madagascar, Reunion and the Mauritius Islands.

11. The portions of the North Atlantic Ocean and Mediterranean Sea covered in voyages between Casablanca (Morocco) and Oran (Algeria) and intermediate ports.

ARTICLE 29

Watches

1. *Passenger Ships.*

Each passenger ship which, in accordance with Article 27, is required to be fitted with a radiotelegraph installation, shall, for safety purposes, carry a qualified operator, and, if not fitted with an auto-alarm, shall, whilst at sea, keep watches by means of a qualified operator or a certified watcher, as under:

(*a*) All passenger ships under 3,000 tons gross tonnage, as determined by the Administration concerned;

(*b*) All passenger ships of 3,000 tons gross tonnage and over, continuous watch.

Each Administration is authorized to exempt passenger ships belonging to its country from 3,000 tons to 5,500 tons gross tonnage, both included, from the requirement of a continuous watch for a period not exceeding one year from the date of the coming

[1] The French text has "mis à jour," the English equivalent of which is "brought up to date." [Note by the Department of State.]

into force of the present Convention, provided that during the period of such exemption they shall maintain a watch of at least 8 hours per day.

2. *Cargo Ships.*

Each cargo ship which, in accordance with Article 27, is required to be fitted with a radiotelegraph installation, shall, for safety purposes, carry a qualified operator, and, if not fitted with an auto-alarm, shall, whilst at sea, keep watches by means of a qualified operator or a certified watcher, as under:

(*a*) All cargo ships under 3,000 tons gross tonnage, as determined by the Administration concerned;

(*b*) Cargo ships from 3,000 to 5,500 tons gross tonnage, both included, at least 8 hours' watch per day;

(*c*) Cargo ships over 5,500 tons gross tonnage, continuous watch.

Each Administration is authorized to exempt ships belonging to its country included in (*c*) above from the requirements of a continuous watch for a period not exceeding one year from the date of the coming into force of the present Convention, provided that during the period of such exemption they shall maintain a watch of at least 8 hours per day.

Each Administration is also authorised to exempt ships belonging to its country from 5,500 tons to 8,000 tons gross tonnage from the requirement of a continuous watch for a further period of one year, provided that during this further period of exemption they shall maintain a watch of at least 16 hours per day.

3. On all ships fitted with an auto-alarm this auto-alarm shall, whilst the ship is at sea, always be in operation when the operator or watcher is not on watch.

On ships for which the hours of watch are to be determined by the Administration concerned, such watch should be maintained preferably at hours prescribed for radiotelegraph service by the International Radiotelegraph Convention in force.

On ships which are required to keep 8 hours' or 16 hours' watch per day, such watch shall be maintained at the hours prescribed for radiotelegraph service by the International Radiotelegraph Convention in force.

4. By *auto-alarm* is meant an automatic alarm receiver which complies with the requirements of Article 19, § 21, of the General Regulations annexed to the International Radiotelegraph Convention, 1927.

5. By *qualified operator* is meant a person holding a certificate complying with the provisions of the General Regulations annexed to the International Radiotelegraph Convention in force.

6. By *certified watcher* is meant any person holding a watcher's certificate issued under the authority of the Administration.

ARTICLE 30

Watchers

1. A watcher's certificate shall not be granted by a Contracting Government unless the applicant proves that he is capable—

(*a*) of receiving and understanding the alarm, distress, safety and urgency signals when these signals occur among a series of other signals;

(*b*) of correct reception by ear of code groups (mixed letters, figures and punctuation marks) at a speed of sixteen groups per minute, each group being composed of five characters and each figure or punctuation mark counting as two characters;

(*c*) of regulating the receivers used in the ship's radiotelegraph installation.

2. The Contracting Governments undertake to take steps to ensure that certified watchers observe the secrecy of correspondence.

ARTICLE 31

Technical Requirements

The radiotelegraph installations required by Article 27 above and the direction-finding apparatus required by Article 47 shall comply with the following requirements:

1. The ship's station must be placed in accordance with the detailed Regulations of the Government of the country to which the ship belongs, in the upper part of the ship in a position of the greatest possible safety, as high as practicable above the deepest load water line.

2. There shall be provided, between the bridge of the ship and the wireless telegraph room, means of communication either by voice pipe or by telephone or in some other manner equally efficient.

3. A reliable clock with a seconds hand must be provided in the wireless telegraph room.

4. A reliable emergency light must be provided in the wireless telegraph room.

5. The installation shall comprise a main installation and an emergency (reserve) installation. If, however, the main installation complies with all the requirements of an emergency (reserve) installation the latter is not then obligatory.

6. The main and emergency (reserve) installations must be capable of transmitting and receiving on the frequencies (wave lengths) and types of waves assigned by the International Radiotelegraph Convention in force for the purpose of distress and safety of navigation to ships compulsorily fitted with radiotelegraph installations in accordance with the present Convention.

7. The main and emergency (reserve) transmitters shall have a note frequency of at least 100.

8. The main transmitter shall have a *normal range* of 100 nautical miles, that is to say, it must be capable of transmitting clearly perceptible signals from ship to ship over a range of at least 100 nautical miles by day under normal conditions and circumstances, the receiver being assumed to be one employing a rectifier of the crystal type without amplification.[1]

9. Sufficient power must be available in a ship station at all times to operate the main radiotelegraph installation efficiently under normal conditions over the above range.

10. All parts of the emergency (reserve) installation shall be placed in the upper part of the ship, in a position of the greatest possible safety, as high above the deepest load water line as practicable. The emergency (reserve) installation must be provided with a source of energy independent of the propelling power of the ship and of the main electricity system and must be capable of being put into operation rapidly and of working for at least six continuous hours.

For the emergency (reserve) installation, the normal range as defined in paragraph 8 above must be at least 80 nautical miles for ships required to maintain a continuous watch and at least 50 nautical miles for all other ships.[2]

11. The receiving installation must permit of the reception of such of the waves used for the transmission of time signals and meteorological messages as may be considered necessary by the Administration.

12. The receiver must be so arranged as to be capable of maintaining reception by means of a rectifier of the crystal type.

13. In ships in which watch is kept by means of an automatic alarm receiver a means of giving audible warning shall be provided in the wireless telegraph room, in the wireless operator's cabin, and on the bridge, which shall operate continuously after the receiver has been operated by the alarm signal or distress call until stopped. Only one switch for stopping the warning shall be provided and this shall be situated in the wireless telegraph room.

14. In such ships the wireless operator, when going off watch, shall connect the automatic alarm receiver to the aerial and test its efficiency. He shall report to the master or the officer on watch on the bridge whether it is in working order.

15. Whilst the ship is at sea the emergency source of power shall be maintained at its full efficiency and the automatic alarm receiver shall be tested at least once every 24 hours. A statement that both these requirements have been fulfilled must be inserted in the ship's official log daily.

16. A wireless log shall be carried by every ship compulsorily equipped with wireless transmitting apparatus. This document shall be kept in the wireless telegraph room, and in it shall be inserted the names of the operators and watchers as well as all incidents and occurrences connected with the wireless service which may appear to be of importance to safety of life at sea, and in particular all distress messages and distress traffic in full.

17. The direction-finding apparatus required by Article 47 shall be efficient and capable of receiving clearly perceptible signals and of taking bearings from which the true bearing and direction may be determined. It shall be capable of receiving signals on the frequencies prescribed for distress, direction finding and wireless telegraph beacons by the International Radiotelegraph Convention in force.

Efficient communication shall be provided between the apparatus and the bridge.

ARTICLE 32

Competence

The matters governed by the International Radiotelegraph Convention, Washington, 1927, and the regulations annexed thereto remain, and will continue, subject to the provisions:

(1) Of that convention and of the regulations annexed thereto, and of any convention and regulations which may in the future be substituted therefor;

(2) Of the present Convention in regard to all the points in which it supplements the aforementioned documents.

CHAPTER V.—SAFETY OF NAVIGATION

ARTICLE 33

Application

The provisions of this chapter referring to ships, unless otherwise expressly provided, apply to all ships on all voyages.

ARTICLE 34

Danger Messages

The master of every ship which meets with dangerous ice, a dangerous derelict, a dangerous tropical storm or any other direct danger to navigation is bound to communicate the information,

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[1] Unless a more precise and practical method is available to determine the range of transmitters it is recommended that, as a guide, the following relations between the range in nautical miles (from ship to ship under normal conditions in daytime) and the power of the ship transmitter in metre ampères for 500 kilocycles per second (600 m) be used:

100 nautical miles	60 M A
80 nautical miles	45 M A
50 nautical miles	25 M A

M being the actual height in metres of the aerial from its highest point to the load line.

A being the current in amperes measured at the base of the aerial in case of B, or fully modulated A 2, transmitters.

[2] See note above.

by all the means of communication at his disposal, to the ships in the vicinity, and also to the competent authorities at the first point of the coast with which he can communicate. It is desirable that the said information be sent in the manner set out in Regulation XLVI.

Each Administration will take all steps which it thinks necessary to ensure that when intelligence of any of the dangers specified in the previous paragraph is received, it will be promptly brought to the knowledge of those concerned and communicated to other Administrations interested.

The transmission of messages respecting the dangers specified is free of cost to the ships concerned.

ARTICLE 35

Meteorological Services

The Contracting Governments undertake to encourage the collection of meteorological data by ships at sea, and to arrange for their examinations, dissemination and exchange in the manner most suitable for the purpose of aiding navigation.

In particular, the Contracting Governments undertake to cooperate in carrying out, as far as practicable, the following meteorological arrangements:

(*a*) to warn ships of gales, storms, and tropical storms, both by the issue of wireless messages and by the display of appropriate signals at coastal points;

(*b*) to issue daily, by radio, weather bulletins suitable for shipping, containing data of existing weather conditions and forecasts;

(*c*) to arrange for certain selected ships to take meteorological observations at specified hours, and to transmit such observations by wireless telegraphy for the benefit of other ships and of the various official meteorological services; and to provide coast stations for the reception of the messages transmitted;

(*d*) to encourage all ship-masters to inform surrounding ships whenever they experience wind force of 10 or above on the Beaufort scale (force 8 or above on the decimal scale.)

The information provided for in paragraphs (*a*) and (*b*) of this article will be furnished in form for transmission in accordance with Article 31, §§ 1, 3 and 5, and Article 19, § 25, of the General Regulations annexed to the International Radiotelegraph Convention, Washington, 1927, and during transmission "to all stations" of meteorological information, forecasts and warnings, all ship stations must conform to the provisions of Article 31, § 2, of those General Regulations.

Weather observations from ships addressed to national meteorological services will be transmitted with the priority specified in Article 3, Additional Regulations, International Radiotelegraph Convention, Washington, 1927.

Forecasts, warnings, synoptic and other meteorological reports intended for ships shall be issued and disseminated by the national service in the best position to serve various zones and areas, in accordance with mutual arrangements made by the countries concerned.

Every endeavour will be made to obtain a uniform procedure in regard to the international meteorological services specified in this article, and, as far as is practicable, to conform to the recommendations made by the International Meteorological Organization, to which organization the Contracting Governments may refer for study and advice any meteorological questions which may arise in carrying out the present Convention.

ARTICLE 36

Ice Patrol—Derelicts

The Contracting Governments undertake to continue a service of ice patrol and a service for study and observation of ice conditions in the North Atlantic. Further, they undertake to take all practicable steps to ensure the destruction or removal of derelicts in the northern part of the Atlantic Ocean east of the line drawn from Cape Sable to a point in latitude 34° N. longitude 70° W. if this destruction or removal is considered necessary at the time.

The Contracting Governments undertake to provide not more than three vessels for these three services. During the whole of the ice season they shall be employed in guarding the south-eastern, southern and south-western limits of the regions of icebergs in the vicinity of the Great Bank of Newfoundland for the purpose of informing trans-Atlantic and other passing vessels of the extent of this dangerous region; for the observation and study of ice conditions in general; for the destruction or removal of derelicts; and for the purpose of affording assistance to vessels and crews requiring aid within the limits of operation of the patrol vessels.

During the rest of the year the study and observation of ice conditions shall be maintained as advisable, and one vessel shall always be available for the search for, and destruction or removal of derelicts.

ARTICLE 37

Ice Patrol—Management and Cost

The Government of the United States is invited to continue the management of these services of ice patrol, study and observation of ice conditions, and derelict destruction and removal. The Contracting Governments specially interested in these services, whose names are given below, undertake to contribute to the expense of maintaining and operating these services in the following proportions:

	Percent
Belgium	2
Canada	3
Denmark	2
France	6
Germany	10
Great Britain and Northern Ireland	40
Italy	6
Japan	1
Netherlands	5
Norway	3
Spain	1
Sweden	2
Union of Socialist Soviet Republics	1
United States of America	18

Each of the Contracting Governments has the right to discontinue its contribution to the expense of maintaining and operating these services after the 1st September, 1932. Nevertheless, the Contracting Government which avails itself of this right will continue responsible for the expense of working up to the 1st September following the date of giving notice of intention to discontinue its contribution. To take advantage of the said right it must give notice to the other Contracting Governments at least six months before the said 1st September; so that, to be free from this obligation on the 1st September, 1932, it must give notice on the 1st March, 1932, at the latest and similarly for each subsequent year.

If, at any time, the United States Government should not desire to continue these services, or if one of the Contracting Governments should express a wish to relinquish responsibility for the pecuniary contribution defined above, or to have its percentage of obligation altered, the Contracting Governments shall settle the question in accordance with their mutual interests.

The Contracting Governments which contribute to the cost of the three above-mentioned services shall have the right by common consent to make from time to time such alterations in the provisions of this article and of Article 36 as appear desirable.

ARTICLE 38

Speed near Ice

When ice is reported on, or near, his course, the master of every ship at night is bound to proceed at a moderate speed or to alter his course so as to go well clear of the danger zone.

ARTICLE 39

North Atlantic Routes

The practice of following recognised routes across the North Atlantic in both directions has contributed to safety of life at sea, but the working of these routes should be further investigated and studied with a view to the introduction of such variations as experience may show to be necessary.

The selection of the routes and the initiation of action with regard to them is left to the responsibility of the steamship companies concerned. The Contracting Governments will assist the companies, when requested to do so, by placing at their disposal any information bearing on the routes which may be in the possession of the Governments.

The Contracting Governments undertake to impose on the companies the obligation to give public notice of the regular routes which they propose their vessels should follow, and of any changes made in these routes; they will also use their influence to induce the owners of all vessels crossing the Atlantic to follow, so far as circumstances will permit, the recognised routes, and to induce the owners of all vessels crossing the Atlantic bound to or from ports of the United States via the vicinity of the Great Bank of Newfoundland to avoid, as far as practicable, the fishing banks of Newfoundland north of latitude 43° N. during the fishing season, and to pass outside regions known or believed to be endangered by ice.

The Administration managing the ice patrol service is requested to report to the Administration concerned any ship which is observed not to be on any regular, recognised or advertised route, or which crosses the above-mentioned fishing banks during the fishing season, or which, when proceeding to or from ports of the United States, passes through regions known or believed to be endangered by ice.

ARTICLE 40

Collision Regulations

The Contracting Governments agree that the alterations in the International Regulations for Preventing Collisions at Sea shown in Annex II are desirable and ought to be made. The Government of the United Kingdom of Great Britain and Northern Ireland is requested to forward full particulars of the alterations to the other Governments who have accepted the International Regulations for Preventing Collisions at Sea, and ascertain whether they will adopt these alterations; to report the result to the Governments represented at this Conference, and to endeavour to arrange that the revised regulations shall come in force on the 1st July, 1931.

ARTICLE 41

Helm Orders

The Contracting Governments agree that after midnight on the 30th June, 1931, helm or steering orders, i. e., orders to the steersman, shall on all their ships be given in the direct sense, e. g., when the ship is going ahead an order containing the word "starboard" or "right" or any equivalent of "starboard" or "right" shall only be used when it is intended, on ships as at present generally constructed and arranged, that the wheel, the rudder-blade and the head of the ship, shall all move to the right.

ARTICLE 42

Misuse of Distress Signals

The use of an international distress signal, except for the purpose of indicating that a vessel is in distress, and the use of any signal which may be confused with an international distress signal, are prohibited on every ship.

ARTICLE 43

Alarm, Distress and Urgency Signals

The alarm signal and the distress signal may only be used by ships in serious and imminent danger which require immediate assistance. In all other cases in which assistance is required, or in which a vessel desires to issue a warning that it may become necessary to send out the alarm signal or the distress signal at a later stage, use must be made of the urgency signal (XXX) established by the International Radiotelegraph Convention, Washington, 1927.

If a ship has sent out the alarm or distress signal and subsequently finds that assistance is no longer required such ship shall immediately notify all stations concerned as provided for by the Radiotelegraph Convention in force.

ARTICLE 44

Speed of Distress Messages

The speed of transmission of messages in connection with cases of distress, urgency or safety, shall not exceed 16 words per minute.

ARTICLE 45

Distress Messages—Procedure

1. The master of a ship on receiving on his ship a wireless distress signal from any other ship, is bound to proceed with all speed to the assistance of the persons in distress, unless he is unable, or in the special circumstance of the case, considers it unreasonable or unnecessary to do so, or unless he is released under the provisions of paragraphs 3 and 4 of this article.

2. The master of a ship in distress, after consultation, so far as may be possible, with the masters of the ships which answer his call for assistance, has the right to requisition such one or more of those ships as he considers best able to render assistance, and it shall be the duty of the master or masters of the ship or ships requisitioned to comply with the requisition by continuing to proceed with all speed to the assistance of the persons in distress.

3. A master shall be released from the obligation imposed by paragraph 1 of this article as soon as he is informed by the master of the ship requisitioned, or, where more ships than one are requisitioned, all the masters of the ships requisitioned, that he or they are complying with the requisition.

4. A master shall be released from the obligation imposed by paragraph 1 of this article, and, if his ship has been requisitioned, from the obligation imposed by paragraph 2 of this article, if he is informed by a ship which has reached the persons in distress, that assistance is no longer necessary.

5. If a master of a ship, on receiving a wireless distress call from another ship, is unable, or in the special circumstances of the case considers it unreasonable or unnecessary to go to the assistance of that other ship, he must immediately inform the master of that other ship accordingly, and enter in his log book his reasons for failing to proceed to the assistance of the persons in distress.

6. The provisions of this article do not prejudice the International Convention for the unification of certain rules with respect to Assistance and Salvage at Sea, signed at Brussels on the 23rd September, 1910, particularly the obligation to render assistance imposed by Article 11 of that convention.

ARTICLE 46

Signalling Lamp

All ships of over 150 tons gross tonnage, when engaged on international voyages, shall have on board an efficient signalling lamp.

ARTICLE 47

Direction-Finding Apparatus

Every passenger ship of 5,000 tons gross tonnage and upwards shall, within two years from the date on which the present Convention comes in force, be provided with an approved direction-finding apparatus (radio compass), complying with the provisions of Article 31 (17) of the present Convention.

ARTICLE 48

Manning

The Contracting Governments undertake, each for its national ships, to maintain, or, if necessary, to adopt, measures for the purpose of ensuring that, from the point of view of safety of life at sea, all ships shall be sufficiently and efficiently manned.

CHAPTER VI.—CERTIFICATES

ARTICLE 49

Issue of Certificates

A certificate called a *Safety Certificate* shall be issued, after inspection and survey, to every passenger ship which complies in an efficient manner with the requirements of Chapters II, III and IV of the Convention.

A certificate called a *Safety Radiotelegraphy Certificate* shall be issued after inspection to every ship other than a passenger ship which complies in an efficient manner with the requirements of Chapter IV of the present Convention.

A certificate called an *Exemption Certificate* shall be issued to every ship to which exemption is granted by a Contracting Government under, and in accordance with, the provisions of Chapters II, III and IV of the present Convention.

The inspection and survey of ships, so far as regards the enforcement of the provisions of the present Convention and the annexed Regulations applicable to such ships and the granting of exemptions therefrom, shall be carried out by officers of the country in which the ship is registered, provided that the Government of each country may entrust the inspection and survey of its ships either to Surveyors nominated for this purpose or to organisations recognised by it. In every case the Government concerned fully guarantees the completeness and efficiency of the inspection and survey.

A Safety Certificate, Safety Radiotelegraphy Certificate, and Exemption Certificate shall be issued either by the Government of the country in which the ship is registered or by any person or organisation duly authorised by that Government. In every case that Government assumes full responsibility for the certificate.

ARTICLE 50

Issue of Certificate by Another Government

A Contracting Government may, at the request of the Government of a country in which a ship coming under the present Convention is registered, cause that ship to be surveyed, and, if satisfied that the requirements of the present Convention are complied with, issue a Safety Certificate or Safety Radiotelegraphy Certificate to such ship, under its own responsibility. Any certificate so issued must contain a statement to the effect that it has been issued at the request of the Government of the country in which the ship is registered, and it shall have the same force and receive the same recognition as a certificate issued under Article 49 of the present Convention.

ARTICLE 51

Form of Certificates

All certificates shall be drawn up in the official language or languages of the country by which they are issued.

The form of the certificates shall be that of the models given in Regulation XLVII. The arrangement of the printed part of the standard certificates shall be exactly reproduced in the certificates issued, or in certified copies thereof, and the particulars inserted by hand shall in the certificates issued, or in certified copies thereof, be inserted in Roman characters and Arabic figures.

The Contracting Governments undertake to communicate one to another a sufficient number of specimens of their certificates for the information of their officers. This exchange shall be made, so far as possible, before the 1st of January, 1932.

ARTICLE 52

Duration of Certificates

Certificates shall not be issued for a period of more than twelve months.

If a ship at the time when its certificate expires is not in a port of the country in which it is registered the certificate may be extended by a duly authorised officer of the country to which the ship belongs; but such extension shall be granted only for the purpose of allowing the ship to complete its return voyage to its own country, and then only in cases in which it appears proper and reasonable so to do.

No certificate shall be extended for a longer period than five months, and a ship to which such extension is granted shall not, on returning to its own country, be entitled by virtue of such extension to leave that country again without having obtained a new certificate.

ARTICLE 53

Acceptance of Certificates

Certificates issued under the authority of a Contracting Government shall be accepted by the other Contracting Governments for all purposes covered by the present Convention. They shall be regarded by the other Contracting Governments as having the same force as the certificates issued by them to their own ships.

ARTICLE 54

Control

Every ship holding a certificate issued under Article 49 or Article 50 is subject, in the ports of the other Contracting Governments, to control by officers duly authorised by such Governments in so far as this control is directed towards verifying that there is on board a valid certificate, and if necessary, that the conditions of the vessel's seaworthiness correspond substantially with the particulars of that certificate; that is to say, so that the ship can proceed to sea without danger to the passengers and the crew.

In the event of this control giving rise to intervention of any kind, the officer carrying out the control shall forthwith inform

the Consul of the country in which the ship is registered of all the circumstances in which intervention is deemed to be necessary.

ARTICLE 55

Privileges

The privileges of the present Convention may not be claimed in favour of any ship unless it holds a proper valid certificate.

ARTICLE 56

Qualification of Certificate

If in the course of a particular voyage the ship has on board a number of crew and passengers less than the maximum number which the ship is licensed to carry, and is in consequence, in accordance with the provisions of the present Convention, free to carry a smaller number of lifeboats and other life-saving appliances than that stated in the certificate, a memorandum may be issued by the officers or other authorised persons referred to in Articles 49 and 52 above.

This memorandum shall state that in the circumstances there is no infringement of the provisions of the present Convention. It shall be annexed to the certificate and shall be substituted for it in so far as the life-saving appliances are concerned. It shall be valid only for the particular voyage in regard to which it is issued.

CHAPTER VII.—GENERAL PROVISIONS

ARTICLE 57

Equivalents

Where in the present Convention it is provided that a particular fitting, appliance or apparatus, or type thereof, shall be fitted or carried in a ship, or that any particular arrangement shall be adopted, any Administration may accept in substitution therefor any other fitting, appliance or apparatus, or type thereof, or any other arrangement, provided that such Administration shall have been satisfied by suitable trials that the fitting, appliance or apparatus, or type thereof, or the arrangement substituted is at least as effective as that specified in the present Convention.

Any Administration which so accepts a new fitting, appliance or apparatus, or type thereof, or new arrangement, shall communicate the fact to the other Administrations, and, upon request, the particulars thereof, together with a report on the trials made.

ARTICLE 58

Laws, Regulations, Reports

The Contracting Governments undertake to communicate to each other—

(1) the text of laws, decrees and regulations which shall have been promulgated on the various matters within the scope of the present Convention;

(2) all available official reports or official summaries of reports in so far as they show the results of the provisions of the present Convention, provided always that such reports or summaries are not of a confidential nature.

The Government of the United Kingdom of Great Britain and Northern Ireland is invited to serve as an intermediary for collecting all this information and for bringing it to the knowledge of the other Contracting Governments.

ARTICLE 59

Measures Taken after Agreement

Where the present Convention provides that a measure may be taken after agreement between all or some of the Contracting Governments, the Government of the United Kingdom of Great Britain and Northern Ireland is invited to approach the other Contracting Governments with a view to ascertaining whether they accept such proposals as may be made by any Contracting Government for effecting such a measure, and to inform the other Contracting Governments of the results of the enquiries thus made.

ARTICLE 60

Prior Treaties and Conventions

1. The present Convention replaces and abrogates the Convention for the Safety of Life at Sea, which was signed at London on the 20th January, 1914.

2. All other treaties, conventions and arrangements relating to safety of life at sea, or matters appertaining thereto, at present in force between Governments parties to the present Convention, shall continue to have full and complete effect during the terms thereof as regards—

(*a*) ships to which the present Convention does not apply;

(*b*) ships to which the present Convention applies, in respect of subjects for which it has not expressly provided.

To the extent, however, that such treaties, conventions or arrangements conflict with the provisions of the present Convention, the provisions of the present Convention shall prevail.

3. All subjects which are not expressly provided for in the present Convention remain subject to the legislation of the Contracting Governments.

ARTICLE 61

Modifications—Future Conferences

1. Modifications of the present Convention which may be deemed useful or necessary improvements may be at any time proposed by any Contracting Government to the Government of the United Kingdom of Great Britain and Northern Ireland, and such proposals shall be communicated by the latter to all the other Contracting Governments, and if any such modifications are accepted by all the Contracting Governments (including Governments which have deposited ratifications or accessions which have not yet become effective) the present Convention shall be modified accordingly.

2. Conferences for the purpose of revising the present Convention shall be held at such times and places as may be agreed upon by the Contracting Governments.

A Conference for this purpose shall be convoked by the Government of the United Kingdom of Great Britain and Northern Ireland whenever, after the present Convention has been in force for five years, one-third of the Contracting Governments express a desire to that effect.

CHAPTER VIII.—FINAL PROVISIONS

ARTICLE 62

Application to Colonies, &c.

1. A Contracting Government may, at the time of signature, ratification, accession or thereafter, by a declaration in writing addressed to the Government of the United Kingdom of Great Britain and Northern Ireland, declare its desire that the present Convention shall apply to all or any of its colonies, overseas territories, protectorates or territories under suzerainty or mandate, and the present Convention shall apply to all the territories named in such declaration, two months after the date of the receipt thereof, but failing such declaration, the present Convention will not apply to any such territories.

2. A Contracting Government may at any time by a notification in writing addressed to the Government of the United Kingdom of Great Britain and Northern Ireland express its desire that the present Convention shall cease to apply to all or any of its colonies, overseas territories, protectorates or territories under suzerainty or mandate to which the present Convention shall have, under the provisions of the preceding paragraph, been applicable for a period of not less than five years, and in such case the present Convention shall cease to apply one year after the date of the receipt of such notification by the Government of the United Kingdom of Great Britain and Northern Ireland to all territories mentioned therein.

3. The Government of the United Kingdom of Great Britain and Northern Ireland shall inform all the other Contracting Governments of the application of the present Convention to any colony, overseas territory, protectorate or territory under suzerainty or mandate under the provisions of paragraph 1 of this article, and of the cessation of any such application under the provisions of paragraph 2, stating in each case the date from which the present Convention has become or will cease to be applicable.

ARTICLE 63

Authentic Texts—Ratification

The present Convention of which both the English and French texts shall be authentic shall bear this day's date.

The present Convention shall be ratified.

The instruments of ratification shall be deposited in the archives of the Government of the United Kingdom of Great Britain and Northern Ireland which will notify all the other signatory or acceding Governments of all ratifications deposited and the date of their deposit.

ARTICLE 64

Accession

A Government (other than the Government of a territory to which Article 62 applies) on behalf of which the present Convention has not been signed shall be allowed to accede thereto at any time after the Convention has come into force. Accessions may be effected by means of notifications in writing addressed to the Government of the United Kingdom of Great Britain and Northern Ireland, and shall take effect three months after their receipt.

The Government of the United Kingdom of Great Britain and Northern Ireland shall inform all signatory and acceding Governments of all accessions received and of the date of their receipt.

A Government which intends to accede to the present Convention but desires to add an area to those specified in the Annex to Article 28 shall, before notifying its accession, inform the Government of the United Kingdom of Great Britain and Northern Ireland of its desire for communication to all the other Contracting Governments. If all the Contracting Governments signify their assent thereto, the area shall be added to those mentioned in the aforesaid Annex when such Government notifies its accession.

ARTICLE 65

Date of Coming in Force

The present Convention shall come into force on the 1st July, 1931, as between the Governments which have deposited their ratifications by that date, and provided that at least five ratifications have been deposited with the Government of the United Kingdom of Great Britain and Northern Ireland. Should five ratifications not have been deposited on that date, the present Convention shall come into force three months after the date on which the fifth ratification is deposited. Ratifications deposited after the date on which the present Convention has come into force shall take effect three months after the date of their deposit.

ARTICLE 66

Denunciation

The present Convention may be denounced on behalf of any Contacting Government at any time after the expiration of five years from the date on which the Convention comes into force in so far as that Government is concerned. Denunciation shall be

effected by a notification in writing addressed to the Government of the United Kingdom of Great Britain and Northern Ireland, which will notify all the other Contracting Governments of all denunciations received and of the date of their receipt.

A denunciation shall take effect twelve months after the date on which notification thereof is received by the Government of the United Kingdom of Great Britain and Northern Ireland.

In faith whereof, the plenipotentiaries have signed hereafter.

Done at London this thirty-first day of May, 1929, in a single copy, which shall remain deposited in the archives of the Government of the United Kingdom of Great Britain and Northern Ireland, which shall transmit certified true copies thereof to all signatory Governments.

[*Germany:*]
STHAMER.
GUSTAV KOENIGS.
ARTHUR WERNER.
WALTER LAAS.
OTTO RIESS.
HERMANN GIESS.
HUGO DOMINIK.
[*Australia:*]
HENRY JAMES FEAKES.
THOMAS FREE.
[*Belgium:*]
A. DE GERLACHE DE GOMERY.
G. DE WINNE.
[*Canada:*]
A. JOHNSTON.
LUCIEN PACAUD.
[*Denmark:*]
EMIL KROGH.
V. LORCK.
[*Spain:*]
JAVIER DE SALAS.
[*Irish Free State:*]
JOHN WHELAN DULANTY.
E. C. FOSTER.
[*United States of America:*]
WALLACE H. WHITE.
ARTHUR J. TYRER.
CHARLES M. BARNES.
GEO. H. ROCK.
CLARENCE S. KEMPFF.
DICKERSON N. HOOVER.
W. D. TERRELL.
JOHN G. TAWRESEY.
HERBERT B. WALKER.
CHARLES A. MCALLISTER.
[*Finland:*]
GUSTAF WREDE.
V. BERGMAN.
KARL KURTEN.
[*France:*]
RIO.
A. HAARBLEICHER.
JEAN MARIE.
F. THOUROUDE.
[*Great Britain and Northern Ireland:*]
H. W. RICHMOND.
WESTCOTT ABELL.
A. L. AYRE.
F. W. BATE.
C. H. BOYD.
WILLIAM C. CURRIE.
A. J. DANIEL.
NORMAN HILL.
C. HIPWOOD.
A. MORRELL.
[*India:*]
G. L. CORBETT.
E. V. WHISH.
MANSUKHLAL ATMARAM MASTER.
[*Italy:*]
GIULIO INGIANNI.
ALBERTO ALESSIO.
DELFINO ROGERI DI VILLANOVA.
TORQUATO C. GIANNINI.
FRANCESCO MARENA.
ERNESTO FERRETTI.
G. GNEME.
LUIGI BIANCHERI.
[*Japan:*]
YUKIO YAMAMOTO.
SHICHIHEI OTA.
ITARO ISHII.
[*Norway:*]
B. VOGT.
L. T. HANSEN.
ARTH H. MATHIESEN.
[*Netherlands:*]
C. FOCK.
C. H. DE GOEJE.
A. VAN DRIEL.
J. A. BLAND-V.-D.-BERG.
PHS. VAN OMMEREN.
H. G. J. UILKENS.
[*Sweden:*]
ERIK PALMSTIERNA.
NILS GUSTAF NILSSON.
[*Union of Socialist Soviet Republics:*]
J. ARENS.
K. EGGI.

ANNEX I

REGULATIONS

CONSTRUCTION

REGULATION I

Definitions

(1) The *subdivision loadline* is the waterline used in determining the subdivision of the ship.

The *deepest subdivision loadline* is that which corresponds to the greatest draught.

(2) The *length of the ship* is the length measured between perpendiculars taken at the extremities of the deepest subdivision loadline.

(3) The *breadth of the ship* is the extreme width from outside of frame to outside of frame at or below the deepest subdivision loadline.

(4) The *bulkhead deck* is the uppermost deck up to which the transverse watertight bulkheads are carried.

(5) The *margin line* is a line drawn parallel to the bulkhead deck at side and 3 inches (76 millimetres) below the upper surface of that deck at side.

(6) The *draught* is the vertical distance from the top of keel amidships to the subdivision loadline in question.

(7) The *permeability* of a space is the percentage of that space which can be occupied by water.

The volume of a space which extends above the margin line shall be measured only to the height of that line.

(8) The *machinery space* is to be taken as extending from the top of keel to the margin line and between the extreme main transverse watertight bulkheads bounding the spaces devoted to the main and auxiliary propelling machinery, boilers when installed, and all permanent coal bunkers.

(9) *Passenger spaces* are those which are provided for the accommodation and use of passengers, excluding baggage, store, provision and mail rooms.

For the purposes of Regulations III and IV, spaces provided below the margin line for the accommodation and use of the crew shall be regarded as passenger spaces.

(10) In all cases *volumes* shall be calculated to moulded lines.

REGULATION II

Floodable Length

(1) The floodable length at any point of the length of a ship shall be determined by a method of calculation which takes into consideration the form, draught and other characteristics of the ship in question.

(2) In a ship with a continuous bulkhead deck, the floodable length at a given point is the maximum portion of the length of the ship, having its centre at the point in question, which can be flooded under the definite assumptions hereafter set forth in Regulation III without the ship being submerged beyond the margin line.

(3) In the case of a ship not having a continuous bulkhead deck, the floodable length at any point may be determined to an assumed continuous margin line, up to which, having regard to sinkage and trim after damage, the sides of the ship and the bulkheads concerned are carried watertight.

REGULATION III

Permeability

(1) The definite assumptions referred to in Regulation II relate to the permeabilities of the spaces below the margin line.

In determining the floodable length, a uniform average permeability shall be used throughout the whole length of each of the following portions of the ship below the margin line:

(*a*) the machinery space as defined in Regulation I (8);
(*b*) the portion forward of the machinery space; and
(*c*) the portion abaft the machinery space.

(2)—(*a*) For steamships the uniform average permeability throughout the machinery space shall be determined from the formula—

$$80+12.5\left(\frac{a-c}{v}\right), \text{ where}$$

a = volume of the passenger spaces, as defined in Regulation I (9), which are situated below the margin line within the limits of the machinery space.

c = volume of between deck spaces below the margin line within the limits of the machinery space which are appropriated to cargo, coal or stores.

v = whole volume of the machinery space below the margin line.

(*b*) For ships propelled by internal combustion engines, the uniform average permeability shall be taken as 5 greater than that given by the above formula.

(*c*) Where it is shown to the satisfaction of the Administration that the average permeability, as determined by detail calculation, is less than that given by the formula, the calculated value may be substituted. For the purposes of such calculation, the permeabilities of passenger spaces, as defined in Regulation I (9),

shall be taken as 95, that of all cargo, coal and store spaces as 60, and that of double bottom, oil fuel and other tanks at such values as may be approved in each case by the Administration.

(3) The uniform average permeability throughout the portion of the ship before (or abaft) the machinery space shall be determined from the formula—

$$63+35\frac{a}{v}, \text{ where}$$

a=volume of the passenger spaces, as defined in Regulation I (9), which are situated below the margin line, before (or abaft) the machinery space, and

v=whole volume of the portion of the ship below the margin line before (or abaft) the machinery space.

(4) If a between deck compartment between two watertight transverse bulkheads contains any passenger or crew space, the whole of that compartment, less any space completely enclosed within permanent steel bulkheads and appropriated to other purposes, shall be regarded as passenger space. If, however, the passenger or crew space in question is completely enclosed within permanent steel bulkheads, only the space so enclosed need be considered as passenger space.

REGULATION IV

Permissible Length of Compartments

(1) *Factor of Subdivision.*—The maximum permissible length of a compartment having its centre at any point in the ship's length is obtained from the floodable length by multiplying the latter by an appropriate factor called the *factor of subdivision.*

The factor of subdivision shall depend on the length of the ship, and for a given length shall vary according to the nature of the service for which the ship is intended. It shall decrease in a regular and continuous manner—

(*a*) as the length of the ship increases, and

(*b*) from a factor A, applicable to ships primarily engaged in the carriage of cargo, to a factor B, applicable to ships primarily engaged in the carriage of passengers.

The variations of the factors A and B shall be expressed by the following formulæ (i) and (ii) where L is the length of the ship as defined in Regulation I (2):

L in feet	L in meters
$A=\frac{190}{L-198}+.18$ (L=430 and upwards)	$A=\frac{58.2}{L-60}+.18$ (L=131 and upwards) ---------(i)
$B=\frac{100}{L-138}+.18$ (L=260 and upwards)	$B=\frac{30.3}{L-42}+.18$ (L=79 and upwards) ---------(ii)

(2) *Criterion of Service.*—For a ship of given length the appropriate factor of subdivision shall be determined by the Criterion of Service Numeral (hereinafter called the Criterion Numeral) as given by the following formulæ (iii) and (iv) where:

C_s=the Criterion Numeral.

L=length of the ship, as defined in Regulation I (2);

M=the volume of the machinery space, as defined in Regulation I (8); with the addition thereto of the volume of any permanent oil fuel bunkers which may be situated above the inner bottom and before or abaft the machinery space;

P=the whole volume of the passenger spaces below the margin line, as defined in Regulation I (9);

V=the whole volume of the ship below the margin line;

P_1=KN where:

N=number of passengers for which the ship is to be certified, and

K has the following values:

	Value of K
Length in feet and volumes in cubic feet	.6 L
Length in metres and volumes in cubic metres	.056 L

Where the value of KN is greater than the sum of P and the whole volume of the actual passenger spaces above the margin line the lower figure may be taken provided that the value of P_1 used is not less than ⅔ KN.

When P_1 is greater than P

$$C_s=72\frac{M+2P_1}{V+P_1-P} \text{ ---------- (iii)}$$

and in other cases

$$C_s=72\frac{M+2P}{V} \text{ ---------- (iv)}$$

For ships not having a continuous bulkhead deck the volumes are to be taken up to the actual margin lines used in determining the floodable lengths.

(3) *Rules for Subdivision.*—(*a*) *The subdivision abaft the fore peak* of ships 430 feet (131 metres) in length and upwards having a criterion numeral of 23 or less shall be governed by the factor A given by formula (i); of those having a criterion numeral of 123 or more by the factor B given by formula (ii); and of those having a criterion numeral between 23 and 123 by the factor F obtained by linear interpolation between the factors A and B, using the formula:

$$F=A-\frac{(A-B)\ (C_s-23)}{100} \text{ ---------- (v)}$$

Where the factor F is less than .40 and it is shown to the satisfaction of the Administration to be impracticable to comply with the factor F in a machinery compartment of the ship, the subdivision of such compartment may be governed by an increased factor, which, however, shall not exceed .40.

(*b*) *The subdivision abaft the fore peak* of ships less than 430 feet (131 metres) but not less than 260 feet (79 metres) in length having a criterion numeral equal to S, where

$$S=\frac{9382-20L}{34}\text{(L in feet)}=\frac{3574-25L}{13}\text{(L in metres)}$$

shall be governed by the factor unity; of those having a criterion numeral of 123 or more by the factor B given by the formula (ii); of those having a criterion numeral between S and 123 by the factor F obtained by linear interpolation between unity and the factor B, using the formula:

$$F=1-\frac{(1-B)\ (C_s-S)}{123-S} \text{ ---------- (vii)}$$

(*c*) *The subdivision abaft the fore peak* of ships less than 430 feet (131 metres) but not less than 260 feet (79 metres) in length and having a criterion numeral less than S, and of all ships less than 260 feet (79 metres) in length shall be governed by the factor unity, unless it is shown to the satisfaction of the Administration to be impracticable to comply with this factor in any part of the ship, in which case the Administration may allow such relaxation as may appear to be justified, having regard to all the circumstances.

(*d*) The provisions of sub-paragraph (*c*) shall apply also to ships of whatever length, which are to be certified to carry a number of passengers exceeding 12 but not exceeding

$$\frac{L^2 \text{ (in feet)}}{7000}\left(\frac{L^2 \text{ (in metres)}}{650}\right)$$

or 50, whichever is the less.

REGULATION V

Special Rules concerning Subdivision

(1) A compartment may exceed the permissible length determined by the rules of Regulation IV provided the combined length of each pair of adjacent compartments to which the compartments in question is common does not exceed either the floodable length or twice the permissible length, whichever is the less.

If one of the two adjacent compartments is situated inside the machinery space, and the second is situated outside the machinery space, and the average permeability of the portion of the ship in which the second is situated differs from that of the machinery space, the combined length of the two compartments shall be adjusted to the mean average permeability of the two portions of the ship in which the compartments are situated.

Where the two adjacent compartments have different factors of subdivision, the combined length of the two compartments shall be determined proportionately.

(2) In ships 430 feet (131 metres) in length and upwards, one of the main transverse bulkheads abaft the fore peak shall be fitted at a distance from the forward perpendicular which is not greater than the permissible length.

(3) A main transverse bulkhead may be recessed provided that all parts of the recess lie inboard of vertical surfaces on both sides of the ship, situated at a distance from the shell plating equal to one-fifth the breadth of the ship, as defined in Regulation I (3), and measured at right angles to the centre line at the level of the deepest subdivision loadline.

Any part of a recess which lies outside these limits shall be dealt with as a step in accordance with the following paragraph.

(4) A main transverse bulkhead may be stepped provided that—

(*a*) the combined length of the two compartments, separated by the bulkhead in question, does not exceed 90 per cent. of the floodable length, or

(*b*) additional subdivision is provided in way of the step to maintain the same measure of safety as that secured by a plane bulkhead.

(5) Where a main transverse bulkhead is rescessed or stepped, an equivalent plane bulkhead shall be used in determining the subdivision.

(6) If the distance between two adjacent main transverse bulkheads, or their equivalent plane bulkheads, or the distance between the transverse planes passing through the nearest stepped portions of the bulkheads, is less than 10 feet (3.05 metres) plus 2 per cent. of the length of the ship, only one of these bulkheads shall be regarded as forming part of the subdivision of the ship in accordance with the provisions of Regulation IV.

(7) Where a main transverse watertight compartment contains local subdivision and it can be shown to the satisfaction of the Administration that, after any assumed side damage extending over a length of 10 feet (3.05 metres) plus 2 per cent. of the length of the ship, the whole volume of the main compartment will not be flooded, a proportionate allowance may be made in the permissible length otherwise required for such compartment.

In such a case the volume of effective buoyancy assumed on the undamaged side shall not be greater than that assumed on the damaged side.

(8) Where it is proposed to fit watertight decks, inner skins or longitudinal bulkheads, watertight or non-watertight, the Administration shall be satisfied that the safety of the ship will not be diminished in any respect, particularly having in view the possible listing effect of flooding in way of such structural arrangements.

REGULATION VI

Peak and Machinery Space Bulkheads, Shaft Tunnels, &c.

(1) Every ship shall have a forepeak or collision bulkhead, which shall be watertight up to the bulkhead deck. This bulkhead shall be fitted not less than 5 per cent. of the length of the ship, and not more than 10 feet (3.05 metres) plus 5 per cent. of the length of the ship from the forward perpendicular.

If the ship has a long forward superstructure, the forepeak bulkhead shall be extended weathertight to the deck next above the bulkhead deck. The extension need not be fitted directly over the bulkhead below, provided it is at least 5 per cent. of the length of the ship from the forward perpendicular, and the part of the bulkhead deck which forms the step is made effectively weathertight.

(2) An afterpeak bulkhead, and bulkheads dividing the machinery space, as defined in Regulation I (8), from the cargo and passenger spaces forward and aft, shall also be fitted and made watertight up to the bulkhead deck. The afterpeak bulkhead may, however, be stopped below the bulkhead deck, provided the degree of safety of the ship as regards subdivision is not thereby diminished.

(3) In all cases stern tubes shall be enclosed in watertight spaces. The stern gland shall be situated within a watertight shaft tunnel or other space of such volume that if flooded by leakage through the stern gland the margin line will not be submerged.

REGULATION VII

Assigning, Marking and Recording of Subdivision Loadlines

(1) The subdivision loadlines assigned and marked under the provisions of Article 5 of the Convention shall be recorded in the Safety Certificate, and shall be distinguished by the notation C.1 for the principal passenger condition, and C.2, C.3, &c., for the alternative conditions.

(2) The freeboard corresponding to each of these loadlines inserted in the Safety Certificate shall be measured at the same position and from the same deck line as the freeboards determined by recognised national freeboard regulations.

(3) In no case shall any subdivision loadline mark be placed above the deepest loadline in salt water as determined by the strength of the ship and/or recognised national freeboard regulations.

(4) Whatever may be the position of the subdivision loadline marks, a ship shall in no case be loaded so as to submerge the loadline mark appropriate to the season and locality as determined by the recognised national freeboard regulations.

REGULATION VIII

Construction and Initial Testing of Watertight Bulkheads, &c.

(1) Watertight subdivision bulkheads, whether transverse or longitudinal, shall be constructed in such a manner that they shall be capable of supporting with a proper margin of resistance, the pressure due to a head of water up to the margin line in way of each bulkhead. The construction of these bulkheads shall be to the satisfaction of the Administration.

(2) Steps and recesses in bulkheads shall be watertight and as strong as the bulkhead at the place where each occurs.

Where frames or beams pass through a watertight deck or bulkhead, such deck or bulkhead shall be made structurally watertight without the use of wood or cement.

(3) Testing main compartments by filling them with water is not compulsory. A complete examination of the bulkheads shall be made by a surveyor; and, in addition, a hose test shall be made in all cases.

(4) The forepeak shall be tested with water to a head up to the deepest subdivision loadline.

(5) Double bottoms, including duct keels, and inner skins are to be subjected to a head of water up to the margin line.

(6) Tanks which are intended to hold liquids, and which form part of the subdivision of the ship, shall be tested for tightness with water to a head up to the deepest subdivision loadline or to a head corresponding to two-thirds of the depth from the top of keel to the margin line in way of the tanks, whichever is the greater; provided that in no case shall the test head be less than 3 feet (.92 metre) above the top of the tank.

REGULATION IX

Openings in Watertight Bulkheads

(1) The number of openings in watertight bulkheads shall be reduced to the minimum compatible with the design and proper working of the ship; satisfactory means shall be provided for closing these openings.

(2)—(*a*) Where pipes, scuppers, electric-light cables, &c., are carried through watertight subdivision bulkheads, arrangements shall be made to ensure the integrity of the watertightness of the bulkheads.

(*b*) Sluice valves shall not be permitted in the watertight subdivision bulkheads.

(3)—(*a*) No doors, manholes, or access openings are permitted—

(i) in the collision bulkhead below the margin line;

(ii) in watertight transverse bulkheads dividing a cargo space from an adjoining cargo space or from a permanent or reserve bunker, except as provided in paragraph (7).

(*b*) The collision bulkhead may be pierced below the margin line by not more than one pipe for dealing with fluid in the forepeak tank, provided that the pipe is fitted with a screwdown valve capable of being operated from above the bulkhead deck, the valve chest being secured inside the forepeak to the collision bulkhead.

(4)—(*a*) Watertight doors fitted in bulkheads between permanent and reserve bunkers, shall be always accessible, except as provided in sub-paragraph (9) (*b*) for between-decks bunker doors.

(*b*) Satisfactory arrangements shall be made by means of screens or otherwise, to prevent the coal from interfering with the closing of watertight bunker doors.

(5) Within the machinery space and apart from bunker and shaft tunnel doors, not more than one door may be fitted in each main transverse bulkhead for intercommunication. These doors shall be located so as to have the sills as high as practicable.

(6)—(*a*) The only types of watertight doors permissible are hinged doors, sliding doors, and doors of other equivalent patterns, excluding plate doors secured only by bolts.

(*b*) A hinged door shall be fitted with catches workable from each side of the bulkhead.

(*c*) A sliding door may have a horizontal or vertical motion. If required to be hand operated only, the gearing shall be capable of being worked at the door itself and also at an accessible position above the bulkhead deck.

(*d*) If a door is required to be closed by dropping or by the action of a dropping weight, it shall be fitted with a suitable arrangement to regulate the closing movement, and the gearing shall be so arranged that the door can be released both at the door itself and at an accessible position above the bulkhead deck. Hand gear shall also be provided, so arranged as to operate at the door itself and above the bulkhead deck, and also, so that after being disengaged for dropping, it can be quickly re-engaged from either the upper or the lower position.

(*e*) If a door is required to be power operated from a central control, the gearing shall be so arranged that the door can be operated by power also at the door itself. The arrangements shall be such that the door will close automatically if opened by the local control after being closed from the central control, and also such that any door can be kept closed by local arrangements, which will prevent that door from being opened from the central control. Such power-operated doors shall be provided with hand gear, workable both at the door itself and from an accessible position above the bulkhead deck.

(*f*) In all classes of doors indicators shall be fitted at all operating stations other than at the door itself, showing whether the door is opened or closed.

(7)—(*a*) Hinged watertight doors in passenger, crew, and working spaces are only permitted above a deck, the underside of which, at its lowest point at side, is at least 7 feet (2.13 metres) above the deepest subdivision loadline, and they are not permitted in those spaces below such deck.

(*b*) Hinged watertight doors of satisfactory construction may be fitted in bulkheads dividing cargo between deck spaces, in levels in which side cargo doors would be permitted under the provisions of Regulation X (11). These doors shall be closed before the voyage commences and shall be kept closed during the voyage, and the time of opening such doors in port and of closing them before the ship leaves port shall be entered in the official log book. Where it is proposed to fit such doors, the number and arrangements shall receive the special consideration of the Administration, and a statement shall be required from the owners certifying as to the absolute necessity of such doors.

(8) All other watertight doors shall be sliding doors.

(9)—(*a*) When any watertight doors which may be sometimes opened at sea, excluding those at the entrances of tunnels, are fitted in the main transverse watertight bulkheads at such a height that their sills are below the deepest subdivision loadline, the following rules shall apply:

(I) When the number of such doors exceeds 5 all the watertight sliding doors shall be power-operated and shall be capable of being simultaneously closed from a station situated on the bridge, simultaneous closing of these doors being preceded by a warning sound signal.

(II) When the number of such doors does not exceed 5—

(i) if the criterion numeral does not exceed 30, all the watertight sliding doors may be operated by hand only;

(ii) if the criterion numeral exceeds 30, but does not exceed 60, all the watertight sliding doors may be either dropping doors fitted with releasing and hand gear operated at the door and from above the bulkhead deck or doors operated by power.

(iii) if the criterion numeral exceeds 60, all the watertight sliding doors shall be operated by power.

(*b*) If watertight doors which have sometimes to be open at sea for the purpose of trimming coal are fitted between bunkers in the between-decks below the bulkhead deck, these doors shall be operated by power. The opening and closing of these doors shall be recorded in the official log book.

(*c*) When trunkways in connection with refrigerated cargo are carried through more than one main transverse watertight bulkhead, and the sills of the openings are less than 7 feet (2.13 metres) above the deepest subdivision loadline, the watertight doors at such openings shall be operated by power.

(10) Portable plates on bulkheads shall not be permitted except in machinery spaces. Such plates shall always be in place before the ship leaves port, and shall not be removed at sea except in case of urgent necessity. The necessary precautions shall be taken in replacing them to ensure that the joints shall be watertight.

(11) All watertight doors shall be kept closed during navigation except when necessarily opened for the working of the ship, and shall always be ready to be immediately closed.

(12) Where trunkways or tunnels for access from crew's accommodation to the stokehold, for piping, or for any other purpose are carried through main transverse watertight bulkheads, they shall be watertight and in accordance with the requirements of Regulation XII. The access to at least one end of each such tunnel or trunkway, if used as a passage at sea, shall be through a trunk extending watertight to a height sufficient to permit access above the margin line. The access to the other end of the trunkway or tunnel may be through a watertight door of the type required by its location in the ship. Such trunkways or tunnels shall not extend through the first subdivision bulkhead abaft the collision bulkhead.

Where it is proposed to fit tunnels or trunkways for forced draft, piercing main transverse watertight bulkheads, these shall receive the special consideration of the Administration.

REGULATION X

Openings in Ship's Sides below the Margin Line

(1) The arrangement and efficiency of the means for closing any opening in the ship's sides shall be consistent with its intended purpose and the position in which it is fitted and generally to the satisfaction of the Administration.

(2)—(*a*) If in a between-decks, the sills of any sidescuttles are below a line drawn parallel to the bulkhead deck at side and having its lowest point 2½ per cent. of the breadth of the ship above the deepest subdivision loadline, all sidescuttles in that between-decks shall be of a non-opening type.

(*b*) If in a between-decks, the sills of any sidescuttles other than those required to be of a non-opening type by sub-paragraph (*a*) are below a line drawn parallel to the bulkhead deck at side and having its lowest point at a height of 12 feet (3.66 metres) plus 2½ per cent. of the breadth of the ship above the deepest subdivision loadline, all sidescuttles in that between decks shall be of such construction as will effectively prevent any person opening them without the consent of the master of the ship.

(*c*) Other sidescuttles may be of an ordinary opening type.

(*d*) If in a between decks, the sills of any of the sidescuttles re-referred to in sub-paragraph (*b*) are below a line drawn parallel to the bulkhead deck at side and having its lowest point 4½ feet (1.37 metres), plus 2½ per cent. of the breadth of the ship above the loadline at which the ship is floating on her departure from any port, all the sidescuttles in that between decks shall be closed watertight and locked before the ship leaves port and they shall not be opened during navigation.

The time of opening such sidescuttles in port and of closing and locking them before the ship leaves port shall be entered in the official log book.

The Administration may indicate the limiting mean draught at which these sidescuttles will have their sills above the line defined in this paragraph and at which it will be permissible to open them at sea on the responsibility of the master. In tropical waters in fair weather this limiting draught may be increased by 1 foot (.305 metres).

(3) Efficient hinged inside deadlights arranged so that they can be easily and effectively closed and secured watertight shall be fitted to all sidescuttles—

(*a*) which are required to be of a non-opening type;
(*b*) which are to be fitted within one-eighth of the ship's length of the forward perpendicular;
(*c*) which are to be fitted in positions defined in sub-paragraph (2) (*b*);
(*d*) which will not be accessible during navigation;
(*e*) which are to be fitted in spaces intended for the accommodations of sailors and firemen;
(*f*) which are to be fitted in spaces intended for the accommodation of steerage passengers.

(4) Sidescuttles fitted below the bulkhead deck, other than those referred to in the preceding paragraph, shall be fitted with efficient inside deadlights which may be portable and stowed adjacent to the sidescuttles.

(5) Sidescuttles and their deadlights, which will not be accessible during navigation, shall be closed and secured before the ship proceeds to sea.

(6) No sidescuttles shall be fitted in any spaces which are appropriated exclusively to the carriage of cargo or coal.

(7) Automatic ventilating sidescuttles shall not be fitted in the ship's sides below the margin line without the special sanction of the Administration.

(8) All machinery and other inlets and discharges in the ship's sides shall be arranged so as to prevent the accidental admission of water into the ship.

(9) The number of scuppers, sanitary discharges and other similar openings in the ship's sides shall be reduced to the minimum either by making each discharge serve for as many as possible of the sanitary and other pipes, or in any other satisfactory manner.

(10) Discharges led through the ship's sides from spaces below the margin line shall be fitted with efficient and accessible means for preventing water from passing inboard. It is permissible to have for each separate discharge either one automatic non-return valve fitted with a positive means of closing it from above the bulkhead deck, or, alternatively, two automatic non-return valves without such means, the upper of which valves is so situated above the deepest subdivision loadline as to be always accessible for examination under service conditions.

Where a positive action valve is fitted, the operating position above the bulkhead deck shall always be readily accessible and means shall be provided for indicating whether the valve is open or closed.

(11) Gangway, cargo, and coaling ports fitted below the margin line shall be of sufficient strength. They shall be effectively closed and secured watertight before the ship leaves port, and shall be kept closed during navigation.

Cargo and coaling ports which are to be fitted partly or entirely below the deepest subdivision loadline shall receive the special consideration of the Administration.

(12) The inboard opening of each ash-shoot, rubbish-shoot, &c., shall be fitted with an efficient cover.

If the inboard opening is situated below the margin line, the cover shall be watertight, and in addition an automatic non-return valve shall be fitted in the shoot in an easily accessible position above the deepest subdivision loadline. When the shoot is not in use both the cover and the valve shall be kept closed and secured.

REGULATION XI

Construction and Initial Tests of Watertight Doors, Sidescuttles, &c.

(1) The design, materials and construction of all watertight doors, sidescuttles, gangways, cargo and coaling ports, valves, pipes, ash-shoots and rubbish-shoots referred to in these Regulations shall be to the satisfaction of the Administration.

(2) Each watertight door shall be tested by water pressure to a head up to the margin line. The test shall be made before the ship is put in service, either before or after the door is fitted.

REGULATION XII

Construction and Initial Tests of Watertight Decks, Trunks, &c.

(1) Watertight decks, trunks, tunnels, duct keels and ventilators shall be of the same strength as watertight bulkheads at corresponding levels. The means used for making them watertight and the arrangements adopted for closing openings in them, shall be to the satisfaction of the Administration. Watertight ventilators and trunks shall be carried at least up to the margin line.

(2) After completion a hose or flooding test shall be applied to watertight decks and a hose test to watertight trunks, tunnels and ventilators.

REGULATION XIII

Periodical Operation and Inspection of Watertight Doors, &c.

In all new and existing ships drills for the operating of watertight doors, sidescuttles, valves, and closing mechanisms of scuppers, ash-shoots and rubbish-shoots, shall take place weekly. In ships in which the voyage exceeds one week in duration a complete drill shall be held before leaving port, and others thereafter at least once a week during the voyage, provided that all watertight power doors and hinged doors, in main transverse bulkheads, in use at sea shall be operated daily.

The watertight doors and all mechanisms and indicators connected therewith, and all valves the closing of which is necessary to make a compartment watertight, shall be periodically inspected at sea, at least once a week.

REGULATION XIV

Entries in the Official Log Book

In all new and existing ships hinged doors, portable plates, side-scuttles, gangways, cargo and coaling ports and other openings, which are required by these Regulations to be kept closed during navigation, shall be closed before the ship leaves port. The time of closing, and the time of opening (if permissible under these Regulations), shall be recorded in the official log book.

A record of all drills and inspections required by Regulation XIII shall be entered in the official log book with an explicit record of any defects which may be disclosed.

REGULATION XV

Double Bottoms

(1) In ships 200 feet (61 metres) and under 249 feet (76 metres) in length a double bottom shall be fitted at least from the machinery space, and shall extend to the fore and after peak as practicable.

(2) In ships 249 feet (76 metres) and under 330 feet (100 metres) in length a double bottom shall be fitted at least outside the machinery space, and shall extend to the fore and after peak bulkheads, or as near thereto as practicable.

(3) In ships 330 feet (100 metres) in length and upwards a double bottom shall be fitted amidships, and shall extend to the fore and after peak bulkheads, or as near thereto as practicable.

(4) Where a double bottom is required to be fitted the inner bottom shall be continued out to the ship's sides in such a manner as to protect the bottom to the turn of bilge.

Such protection will be deemed satisfactory if the line of intersection of the outer edge of the margin plate with the bilge plating is not lower at any part than a horizontal plane passing through the point of intersection with the frame line amidships of a transverse diagonal line inclined at 25 degrees to the base line and cutting it at a point one-half the ship's moulded breadth from the middle line.

(5) Wells constructed in the double bottom in connection with the drainage arrangements shall not extend downwards more than necessary, nor shall they be less than 18 inches (457 millimetres) from the outer bottom or from the inner edge of the margin plate. A well extending to the outer bottom is, however, permitted at the after end of the shaft tunnel of screw ships.

REGULATION XVI

Fire-resisting Bulkheads

Ships shall be fitted above the bulkhead deck with fire-resisting bulkheads which shall be continuous from side to side of the ship and arranged to the satisfaction of the Administration.

They shall be constructed of metal or other fire-resisting material, effective to prevent for one hour, under the conditions for which the bulkheads are to be fitted in the ship, the spread of fire generating a temparture of 1,500° F. (815° C.) at the bulkhead.

Steps and recesses and the means for closing all openings in these bulkheads shall be fire-resisting and flametight.

The mean distance between any two adjacent fire-resisting bulkheads in any superstructure shall in general not exceed 131 feet (40 metres).

REGULATION XVII

Side and Other Openings, &c., above the Margin Line

(1) Sidescuttles, gangways, cargo and coaling ports, and other means for closing openings in the ship's sides above the margin line shall be of efficient design and construction and of sufficient strength having regard to the spaces in which they are fitted and their positions relative to the deepest subdivision loadline.

(2) The bulkhead deck or a deck above it shall be weathertight in the sense that in ordinary sea conditions water will not penetrate in a downward direction. All openings in the exposed weather deck shall have coamings of ample height and strength, and shall be provided with efficient means for expeditiously closing them weathertight.

(3) Freeing ports and/or scuppers shall be fitted as necessary for rapidly clearing the weather deck of water under all weather conditions.

REGULATION XVIII

Exits from Watertight Compartments

(1) In passenger and crew spaces, practicable means of exit to the open deck shall be provided for the occupants from each watertight compartment.

(2) Practicable means of escape for the crew shall be provided from each engine room, shaft tunnel, stokehold compartment, and other working spaces, independent of watertight doors.

REGULATION XIX

Pumping Arrangements

Steamships

(1) Ships shall be provided with an efficient pumping plant capable of pumping from and draining any watertight compartment under all practicable conditions after a casualty whether the ship is upright or listed. For this purpose wing suctions will generally be necessary except in narrow compartments at the ends of the ship. Where close ceiling is fitted over the bilges, arrangements shall be made whereby water in the compartment may find its way to the suction pipes. Efficient means shall be provided for draining water from insulated holds.

(2) In addition to the ordinary bilge pump, worked by the main engines, or its equivalent engine-room pump, two independent power bilge pumps shall be provided, except that in ships less than 300 feet (91.5 meters) in length, having a criterion numeral less than 30, either two efficient hand pumps of the crank type fitted one forward and one aft, or a portable power pump, may be substituted for one of the additional independent power bilge pumps.

Sanitary, ballast and general service pumps may be accepted as independent power bilge pumps if fitted with the necessary connections to the bilge pumping system.

(3) Where two or more independent power pumps are required, the arrangement shall be such that at least one power pump will be available for use in all ordinary circumstances in which a vessel may be flooded at sea. One of the power pumps shall, therefore, be an emergency pump of a reliable submersible type. A source of power situated above the bulkhead deck shall be available for this pump in any case of emergency.

(4) Where practicable, the power bilge pumps shall be placed in separate watertight compartments so arranged or situated that these compartments will not readily be flooded by the same damage. If the engines and boilers are in two or more watertight compartments, the pumps available for bilge service shall be distributed through these compartments as far as is possible.

(5) With the exception of pumps which may be provided for peak compartments only, each bilge pump, whether operated by hand or by power, shall be arranged to draw water from any hold or machinery compartment in the ship.

(6) Each independent power bilge pump shall be capable of giving a speed of water through the main bilge pipe of not less than 400 feet (122 meters) per minute, and it shall have a separate direct suction, to the compartment in which it is situated, of a diameter not less than that of the bilge main. The direct suctions from each independent power bilge pump shall be arranged to pump from either side of the ship.

(7) Main circulating pumps shall have direct suction connections, provided with non-return valves, to the lowest drainage level in the machinery space, and of a diameter at least two-thirds that of the main sea inlet. Where the fuel is, or may be, coal, and there is no watertight bulkhead between the engines and boilers, a direct discharge overboard shall be fitted from at least one circulating pump, or, alternatively, a bye-pass may be fitted to the circulating discharge.

(8)—(*a*) All pipes from the pumps which are required for draining cargo or machinery spaces shall be entirely distinct from pipes which may be used for filling or emptying spaces where water or oil is carried.

(*b*) Lead pipes shall not be used under coal bunkers or oil fuel storage tanks, nor in boiler or machinery spaces, including motor rooms in which oil settling tanks or oil fuel pump units are situated.

(9) The Administration shall make rules relating to the diameters of the bilge main and branch pipes which shall be proportioned respectively in relation to the size of the ship and the sizes of the compartments to be drained.

(10) The arrangement of the bilge and ballast pumping system shall be such as to prevent the possibility of water passing from the sea and from water ballast spaces into the cargo and machinery spaces, or from one compartment to another. Special provision shall be made to prevent any deep tank having bilge and ballast connections being inadvertently run up from the sea when containing cargo, or pumped out through a bilge pipe when containing water ballast.

(11) Provision shall be made to prevent the compartment served by any bilge suction pipe being flooded, in the event of the pipe being severed or otherwise damaged, by collision or grounding, in any other compartment. For this purpose, where the pipe is at any part situated near the side of the ship or in a duct keel, there shall be fitted to the pipe in the compartment containing the open end either a non-return valve, or a screw-down valve which can be operated from a position above the bulkhead deck.

(12) All distribution boxes, cocks, and valves in connection with the bilge pumping arrangement shall be in positions which are accessible at all times under ordinary circumstances. They shall be so arranged that in the event of flooding the emergency bilge pump may be operative on any compartment. If there is only one system of pipes common to all the pumps, the necessary cocks or valves for controlling the bilge suctions must be workable from above the bulkhead deck. If in addition to the main bilge pumping system an emergency bilge pumping system is provided, it shall be independent of the main system and so arranged that the emergency pump is capable of operating on any compartment under flooding conditions.

Motor Ships

(13) The bilge pumping arrangements in motor ships shall, so far as practicable, be equivalent to those required for steamships of similar size, except as regards main circulating pumps.

REGULATION XX

Power for Going Astern

Ships shall have sufficient power for going astern to secure proper control of the ship in all circumstances.

REGULATION XXI

Auxiliary Steering Apparatus

Ships shall be provided with an auxiliary steering apparatus which, however, may be of less power than the main apparatus, and need not be worked by steam or other mechanical power, provided adequate arrangements for manual operation are practicable. A duplicate main steering power plant shall be considered as an auxiliary steering apparatus within the meaning of this regulation.

REGULATION XXII

Initial and Subsequent Surveys of Ships

(1) Every new or existing ship shall be subjected to the survey specified below:

(*a*) A survey before the ship is put in service.

(*b*) A periodical survey once every twelve months.

(*c*) Additional surveys, as occasion arises.

(2) The surveys referred to above shall be carried out as follows:

(*a*) *The survey before the ship is put in service* shall include a complete inspection of the hull, machinery and equipments, including the outside of the ship's bottom and the inside and outside of the boilers. This survey shall be such as to ensure that the arrangements, material, and scantlings of the hull, boilers, and their appurtenances, main and auxiliary machinery, life-saving appliances, and other equipments, fully comply with the requirements of the present Convention and of the detailed regulations promulgated as a result thereof by the Government of the country to which the ship belongs for ships of the service for which it is intended. The survey shall also be such as to ensure that the workmanship of all parts of the ship and its equipments is in all respects satisfactory.

(*b*) *The periodical survey* shall include an inspection of the whole of the hull, boilers, machinery, and equipments, including the outside of the ship's bottom. The survey shall be such as to ensure that the ship, as regards the hull, boilers, and their appurtenances, main and auxiliary machinery, life-saving appliances, and other equipments, is in satisfactory condition and fit for the service for which it is intended, and that it complies with the requirements of the present Convention, and of the detailed regulations promulgated as a result thereof by the Government of the country to which the ship belongs.

(c) *A survey, either general or partial,* according to the circumstances, shall be made every time an accident occurs or a defect is discovered which affects the safety of the ship or the efficiency or completeness of its life-saving appliances or other equipments, or whenever any important repairs or renewals are made. The survey shall be such as to ensure that the necessary repairs or renewals have been effectively made, that the material and workmanship of such repairs or renewals are in all respects satisfactory, and that the ship complies in all respects with the provisions of the present Convention and of the detailed regulations promulgated as a result thereof by the Government of the country to which the ship belongs.

(3) The detailed regulations referred to in sub-paragraph (2) shall prescribe the requirements to be observed as to the initial and subsequent hydraulic tests to which the main and auxiliary boilers, connections, steam-pipes, high-pressure receivers, and fuel tanks for oil motors are to be submitted, including the test pressure to be applied, and the intervals between two consecutive tests.

Main and auxiliary boilers, connections, tanks and receivers, also steam-piping of more than 3 inches (76 millimeters) internal diameter shall be satisfactorily tested by hydraulic pressure when new. Steam pipes of more than 3 inches (76 millimeters) internal diameter shall be tested by hydraulic pressure periodically.

REGULATION XXIII

Maintenance of Conditions after Survey

After the survey of the ship as provided in Regulation XXII has been completed no change shall be made in the structural arrangements, machinery, equipments, &c., covered by the survey, without the sanction of the Administration.

LIFE-SAVING APPLIANCES, &c.

REGULATION XXIV

Standard Types of Boats

The standard types of boats are classified as follows:

Class I.—Open boats with rigid sides having either (a) internal buoyancy only, or (b) internal and external buoyancy.

Class II.—(a) Open boats with internal and external buoyancy—upper parts of sides collapsible, and (b) decked boats with either fixed or collapsible watertight bulwarks.

No boat may be approved the buoyancy of which depends upon the previous adjustment of one of the principal parts of the hull, or which has not a cubic capacity of at least 3.5 cubic metres (equivalent to 125 cubic feet).

No boat may be approved the weight of which when fully laden with persons and equipment exceeds 20,300 kilogrammes (equivalent to 20 tons).

REGULATION XXV

Lifeboats of Class I

Lifeboats of Class I must have a mean sheer at least equal to four per cent. of their length.

The air cases of lifeboats of Class I shall be so placed as to secure stability when fully laden under adverse weather conditions.

In boats certified to carry 100 or more persons the volume of the buoyancy shall be increased to the satisfaction of the Administration.

Lifeboats of Class I must also satisfy the following conditions:

(a) *Lifeboats with Internal Buoyancy Only*

The buoyancy of a wooden boat of this type shall be provided by watertight air cases, the total volume of which shall be at least equal to one-tenth of the cubic capacity of the boat.

The buoyancy of a metal boat of this type shall not be less than that required above for a wooden boat of the same cubic capacity, the volume of watertight air-cases being increased accordingly.

(b) *Lifeboats with Internal and External Buoyancy*

The internal buoyancy of a wooden boat of this type shall be provided by watertight air-cases, the total volume of which is at least equal to seven and a half per cent. of the cubic capacity of the boat.

The external buoyancy may be of cork or of any other equally efficient material, but such buoyancy shall not be obtained by the use of rushes, cork shavings, loose granulated cork or any other loose granulated substance, or by any means dependent upon inflation by air.

If the buoyancy is of cork, its volume, for a wooden boat, shall not be less than thirty-three thousandths of the cubic capacity of the boat; if of any material other than cork, its volume and distribution shall be such that the buoyancy and stability of the boat are not less than that of a similar boat provided with buoyancy of cork.

The buoyancy of a metal boat shall be not less than that required above for a wooden boat of the same cubic capacity, the volume of the watertight air-cases and that of the external buoyancy being increased accordingly.

REGULATION XXVI

Boats of Class II

Boats of Class II must satisfy the following conditions:

(a) *Open Boats with Internal and External Buoyancy—Upper Part of Sides Collapsible*

A boat of this type shall be fitted both with watertight air-cases and with external buoyancy the aggregate volume of which, for each person which the boat is able to accommodate, shall be at least equal to the following amounts:

	Cubic decimetres	Cubic feet
Air-cases	43	1.5
External buoyancy (if of cork)	6	0.2

The external buoyancy may be of cork or of any other equally efficient material, but such buoyancy shall not be obtained by the use of rushes, cork shavings, loose granulated cork, or any other loose granulated substance, or by means dependent upon inflation by air.

If of any material other than cork, its volume and distribution shall be such that the buoyancy and stability of the boat are not less than that of a similar boat provided with buoyancy of cork.

A metal boat of this type shall be provided with internal and external buoyancy to ensure that the buoyancy of the boat shall be at least equal to that of a wooden boat.

The minimum freeboard of boats of this type shall be fixed in relation to their length; and it shall be measured vertically to the top of the solid hull at the side amidships, from the water-level, when the boat is loaded.

The freeboard in fresh water shall not be less than the following amounts:

Length of lifeboat		Minimum freeboard	
Metres	Equivalent in feet to—	Millimetres	Equivalent in inches to—
7.90	26	200	8
8.50	28	225	9
9.15	30	250	10

The freeboard of boats of intermediate lengths is to be found by interpolation.

The collapsible sides must be watertight.

(b) *Decked Boats with Either Fixed or Collapsible Watertight Bulwarks*

(i) *Decked Boats having a Well Deck.*—The area of the well deck of a boat of this type shall be at least 30 per cent. of the total deck area. The height of the well deck above the waterline at all points shall be at least equal to one-half per cent. of the length of the boat, this height being increased to one-and-a-half per cent. of the length of the boat at the ends of the well.

The freeboard of a boat of this type shall be such as to provide for a reserve buoyancy of at least 35 per cent.

(ii) *Decked Boats having a Flush Deck.*—The minimum freeboard of boats of this type is independent of their lengths and depends only upon their depths. The depth of the boat is to be measured vertically from the underside of the garboard strake to the top of the deck at the side amidships and the freeboard is to be measured from the top of the deck at the side amidships to the water-level when the boat is loaded.

The freeboard in fresh water shall not be less than the following amounts, which are applicable without correction to boats having a mean sheer equal to three per cent. of their length:

Depth of lifeboat		Minimum freeboard	
Millimetres	Equivalent in inches to—	Millimetres	Equivalent in inches to—
310	12	70	2¾
460	18	95	3¾
610	24	130	5⅛
760	30	165	6½

For intermediate depths the freeboard is obtained by interpolation.

If the sheer is less than the standard sheer defined above, the minimum freeboard is obtained by adding to the figures in the table one-seventh of the difference between the standard sheer and the actual mean sheer measured at the stem and stern post; no deduction is to be made from the freeboard on account of the sheer being greater than the standard sheer or on account of the camber of the deck.

(iii) All decked lifeboats shall be fitted with efficient means for clearing the deck of water.

REGULATION XXVII

Motor Boats

A motor boat carried as part of the lifesaving appliances of a vessel, whether required by Regulations XXXVI (2) or not, shall comply with the following conditions:

(*a*) It shall comply with the requirements for a lifeboat of Class I, and proper appliances shall be provided for putting it into the water speedily.

(*b*) It shall be adequately provided with fuel, and kept so as to be at all times ready for use.

(*c*) The motor and its accessories shall be suitably enclosed to ensure operation under adverse weather conditions, and provision shall be made for going astern.

(*d*) The speed shall be at least six knots when fully loaded in smooth water.

The volume of the internal buoyancy and, where fitted, the external buoyancy shall be increased in sufficient proportion to compensate for the difference between the weight of the motor, the searchlight, and the wireless telegraph installation and their accessories, and the weight of the additional persons which the boat could accommodate if the motor, the searchlight and the wireless telegraph installation and their accessories were removed.

REGULATION XXVIII

Life Rafts

No type of life raft may be approved unless it satisfies the following conditions:

(*a*) It shall be of approved material and construction;

(*b*) It shall be effective and stable when floating either way up;

(*c*) It shall be fitted with fixed or collapsible bulwarks of wood, canvas, or other suitable material on both sides;

(*d*) It shall have a line securely becketed round the outside;

(*e*) It shall be of such strength that it can be launched or thrown from the vessel's deck without being damaged, and if to be thrown it shall be of such size and weight that it can be easily handled;

(*f*) It shall have not less than 85 cubic decimetres (equivalent to three cubic feet) of air-cases or equivalent buoyancy for each person to be carried thereon;

(*g*) It shall have a deck area of not less than 3,720 square centimetres (equivalent to four square feet) for each person to be carried thereon, and it shall effectively support the occupants out of the water;

(*h*) The air-cases or equivalent buoyancy shall be placed as near as possible to the sides of the life raft, and such buoyancy shall not be by any means dependent on inflation by air.

REGULATION XXIX

Buoyant Apparatus

Buoyant apparatus, whether buoyant deck seats, buoyant deck chairs or other buoyant apparatus, shall be deemed sufficient, so far as buoyancy is concerned, for a person or number of persons to be ascertained by dividing the number of kilogrammes of iron which it is capable of supporting in fresh water by 14.5 (equivalent to the number of pounds divided by 32), and if the apparatus depends for its buoyancy on air it shall not require to be inflated before use in an emergency.

The number of persons for whom the apparatus is deemed suitable shall be determined by the least of the numbers ascertained either as above or by the number of 30.5 centimetres (equivalent to one foot) in the perimeter.

Such approved buoyant apparatus shall comply with the following conditions:

1. It shall be constructed with proper workmanship and materials.
2. It shall be effective and stable when floating either way up.
3. It shall be of such size, strength and weight that it can be handled without mechanical appliances and, if necessary, thrown without damage from the vessel's deck on which it is stowed.
4. The air-cases or equivalent buoyancy shall be placed as near as possible to the sides of the apparatus.
5. It shall have a line securely becketed round the outside of the apparatus.

REGULATION XXX

Cubic Capacity of Lifeboats of Class I

1. The cubic capacity of a lifeboat of Class I shall be determined by Stirling's (Simpson's) Rule or by any other method giving the same degree of accuracy. The capacity of a square-sterned boat shall be calculated as if the boat had a pointed stern.

2. For example, the capacity in cubic metres (or cubic feet) of a boat, calculated by the aid of Stirling's Rule, may be considered as given by the following formula:

$$\text{Capacity} = \frac{l}{12}(4A + 2B + 4C)$$

l being the length of the boat in metres (or feet) from the inside of the planking or plating at the stem to the corresponding point at the stern post; in the case of a boat with a square stern, the length is measured to the inside of the transom.

A, B, C denote respectively the areas of the cross-sections at the quarter length forward, amidships, and the quarter length aft, which correspond to the three points obtained by dividing l into four equal parts (the areas corresponding to the two ends of the boat are considered negligible).

The areas A, B, C shall be deemed to be given in square metres (or square feet) by the successive application of the following formula to each of the three cross-sections:

$$\text{Area} = \frac{h}{12}(a + 4b + 2c + 4d + e)$$

h being the depth measured in metres (or in feet) inside the planking or plating from the keel to the level of the gunwale, or, in certain cases, to a lower level, as determined hereafter.

a, b, c, d, e denote the horizontal breadths of the boat measured in metres (or in feet) at the upper and lower points of the depth and at the three points obtained by dividing h into four equal parts (a and e being the breadths at the extreme points, and c at the middle point, of h).

3. If the sheer of the gunwale, measured at the two points situated at a quarter of the length of the boat from the ends, exceeds 1 per cent. of the length of the boat, the depth employed in calculating the area of the cross-sections A or C shall be deemed to be the depth amidships plus 1 per cent. of the length of the boat.

4. If the depth of the boat amidships exceeds 45 per cent. of the breadth, the depth employed in calculating the area of the midship cross-section B shall be deemed to be equal to 45 per cent. of the breadth, and the depth employed in calculating the areas of the quarter length sections A and C is obtained by increasing this last figure by an amount equal to 1 per cent. of the length of the boat, provided that in no case shall the depths employed in the calculation exceed the actual depths at these points.

5. If the depth of the boat is greater than 122 centimetres (equivalent to 4 feet) the number of persons given by the application of this rule shall be reduced in proportion to the ratio of 122 centimetres to the actual depth, until the boat has been satisfactorily tested afloat with that number of persons on board, all wearing life jackets.

6. Each Administration shall impose, by suitable formulæ, a limit for the number of persons allowed in boats with very fine ends and in boats very full in form.

7. Each Administration reserves the right to assign to a boat a capacity equal to the product of the length, the breadth and the depth multiplied by 0.6 if it is evident that this formula does not give a greater capacity than that obtained by the above method. The dimensions shall then be measured in the following manner:

Length.—From the intersection of the outside of the planking with the stem to the corresponding point at the stern post or, in the case of a square-sterned boat, to the after side of the transom.

Breadth.—From the outside of the planking at the point where the breadth of the boat is greatest.

Depth.—Amidships inside the planking from the keel to the level of the gunwale, but the depth used in calculating the cubic capacity may not in any case exceed 45 per cent. of the breadth.

In all cases the shipowner has the right to require that the cubic capacity of the boat shall be determined by exact measurement.

8. The cubic capacity of a motor boat is obtained from the gross capacity by deducting a volume equal to that occupied by the motor and its accessories, and, when carried, the wireless telegraphy installation and the searchlight with their accessories.

REGULATION XXXI

Deck Area of Boats of Class II

1. The area of the deck of a decked boat shall be determined by the method indicated below or by any other method giving the same degree of accuracy. The same rule is to be applied in determining the area within the fixed bulwarks of a boat of Class II (*a*).

2. For example, the surface in square metres (or square feet) of a boat may be deemed to be given by the following formula:

$$\text{Area} = \frac{l}{12}(2a + 1.5b + 4c + 1.5d + 2e)$$

l being the length in metres (or in feet) from the intersection of the outside of the planking with the stem to the corresponding point at the stern post.

a, b, c, d, e denote the horizontal breadths in metres (or in feet) outside the planking at the points obtained by dividing l into four equal parts and sub-dividing the foremost and aftermost parts into two equal parts (a and e being the breadths at the extreme sub-divisions, c at the middle point of the length, and b and d at the intermediate points).

REGULATION XXXII

Marking of Boats, Life Rafts and Buoyant Apparatus

The dimensions of the boat and the number of persons which it is authorised to carry shall be marked on it in clear permanent characters. These marks shall be specifically approved by the officers appointed to inspect the ship.

Life rafts and buoyant apparatus shall be marked with the number of persons in the same manner.

REGULATION XXXIII

Carrying Capacity of Boats

1. The number of persons which a boat of one of the standard types can accommodate is equal to the greatest whole number obtained by dividing the capacity in cubic metres (or cubic feet), or the surface in square metres (or square feet) of the boat by

the standard unit of capacity, or unit of surface (according to circumstances), defined below for each type.

2. The standard units of capacity and surface for determining the number of persons are as follows:

	Cubic metres	Equivalent in cubic feet
Unit of capacity:		
Open boats, Class I (*a*)	0.283	10
Open boats, Class I (*b*)	0.255	9

	Square metres	Equivalent in square feet
Unit of surface: Class II	0.325	3½

3. The Administration may accept, in place of 0.325 or 3½, as the case may be, a smaller divisor, if it is satisfied after trial that the number of persons for whom there is seating accommodation in the decked boat in question is greater than the number obtained by applying the above divisor, provided always that the divisor adopted in place of 0.325 or 3½, as the case may be, may never be less than 0.280 or 3, as the case may be.

The Administration which accepts a lower divisor in this way shall communicate to the other Administrations particulars of the trial and drawings of the decked boat in question.

REGULATION XXXIV

Capacity Limits

No boat shall be marked for a greater number of persons than that obtained in the manner specified in these Regulations.

This number shall be reduced—

(1) when it is greater than the number of persons for which there is proper seating accommodation; the latter number shall be determined in such a way that the persons when seated do not interfere in any way with the use of the oars;

(2) when, in the case of boats other than those of Class I, the freeboard when the boat is fully loaded is less than the freeboard laid down for each type respectively; the number shall be reduced until the freeboard when the boat is fully loaded is at least equal to the standard freeboard laid down above.

In boats of Class II (*b*) (i), the raised part of the deck at the sides may be regarded as affording seating accommodation.

REGULATION XXXV

Equivalents for and Weight of the Persons

In the tests for determining the number of persons which a boat or life raft can accommodate, each person shall be assumed to be an adult person wearing a life-jacket.

In verifications of freeboard the decked boats shall be loaded with a weight of at least 75 kilogrammes (165 lbs.) for each adult person that the decked boat is authorized to carry.

In all cases two children under 12 years of age shall be reckoned as one person.

REGULATION XXXVI

Equipment of Boats and Life Rafts

1. The normal equipment of every boat shall consist of:

(*a*) A single banked complement of oars, two spare oars and a steering oar; one set and a half of thole pins or crutches; a boat hook.

(*b*) Two plugs for each plug hole (plugs are not required when proper automatic valves are fitted); a bailer and a galvanised iron bucket.

(*c*) A rudder and a tiller or yoke and yoke lines.

(*d*) Two hatchets.

(*e*) A lamp filled with oil and trimmed.

(*f*) A mast or masts with one good sail at least, and proper gear for each.

(*g*) An efficient compass.

(*h*) A life-line becketed round the outside.

(*i*) A sea-anchor.

(*j*) A painter.

(*k*) A vessel containing four and a half litres (equivalent to one gallon of vegetable or animal oil. The vessel shall be so constructed that the oil can be easily distributed on the water, and so arranged that it can be attached to the sea-anchor.

(*l*) An airtight receptacle containing one kilogramme (equivalent to two pounds) of provisions for each person.

(*m*) A watertight receptacle provided with a dipper with lanyard containing one litre (equivalent to one quart) of fresh water for each person.

(*n*) At least one dozen self-igniting "red lights" and a box of matches in watertight containers.

(*o*) Half a kilogramme (equivalent to one pound) of condensed milk for each person.

(*p*) A suitable locker for the stowage of the small items of the equipment.

(*q*) Any boat which is certified to carry 100 or more persons shall be fitted with a motor and shall comply with the requirements of Regulation XXVII.

A motor lifeboat need not carry a mast or sails or more than half the complement of oars, but it shall carry two boathooks.

Decked lifeboats shall have no plug-hole, but shall be provided with at least two bilge-pumps.

In the case of a ship which carries passengers in the North Atlantic north of 35° North Latitude, only a proportion of the boats, to be fixed by the Administration, need be equipped with masts and sails, and only one-half the quantity of condensed milk need be carried.

2. Where the number of lifeboats carried on a ship is more than 13, one shall be a motor boat, and where the number is more than 19, two shall be motor boats. These motor lifeboats shall be fitted with a wireless telegraph installation and a searchlight.

The wireless telegraph installation shall comply with conditions as to range and efficiency to be decided by each Administration.

The searchlight shall include a lamp of at least 80 watts, an efficient reflector and a source of power which will give effective illumination of a light coloured object over a width of about 18 metres (60 feet) at a distance of 180 metres (200 yards) for a total period of six hours, and it shall be capable of working for three hours continuously.

Where the power for the wireless equipment and the searchlight are derived from the same source, this shall be sufficient to provide for the adequate working of both appliances.

3. The normal equipment of every approved life raft shall consist of—

(*a*) Four oars.

(*b*) Five rowlocks.

(*c*) A self-igniting lifebuoy light.

(*d*) A sea-anchor.

(*e*) A painter.

(*f*) A vessel containing four and a half litres (equivalent to one gallon) of vegetable or animal oil. The vessel shall be so constructed that the oil can be easily distributed on the water, and so arranged that it can be attached to the sea-anchor.

(*g*) An airtight receptacle containing one kilogramme (equivalent to two pounds) of provisions for each person.

(*h*) A watertight receptacle provided with a dipper with lanyard containing one litre (equivalent to one quart) of fresh water for each person.

(*i*) At least one dozen self-igniting red lights and a box of matches in water-tight containers.

4. In the case of a ship which is engaged in short international voyages, the Administration may exempt the boats from carrying the equipment specified under sub-paragraphs (*f*), (*l*) and (*o*) of paragraph 1 and from the requirements of paragraph 2, and may also exempt the life rafts from carrying the equipment specified in paragraph 3 (*g*).

REGULATION XXXVII

Stowage and Handling of Boats and Life Rafts

1. Subject to the conditions of Regulation XXXVIII, the lifeboats may be stowed one above the other, or they may, subject to such conditions as the Administration may impose, be fitted one within another, but where boats so fitted require lifting before being launched they shall only be permitted if mechanical power appliances for lifting are provided.

2. The lifeboats and life rafts additional to boats stowed under boats attached to davits may be stowed across a deck, bridge or poop and so secured that they will have the best chance of floating free of the ship if there is no time to launch them.

3. As large a number as possible of the additional boats referred to in paragraph 2 shall be capable of being launched on either side of the ship by means of approved appliances for transferring them from one side of the deck to the other.

4. Boats may only be stowed on more than one deck on condition that proper measures are taken to prevent boats on a lower deck being fouled by those stowed on a deck above.

5. Boats shall not be placed in the bows of the ship or in any positions in which they would be brought into dangerous proximity to the propellers at the time of launching.

6. Davits shall be of approved form and so disposed on one or more decks that the boats placed under them can be safely lowered without interference from the operation of any other davits.

7. The davits, blocks, falls and all other gear shall be of such strength that the boats can be safely lowered with the full complement of persons and equipment, with the ship listed to 15 degrees either way. The falls shall be long enough to reach the water with the vessel at her lightest seagoing draught and with a list of 15 degrees.

8. The davits shall be fitted with gear of sufficient power to ensure that the boats, fully equipped and manned, but not otherwise loaded with passengers, can be turned out against the maximum list at which the lowering of the boats is possible.

9. The boats attached to the davits shall have the falls ready for service, and means shall be provided for speedily, but not necessarily simultaneously, detaching the boats from the falls.

10. Where more than one boat is served by the same set of davits, if the falls are of rope, separate falls shall be provided to serve each boat, but where wire falls are used with mechanical appliances for recovering them, separate falls need not be provided. The appliances used must be such as to ensure lowering the boats in turn and rapidly.

Where mechanical appliances are fitted for the recovery of the falls efficient hand gear shall also be provided.

11. On short international voyages where the height of the boat deck above the water line when the vessel is at her lightest sea-going draught does not exceed 4.5 meters (15 feet), the requirements as to strength of davits and turning-out gear in subparagraphs 7, 8 and 10 shall not apply.

REGULATION XXXVIII

Number and Capacity of Boats, Life Rafts, &c., and Davits

1. A ship shall be provided with sets of davits in accordance with its length as provided in Column A of the Table in Regulation XXXIX, provided that a number of sets of davits greater than the number of boats necessary for the accommodation of all the persons on board shall not be required.

Each set of davits shall have a boat of Class I attached to it. If the lifeboats attached to davits do not provide sufficient accommodation for all the persons on board, additional lifeboats of one of the standard types shall be provided. One additional lifeboat shall, in the first place, be stowed under each of the boats attached to davits. After these have been fitted other boats shall be carried inboard, but an Administration may, if it is of opinion that life rafts will be more readily available and otherwise more satisfactory than these lifeboats in a case of emergency, allow life rafts to be carried provided that the total capacity of the boats on the ship will be at least up to the minimum capacity required by Column C of the Table in Regulation XXXIX.

When in the opinion of the Administration it is neither practicable nor reasonable to place on a ship the number of sets of davits required by Column A of the Table of Regulation XXXIX, the Administration may authorise, under exceptional conditions, a smaller number of sets of davits, provided always that this number shall never be less than the minimum number fixed by Column B of the Table and that the total capacity of the boats on the ship will be at least up to the minimum capacity required by Column C.

2. A ship engaged on short international voyages shall be provided with sets of davits in accordance with its length as procided in Column A of the Table in Regulation XXXIX. Each set of davits shall have a boat of Class I attached to it. If the lifeboats attached to davits do not provide the minimum cubic capacity specified in Column D of the Table in Regulation XXXIX or provide accommodation for all persons on board, additional lifeboats of one of the standard types, approved life rafts or other approved buoyant apparatus shall be provided, and the accommodation thus provided shall be sufficient for all on board.

When in the opinion of the Administration it is neither practicable nor reasonable to place on a ship engaged in short international voyages, the number of sets of davits required by Column A of the Table in Regulation XXXIX, the Administration may authorise, under exceptional conditions, a smaller number of sets of davits, provided always that this number shall never be less than the minimum number fixed by Column B of the Table, and that the total capacity of the boats on the ship will be at least up to the minimum capacity required by Column D.

REGULATION XXXIX

Table relating to Davits and Lifeboat Capacity

The following table fixes, according to the length of the ship—

(A) *The minimum number of sets of davits* to be provided to each of which must be attached a boat of Class I in accordance with Regulation XXXVIII above.

(B) *The smaller number of sets of davits which may be authorized exceptionally* under Regulation XXXVIII.

(C) *The minimum lifeboat capacity* required, including the lifeboats attached to davits and the additional boats, in accordance with Regulation XXXVIII.

(D) *The minimum lifeboat capacity* required for a ship engaged in short international voyages.

Registered length of the ship		(A) Minimum number of sets of davits	(B) Smaller number of sets of davits authorised exceptionally	(C) Minimum capacity of lifeboats		(D) Minimum capacity of lifeboats	
Metres	Feet			Cubic metres	Cubic feet	Cubic metres	Cubic feet
31 and under 37	100 and under 120	2	2	28	980	11	400
37 " 43	120 " 140	2	2	35	1,220	17	600
43 " 49	140 " 160	2	2	44	1,550	24	850
49 " 53	160 " 175	3	3	53	1,880	33	1,150
53 " 58	175 " 190	3	3	68	2,390	37	1,300
58 " 63	190 " 205	4	4	78	2,740	41	1,450
63 " 67	205 " 220	4	4	94	3,330	45	1,600
67 " 70	220 " 230	5	4	110	3,900	48	1,700
70 " 75	230 " 245	5	4	129	4,560	52	1,850
75 " 78	245 " 255	6	5	144	5,100	60	2,100
78 " 82	255 " 270	6	5	160	5,640	68	2,400
82 " 87	270 " 285	7	5	175	6,190	76	2,700
87 " 91	285 " 300	7	5	196	6,930	85	3,000
91 " 96	300 " 315	8	6	214	7,550	94	3,300
96 " 101	315 " 330	8	6	235	8,290	105	3,700
101 " 107	330 " 350	9	7	255	9,000	116	4,100
107 " 113	350 " 370	9	7	273	9,630	125	4,400
113 " 119	370 " 390	10	7	301	10,650	133	4,700
119 " 125	390 " 410	10	7	331	11,700	144	5,100
125 " 133	410 " 435	12	9	370	13,060	156	5,500
133 " 140	435 " 460	12	9	408	14,430	170	6,000
140 " 149	460 " 490	14	10	451	15,920	185	6,550
149 " 159	490 " 520	14	10	490	17,310	201	7,100
159 " 168	520 " 550	16	12	530	18,720	217	7,650
168 " 177	550 " 580	16	12	576	20,350		
177 " 186	580 " 610	18	13	620	21,900		
186 " 195	610 " 640	18	13	671	23,700		
195 " 204	640 " 670	20	14	717	25,350		
204 " 213	670 " 700	20	14	766	27,050		
213 " 223	700 " 730	22	15	808	28,560		
223 " 232	730 " 760	22	15	854	30,180		
232 " 241	760 " 790	24	17	908	32,100		
241 " 250	790 " 820	24	17	972	34,350		
250 " 261	820 " 855	26	18	1,031	36,450		
261 " 271	855 " 890	26	18	1,097	38,750		
271 " 282	890 " 925	28	19	1,160	41,000		
282 " 293	925 " 960	28	19	1,242	43,880		
293 " 303	960 " 995	30	20	1,312	46,350		
303 " 314	995 " 1,030	30	20	1,380	48,750		

Note on (A) and (B).—When the length of the ship exceeds 314 metres (equivalent to 1,030 feet) the Administration shall determine the minimum number of sets of davits for that ship; full particulars of its decision shall be communicated to the other Administrations.

Note on (C) and (D).—For the purposes of this table the capacity of a boat of Class II is obtained by multiplying the number of persons for which the boat is certified by 0.283 to obtain the capacity in cubic metres and by 10 to obtain the capacity in cubic feet.

Note on (D).—When the length of a ship is under 31 metres (equivalent to 100 feet) or over 168 metres (equivalent to 550 feet) the cubic capacity of the lifeboats shall be prescribed by the Administration.

REGULATION XL

Life-Jackets and Life-Buoys

1. A life-jacket shall satisfy the following requirements:

(a) It shall be constructed with proper workmanship and materials.

(b) It shall be capable of supporting in fresh water for 24 hours 7.5 kilogrammes of iron (equivalent to 16½ pounds);

(c) It shall be reversible.

Life-jackets the buoyancy of which depends on air compartments are prohibited.

2. A life-buoy shall satisfy the following requirements:

(a) It shall be of solid cork or any other equivalent material;

(b) It shall be capable of supporting in fresh water for 24 hours at least 14.5 kilogrammes (equivalent to 32 pounds) of iron.

Life-buoys filled with rushes, cork shavings or granulated cork, or any other loose granulated material, or whose buoyancy

depends upon air compartments which require to be inflated, are prohibited.

3. The minimum number of life-buoys with which ships are to be provided is fixed by the following table:

Length of the ship		Minimum number of buoys
Metres	Equivalent in feet	
Under 61	Under 200	8
61 and under 122	200 and under 400	12
122 and under 183	400 and under 600	18
183 and under 244	600 and under 800	24
244 and over	800 and over	30

4. All the buoys shall be fitted with beckets securely seized. At least one buoy on each side shall be fitted with a life-line of at least 27.5 metres (15 fathoms) in length. Not less than one-half of the total number of life-buoys, and in no case less than six, shall be provided with efficient self-igniting lights which cannot be extinguished in water, and these shall be kept near the buoys to which they belong, with the necessary means of attachment.

5. All the life-buoys and life-jackets shall be so placed as to be readily accessible to the persons on board; their position shall be plainly indicated so as to be known to the persons concerned.

The life-buoys shall always be capable of being rapidly cast loose and shall not be permanently secured in any way.

REGULATION XLI

Certificated Lifeboatmen

In order to obtain the special lifeboatman's certificate provided for in Article 22 of the present Convention, the applicant must prove that he has been trained in all the operations connected with launching lifeboats and the use of oars; that he is acquainted with the practical handling of the boats themselves; and, further, that he is capable of understanding and answering the orders relative to lifeboat service.

There shall be for each boat or life raft a number of lifeboatmen at least equal to that specified in the following table:

The minimum number of certificated lifeboatmen shall be if the prescribed complement is—

Less than 41 persons	2
From 41 to 61 persons	3
From 62 to 85 persons	4
Above 85 persons	5

REGULATION XLII

Manning of Boats

A deck officer or certificated lifeboatman shall be placed in charge of each boat or life raft and a second in command shall also be nominated. The person in charge shall have a list of its crew, and shall see that the men placed under his orders are acquainted with their several duties.

A man capable of working the motor shall be assigned to each motor boat.

A man capable of working the wireless and searchlight installations shall be assigned to boats carrying this equipment.

The duty of seeing that the boats, life rafts and buoyant apparatus and other lifesaving apparatus are at all times ready for use shall be assigned to one or more officers.

REGULATION XLIII

Fire Detection and Extinction

1. An efficient patrol system shall be maintained, so that any outbreak of fire may be promptly detected. In addition, a fire-alarm or fire-detecting system shall be provided, which will automatically indicate or register at one or more points or stations, where it can be most quickly observed by officers and crew, the presence or indication of fire in any part of the ship not accessible to the patrol system.

2. Every ship shall be provided with powerful pumps, operated by steam or other means. On ships of less than 4,000 tons gross there shall be two, and on larger ships three of these pumps. Each of the pumps shall be capable of delivering a sufficient quantity of water in two powerful jets simultaneously in any given part of the ship, and shall be available for immediate use before the ship leaves port.

3. The service pipes shall permit of two powerful jets of water being simultaneously directed on any given part of a deck occupied by passengers and crew, when the watertight and fire-resisting doors are closed. The service pipes and hoses shall be of ample size and made of suitable material. The branches of the pipes shall be so placed on each deck that the fire hose can be easily coupled to them.

4. Provision shall be made whereby at least two powerful jets of water can be rapidly and simultaneously directed into any space containing cargo. In addition, arrangements shall be made whereby smothering gas sufficient to give a minimum volume of free gas equal to 30 per cent. of the gross volume of the largest hold in the ship can be promptly conveyed by a permanent piping system into each compartment in which cargo is carried. Steam in adequately equivalent proportion may be accepted in place of smothering gas on steam-driven ships. Provision for the supply of smothering gas or steam need not be required in ships of less than 1,000 tons gross.

5. A sufficient number of portable fluid fire extinguishers shall be provided, at least two being carried in each machinery space.

6. Two equipments, consisting of a smoke helmet or breathing apparatus and a safety lamp, shall be carried on board, and kept in two widely separated places.

7. In steamships in which the main boilers are oil fired, there shall be provided in addition to means whereby two powerful jets of water may be rapidly and simultaneously directed into any part of the machinery spaces—

(*a*) Suitable conductors for spraying water on oil without undue disturbance of the surface.

(*b*) In each firing space, a receptacle containing 283 cubic decimetres (10 cubic feet) of sand, sawdust impregnated with soda, or other approved dry materials, and scoops for distributing the same.

(*c*) In each boiler room, and in each of the machinery spaces in which a part of the oil fuel installation is situated, two approved portable extinguishers of a type discharging froth or other approved medium suitable for quenching oil fires.

(*d*) Means whereby froth may be rapidly discharged and distributed over the whole of the lower part of the boiler room or of any one boiler room, if there are more than one, or of any machinery space in which oil fuel units or settling tanks are situated. The quantity of froth which can be discharged shall be ample to cover to a depth of 15.24 centimetres (6 inches) the whole area of the plating formed in any one compartment by the inner bottom plating, or by the shell plating of the vessel, if there is no double-bottom tank. If the engine and boiler rooms are not entirely separate, and fuel can drain from the boiler room bilges into the engine room, the combined engine and boiler rooms shall be considered as one compartment. The apparatus shall be operated and controlled from outside the compartment in which the fire may occur.

(*e*) In addition to the foregoing, one extinguisher of the froth type of at least 136 litres (30-gallons) capacity in steamships having one boiler room and two such extinguishers in steamships with more than one boiler room. These extinguishers shall be provided with hoses on reels suitable for reaching any part of the boiler rooms and spaces containing oil-fuel pumping units. Equally efficient apparatus may be accepted in place of the 136 litres (30-gallon) extinguishers.

(*f*) All containers and valves by which they are operated shall be easily accessible and so placed that they will not readily be cut off from use by an outbreak of fire.

8. In vessels propelled by internal combustion engines there shall be provided in each of the machinery spaces, in addition to means whereby two powerful jets of water may be rapidly and simultaneously directed into any part of the machinery spaces, together with suitable spraying conductors, froth extinguishers as follows:

(*a*) At least one approved 45 litres (10-gallons) extinguisher with an addition of one approved 9 litres (2-gallons) extinguisher for each 1,000 B.H.P. of the engines, but the total number of 9 litres (2-gallons) extinguishers so supplied shall be not less than two and need not exceed six.

(*b*) When a donkey boiler is situated in the machinery space there shall be provided, in place of the 45 litres (10-gallons) extinguisher mentioned above, one of 136 litres (30-gallons) capacity, fitted with suitable hose attachments or other approved methods for distributing the froth.

9. In steamships using oil fuel, if the engine and boiler rooms are not entirely separated by a steel bulkhead, and if fuel oil can drain from the boiler-room bilges into the engine room, one of the fire pumps shall be situated in the tunnel or other space outside the machinery compartment. When more than two pumps are required they shall not all be fittted in the same space.

10. Where any special type of appliance, extinguishing medium or arrangement is specified, any other type of appliance, &c., may be allowed, provided that it is not less effective than the specified one. For example—a carbon dioxide system may be accepted in place of a froth installation (paragraph 7, sub-paragraphs (*d*) and (*e*)), provided that the quantity of carbon dioxide carried is sufficient to give a gas saturation of about 25 per cent. for the gross volume of the stokehold to about the top of the boilers.

11. All the fire-extinguishing appliances shall be thoroughly examined at least once each year by a surveyor appointed by the Administration.

REGULATION XLIV

Muster List

The muster list shall assign duties to the different members of the crew in connexion with—

(*a*) The closing of the watertight doors, valves, &c.

(*b*) The equipment of the boats, life rafts and buoyant apparatus generally.

(*c*) The launching of the boats attached to davits.

(*d*) The general preparation of the other boats, the life rafts, and buoyant apparatus.

(*e*) The muster of the passengers.

(*f*) The extinction of fire.

The muster list shall assign to the members of the stewards' department their several duties in relation to the passengers at a time of emergency. These duties shall include:

(*a*) Warning of passengers.

(*b*) Seeing that they are dressed and have put on their life-jackets in a proper manner.

(c) Assembling the passengers at muster stations.
(d) Keeping order in the passages and on the stairways, and, generally, controlling the movements of the passengers.

The muster list shall specify definite signals for calling all the crew to their boat and fire stations, and shall give full particulars of these signals.

REGULATION XLV

Musters and Drills

Musters of the crew for boat drill shall take place weekly when practicable, and in vessels in which the voyage exceeds one week, before leaving port. The dates upon which musters are held shall be recorded in the official log book and, if in any week a muster is not held, an entry shall be made stating why a muster was not practicable.

In ships in which the voyage exceeds one week practice musters of passengers should be held at an early period of each voyage.

Different groups of boats shall be used in turn at successive boat drills. The drills and inspections shall be so arranged that the crew thoroughly understand and are practised in the duties they have to perform, and that all lifesaving appliances with the gear appertaining to them are always ready for immediate use.

The emergency signal for summoning passengers to muster stations shall be a succession of more than six short blasts followed by one long blast on the whistle or siren. This shall be supplemented on all ships except those engaged in short international voyages by other electrically operated signals throughout the ship controlled from the bridge. The meaning of all signals affecting passengers shall be clearly stated in different languages on cards posted in their cabins and in other passenger quarters.

SAFETY OF NAVIGATION

REGULATION XLVI

Transmission of Information

The transmission of information regarding ice, derelicts, tropical storms or any other direct danger to navigation is obligatory. The form in which the information is sent is not obligatory. It may be transmitted either in plain language (preferably English) or by means of the International Code of Signals (Wireless Telegraphy Section). It should be issued CQ to all ships, and should also be sent to the first point of the coast to which communication can be made with a request that it be transmitted to the appropriate authority.

All messages issued under Article 34 of the present Convention will be preceded by the safety signal TTT followed by an indication of the nature of the danger, thus: TTT Ice; TTT Derelict; TTT Storm; TTT Navigation.

Information required

The following information is desired, the time in all cases being Greenwich mean time:

(a) ICE, DERELICTS AND OTHER DIRECT DANGERS TO NAVIGATION.
(1) the kind of ice, derelict or danger observed;
(2) the position of the ice, derelict or danger when last observed;
(3) the time and date when the observation was made.

(b) TROPICAL STORMS.—(Hurricanes in the West Indies, typhoons in the China seas, cyclones in Indian waters, and storms of a similar nature in other regions.)
(1) *A statement that a tropical storm has been encountered.*—This obligation should be interpreted in a broad spirit, and information transmitted whenever the master has good reason to believe that a tropical storm exists in his neighbourhood.
(2) *Meteorological information.*—In view of the great assistance given by accurate meteorological data in fixing the position and movement of storm centres, each shipmaster should add to his warning message as much of the following meteorological information as he finds practicable:
(a) barometric pressure (millibars, inches or millimetres);
(b) change in barometric pressure (the change during the previous two to four hours);
(c) wind direction (true not magnetic);
(d) wind force (Beaufort or decimal scale);
(e) state of the sea (smooth, moderate, rough, high);
(f) swell (slight, medium, heavy) and the direction from which it comes.

When barometric pressure is given the word "millibars," "inches" or "millimetres," as the case may be, should be added to the reading, and *it should always be stated whether the reading is corrected or uncorrected.*

When changes of the barometer are reported the course and speed of the ship should also be given.

All directions should be true, not magnetic.

(3) *Time and date and position of the ship.*—These should be for the time and position when the meteorological observations reported were made and not when the message was prepared or despatched. The time used in all cases should be Greenwich mean time.

(4) *Subsequent observations.*—When a master has reported a tropical storm it is desirable, but not obligatory, that other observations be made and transmitted at intervals of three hours, so long as the ship remains under the influence of the storm.

Examples

Ice

TTT Ice. Large berg sighted in 4605 N., 4410 W., at 0800 GMT. May 15.

Derelict

TTT Derelict. Observed derelict almost submerged in 4006 N., 1243 W., at 1630 GMT. April 21.

Danger to Navigation

TTT Navigation. Alpha lightship not on station. 1800 GMT. January 3.

Tropical Storm

TTT Storm. Experiencing tropical storm. Barometer corrected 994 millibars, falling rapidly. Wind NW., force 9, heavy squalls. Swell E. Course ENE., 5 knots. 2204 N., 11354 E. 0030 GMT. August 18.

TTT Storm. Appearances indicate approach of hurricane. Barometer corrected 29.64 inches falling. Wind NE., force 8. Swell medium from NE. Frequent rain squalls. Course 35°, 9 knots. 2200 N., 7236 W. 1300 GMT. September 14.

TTT Storm. Conditions indicate intense cyclone has formed. Wind S. by W. force 5. Barometer uncorrected 753 millimetres, fell 5 millimetres last three hours. Course N. 60 W., 8 knots. 1620 N., 9302 E. 0200 GMT. May 4.

TTT Storm. Typhoon to south-east. Wind increasing from N. and barometer falling rapidly. Position 1812 N., 12605 E. 0300 GMT. June 12.

CERTIFICATES

REGULATION XLVII

Form of Safety Certificate for Passenger Ships

SAFETY CERTIFICATE

(*Official Seal*) (*Country*)

an
for ——— international voyage.
a short

Issued under the provisions of the

INTERNATIONAL CONVENTION FOR SAFETY OF LIFE AT SEA, 1929

Name of ship	Distinctive number or letters	Port of registry	Gross tonnage

The (*Name*) Government certifies

I, the undersigned, (*Name*) certify

I. That the above-mentioned ship has been duly surveyed in accordance with the provisions of the International Convention referred to above.

II. That the survey showed that the ship complied with the requirements of the said Convention as regards—
(1) the hull, main and auxiliary boilers and machinery;
(2) the watertight subdivision arrangements and details;
(3) the following subdivision loadlines:

Subdivision loadlines assigned and marked on the ship's side at amidships (Convention Article 5)	Freeboard	To apply when the spaces in which passengers are carried include the following alternative spaces
C. 1		
C. 2		
C. 3		

(4) the boats, life rafts and life-saving appliances which provide for a total number (crew and passengers) of ------ persons, and no more, viz.:
------ boats capable of accommodating ------ persons.
------ life rafts " " ------ "
------ buoyant apparatus capable of supporting ------ persons.
------ life-buoys.
------ life-jackets.
------ certificated lifeboatmen.

(5) the radiotelegraph installations:

	Requirements of Articles ------ of the said Convention.	Actual provision
Hours of watch		
Whether approved auto-alarm fitted		
Whether separate emergency installation fitted		
Minimum number of operators		
Additional operators or watchers		
Whether direction-find ng apparatus fitted		

III. That in all other respects the ship complies with the requirements of the said Convention, so far as those requirements apply thereto.

This certificate is issued under the authority of the Government. It will remain in force until

Issued at the day of

Here follows the seal or signature of the authority entitled to issue this certificate.

(*Seal*)

If signed, the following paragraph is to be added:

The undersigned declares that he is duly authorised by the said Government to issue this certificate.

(*Signature*)

Form of Safety Radiotelegraphy Certificate

SAFETY RADIOTELEGRAPHY CERTIFICATE

(*Official Seal*) (*Country*)

Issued under the provisions of the

INTERNATIONAL CONVENTION FOR SAFETY OF LIFE AT SEA, 1929

Name of ship	Distinctive number or letters	Port of registry	Gross tonnage

The (*Name*) Government certify

I, the undersigned, (*Name*) certify

That the above-mentioned ship complies with the provisions of the International Convention referred to above as regards radiotelegraphy:

	Requirements of Articles ..... of the said Convention.	Actual provision.
Hours of Watch		
Whether approved auto-alarm fitted		
Whether separate emergency installation fitted		
Minimum number of operators		
Additional operators or watchers		
Whether direction-finding apparatus fitted		

This certificate is issued under the authority of the Government. It will remain in force until

Issued at the day of

Here follows the seal or signature of the authority entitled to issue this certificate.

(*Seal*)

If signed, the following paragraph is to be added:

The undersigned declares that he is duly authorized by the said Government to issue this certificate.

(*Signature*)

Form of Exemption Certificate

EXEMPTION CERTIFICATE

(*Official Seal*) (*Country*)

Issued under the provisions of the

INTERNATIONAL CONVENTION FOR SAFETY OF LIFE AT SEA, 1929

Name of ship	Distinctive number or letters	Port of registry	Gross tonnage

The (*Name*) Government certify

I, the undersigned, (*Name*) certify

That the above-mentioned ship is under the authority conferred by Article ..... of the International Convention referred to above exempted from the requirements of† .....

of the Convention on the voyages.....

to .....

* Insert here the conditions, if any, on which the exemption certificate is granted. *

This certificate is issued under the authority of the Government. It will remain in force until

Issued at the day of

Here follows the seal or signature of the authority entitled to issue this certificate.

(*Seal*)

If signed, the following paragraph is to be added:

The undersigned declares that he is duly authorised by the said Government to issue this certificate.

(*Signature*)

† Insert here references to articles and regulations, specifying particular paragraphs.

ANNEX II

INTERNATIONAL REGULATIONS FOR PREVENTING COLLISIONS AT SEA

Preliminary

These Rules shall be followed by all vessels upon the high seas and in all waters connected therewith, navigable by sea-going vessels.

In the following Rules every steam vessel which is under sail and not under steam is to be considered a sailing vessel, and every vessel under steam, whether under sail or not, is to be considered a steam vessel.

The words "steam vessel" shall include any vessel propelled by machinery.

The term "under steam" shall mean under any mechanical power.

A vessel is "under way" within the meaning of these Rules when she is not at anchor or made fast to the shore or aground.

The length of a vessel shall be deemed to be the length appearing in her certificate of registry.

Rules concerning Lights, &c.

The word "visible" in these Rules, when applied to lights, shall mean visible on a dark night with a clear atmosphere.

ARTICLE 1

The Rules concerning lights shall be complied with in all weathers from sunset to sunrise, and during such time no other lights which may be mistaken for the prescribed lights *or impair their visibility* shall be exhibited.

ARTICLE 2

A steam vessel when under way shall carry:

(*a*) On or in front of the foremast, or if a vessel without a foremast, then in the fore part of the vessel, [at a height above the hull of not less than 20 feet, and if the breadth of the vessel exceeds 20 feet, then at a height above the hull not less than such breadth, so, however, that the light need not be carried at a greater height above the hull than 40 feet,] a bright white light, so constructed as to show an unbroken light over an arc of the horizon of 20 points of the compass, so fixed as to throw the light 10 points on each side of the vessel, viz., from right ahead to 2 points abaft the beam on either side, and of such a character as to be visible at a distance of at least 5 miles.

(*b*) *Either forward or aft of the white light mentioned in subdivision* (a) *a second white light similar in construction and character to that light.*

Vessels of less than 150 feet in length shall not be required to carry this second white light, but may do so.

(*c*) *These two white lights shall be so placed in a line with the keel that one shall be at least 15 feet higher than the other and in such a position that the lower light shall be forward of the upper one, and higher than the lights mentioned in Article 2* (d) *and* (e). *The vertical distance between the two white lights shall be less than the horizontal distance. The lower of these two white lights, or if only one is carried, then that light, shall be placed at a height above the hull of not less than 20 feet, and, if the breadth of the vessel exceeds 20 feet, then at a height above the hull not less than such breadth, so, however, that the light need not be carried at a greater height above the hull than 40 feet.*

[(*b*)] (*d*) On the starboard side a green light so constructed as to show an unbroken light over an arc of the horizon of 10 points of the compass, so fixed as to throw the light from right ahead to 2 points abaft the beam on the starboard side, and of such a character as to be visible at a distance of at least 2 miles.

[(*c*)] (*e*) On the port side a red light so constructed as to show an unbroken light over an arc of the horizon of 10 points of the compass, so fixed as to throw the light from right ahead to 2 points abaft the beam on the port side, and of such a character as to be visible at a distance of at least 2 miles.

[(*d*)] (*f*) The said green and red side lights shall be fitted with inboard screens projecting at least 3 feet forward from the light, so as to prevent these lights from being seen across the bow.

[(*e*) A steam vessel when under way may carry an additional white light similar in construction to the light mentioned in subdivision (*a*). These two lights shall be so placed in line with the keel that one shall be at least 15 feet higher than the other, and in such a position with reference to each other that the lower light shall be forward of the upper one. The vertical distance between these lights shall be less than the horizontal distance.]

In naval vessels of special construction in which it is not possible to comply fully with the provisions of this article as to the position of lights or their range of visibility, those provisions shall be followed as closely as circumstances will permit.

ARTICLE 3

A steam vessel when towing another vessel shall, in addition to her side lights, carry two bright white lights in a vertical line one over the other, not less than 6 feet apart, and when towing more than one vessel shall carry an additional bright white light 6 feet above or below such lights, if the length of the tow, measuring from the stern of the towing vessel to the stern of the last vessel towed, exceeds 600 feet. Each of these lights shall be of the same construction and character, and *one of them* shall be carried in the same position as the white light mentioned in Article 2 (*a*), [except the additional light which may] *and the lowest light shall* be carried at a height of not less than 14 feet above the hull.

[Such steam vessel] *The vessel towing and the vessels towed, except the last vessel of the tow,* may carry *in lieu of the light required in Article 10,* a small white light abaft the funnel or aftermast, for the [vessel towed] tow to steer by, but such light shall not be visible forward of the beam.

ARTICLE 4

(*a*) A vessel which [from any accident] is not under command shall carry [at the same height as the white light mentioned in Article 2 (*a*),] where they can best be seen, and, if a steam vessel, in lieu of [that light] *the lights required in Article 2* (a) *and* (b), two red lights, in a vertical line one over the other, not less than 6 feet apart, *so placed that the lower light shall not be less than 14 feet above the hull,* and of such a character as

to be visible all round the horizon at a distance of at least 2 miles; and shall by day carry in a vertical line, one over the other not less than 6 feet apart, where they can best be seen, two black balls or shapes each 2 feet in diameter.

(*b*) A vessel employed in laying or in picking up a [telegraph] *submarine* cable shall carry [in the same position as the white light mentioned in Article 2 (*a*), and if a steam vessel,] in lieu of [that light] *the lights required in Article 2* (a) *and* (b), three lights in a vertical line, one over the other, not less than 6 feet apart, *so placed that the lowest of these lights shall be not less than 14 feet above the hull.* The highest and lowest of these lights shall be red, and the middle light shall be white, and they shall be of such a character as to be visible all round the horizon, at a distance of at least 2 miles. By day she shall carry in a vertical line, one over the other, not less than 6 feet apart, where they can best be seen, three shapes not less than 2 feet in diameter, of which the highest and lowest shall be globular in shape and red in colour, and the middle one diamond in shape and white.

(*c*) The vessels referred to in this article, when not making way through the water, shall not carry the side lights, but when making way shall carry them.

(*d*) The lights and shapes required to be shown by this article are to be taken by other vessels as signals that the vessel showing them is not under command and cannot therefore get out of the way.

These signals are not signals of vessels in distress and requiring assistance. Such signals are contained in Article 31.

ARTICLE 5

A sailing vessel under way, and any vessel being towed, shall carry the same lights as are prescribed by Article 2 for a steam vessel under way, with the exception of the white lights mentioned therein, which they shall never carry.

ARTICLE 6

Whenever, as in the case of small vessels under way during bad weather, the green and red side lights cannot be fixed, these lights shall be kept at hand lighted and ready for use; and shall, on the approach of or to other vessels, be exhibited on their respective sides in sufficient time to prevent collision, in such manner as to make them most visible, and so that the green light shall not be seen on the port side nor the red light on the starboard side, nor, if practicable, more than 2 points abaft the beam on their respective sides.

To make the use of these portable lights more certain and easy, the lanterns containing them shall each be painted outside with the colour of the light they respectively contain, and shall be provided with proper screens.

ARTICLE 7

Steam vessels of less than 40, and vessels under oars or sails of less than 20 tons gross tonnage, respectively, and rowing boats, when under way, shall not be [obliged] *required* to carry the lights mentioned in Article 2 [(*a*), (*b*) and (*c*),] but if they do not carry them they shall be provided with the following lights:

1. Steam vessels of less than 40 tons shall carry:

(*a*) In the fore part of the vessel, [or] on or in front of the funnel where it can best be seen, and at a height above the gunwale of not less than 9 feet, a bright white light constructed and fixed as prescribed in Article 2 (*a*), and of such a character as to be visible at a distance of at least [2] *3* miles.

(*b*) Green and red side lights constructed and fixed as prescribed in Article 2 [(*b*) and (*e*),] (d) and (e), and of such a character as to be visible at a distance of at least 1 mile, or a combined lantern showing a green light and a red light from right ahead to 2 points abaft the beam on their respective sides. Such lantern shall be carried not less than 3 feet below the white light.

2. Small steamboats, such as are carried by sea-going vessels, may carry the white light at a less height than 9 feet above the gunwale, but it shall be carried above *the side lights or* the combined lantern, mentioned in sub-division 1 (*b*).

3. Vessels under oars or sails, of less than 20 tons, shall [have ready at hand] *if they do not carry the side lights, carry, where it can best be seen,* a lantern [with] *showing* a green [glass] *light* on one side and a red [glass] *light* on the other, [which, on the approach of or to other vessels, shall be exhibited in sufficient time to prevent collision,] *of such a character as to be visible at a distance of at least 1 mile* so that the green light shall not be seen on the port side nor the red light on the starboard side; *provided that, where it is not possible to fix this light, it shall be kept lighted and ready for use, and shall be exhibited in sufficient time to prevent collision.*

4. *Small* rowing boats, whether under oars or sail, shall *only be required to* have ready at hand a *lighted* lantern showing a white light, which shall be temporarily exhibited in sufficient time to prevent collision.

The vessels referred to in this article shall not be obliged to carry the lights prescribed by Article 4 (*a*), and Article 11, last paragraph.

ARTICLE 8

Sailing pilot-vessels, when engaged on their station on pilotage duty, *and not at anchor,* shall not show the lights required for other vessels, but shall carry a white light at the masthead, visible all round the horizon, *at a distance of at least 3 miles,* and shall also exhibit a flare-up light or flare-up lights at short intervals, which shall never exceed [fifteen] *ten* minutes.

On the near approach of or to other vessels they shall have their side lights lighted, ready for use, and shall flash or show them at short intervals, to indicate the direction in which they are heading, but the green light shall not be shown on the port side, nor the red light on the starboard side.

A *sailing* pilot-vessel of such a class as to be obliged to go alongside of a vessel to put a pilot on board may show the white light instead of carrying it at the masthead, and may, instead of the [coloured] *side* lights above mentioned, have at hand, ready for use, a lantern with a green glass on the one side and a red glass on the other, to be used as prescribed above.

A steam pilot-vessel [exclusively employed for the service of pilots licensed or certified by any pilotage authority or the Committee of any pilotage district,] when engaged on her station on pilotage duty and not at anchor, shall, in addition to the lights *and flares* required for [all pilot boats] *sailing pilot-vessels,* carry at a distance of eight feet below her white masthead light, a red light, visible all round the horizon [and of such a character as to be visible on a dark night with a clear atmosphere] at a distance of at least [two] *three* miles, and also the [coloured] side lights required to be carried by vessels when under way.

All pilot-vessels, when engaged on their stations on pilotage duty and at anchor, shall carry the lights and show the flares prescribed above, except that the side lights shall not be shown.

When not engaged on their stations on pilotage duty, they shall carry the same lights as other vessels of their class and tonnage.

[When engaged on her station on pilotage duty and at anchor she shall carry, in addition to the lights required for all pilot boats, the red light above mentioned, but not the coloured side lights.

Pilot-vessels, when not engaged on their station on pilotage duty shall carry lights similar to those of other vessels of their tonnage.]

ARTICLE 9 *†

Fishing-vessels and fishing-boats, when under way and when not required by this article to carry or show the lights hereinafter specified, shall carry or show the lights prescribed for vessels of their tonnage under way.

(*a*) Open boats, by which it is to be understood boats not protected from the entry of sea water by means of a continuous deck, when engaged in any fishing at night with outlying tackle extending not more than 150 feet horizontally from the boat into the seaway, shall carry one all-round white light.

Open boats, when fishing at night, with outlying tackle extending more than 150 feet horizontally from the boat into the seaway, shall carry one all-round white light, and, in addition, on approaching or being approached by other vessels, shall show a second white light at least 3 feet below the first light and at a horizontal distance of at least 5 feet away from it in the direction in which the outlying tackle is attached.

The lights mentioned in this sub-division shall be of such a character as to be visible at a distance of at least 2 miles.

‡(*b*) Vessels and boats, except open boats as defined in sub-division (*a*), when fishing with drift-nets, shall, so long as the nets are wholly or partly in the water, carry two white lights where they can best be seen. Such lights shall be placed so that the vertical distance between them shall be not less than 6 feet and not more than 15 feet, and so that the horizontal distance between them, measured in a line with the keel, shall be not less than 5 feet and not more than 10 feet. The lower of these two lights shall be in the direction of the nets, and both of them shall be of such a character as to show all round the horizon, and to be visible at a distance of not less than 3 miles.

Within the Mediterranean Sea and in the seas bordering the coasts of Japan and Korea, § sailing fishing-vessels of less than 20 tons gross tonnage shall not be obliged to carry the lower of these two lights; should they, however, not carry it, they shall show in the same position (in the direction of the net or gear) a white light visible at a distance of not less than one sea mile on the approach of or to other vessels.

(*c*) Vessels and boats, except open boats as defined in sub-division (*a*), when line-fishing with their lines out and attached to or hauling their lines, and when not at anchor or stationary within the meaning of sub-division (*h*), shall carry the same lights as vessels fishing with drift-nets. When shooting lines, or fishing with towing lines, they shall carry the lights prescribed for a steam or sailing vessel under way respectively.

Within the Mediterranean Sea and in the seas bordering the coasts of Japan and Korea, § sailing fishing-vessels of less than 20 tons gross tonnage shall not be obliged to carry the lower of these two lights; should they, however, not carry it, they shall show in the same position (in the direction of the lines) a white light, visible at a distance of not less than one sea mile on the approach of or to other vessels.

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* This article does not apply to Chinese or Siamese vessels.

† The expression "Mediterranean Sea" contained in sub-sections (*b*) and (*c*) of this article includes the Black Sea and the other adjacent inland seas in communication with it.

‡ Dutch vessels and boats when engaged in the "kol," or hand-line, fishing will carry the lights prescribed for vessels fishing with drift-nets.

§ Also, as regards Russian vessels, in the seas (excluding the Baltic) bordering the coasts of Russia.

(*d*) Vessels, when engaged in trawling, by which is meant the dragging of an apparatus along the bottom of the sea—

1. If steam vessels, shall carry in the same position as the white light mentioned in Article 2 (*a*), a tri-coloured lantern so constructed and fixed as to show a white light from right ahead to two points on each bow, and a green light and a red light over an arc of the horizon from two points on each bow to two points abaft the beam on the starboard and port sides, respectively; and not less than 6 nor more than 12 feet below the tri-coloured lantern a white light in a lantern, so constructed as to show a clear, uniform and unbroken light all round the horizon.
2. If sailing vessels, shall carry a white light in a lantern, so constructed as to show a clear, uniform and unbroken light all round the horizon, and shall also, on the approach of or to other vessels, show where it can best be seen a white flare-up light or torch in sufficient time to prevent collision.

All lights mentioned in sub-division (*d*), 1 and 2, shall be visible at a distance of at least 2 miles.

(*e*) Oyster dredgers and other vessels fishing with dredge-nets shall carry and show the same lights as trawlers.

(*f*) Fishing vessels and fishing-boats may at any time use a flare-up light in addition to the lights which they are by this article required to carry and show, and they may also use working lights.

(*g*) Every fishing-vessel and every fishing-boat under 150 feet in length, when at anchor, shall exhibit a white light visible all round the horizon at a distance of at least [one] *2* miles.

Every fishing-vessel of 150 feet in length or upwards, when at anchor, shall exhibit a white light visible all round the horizon at a distance of at least [one] *2* miles and shall exhibit a second light as provided for vessels of such length by Article 11.

Should any such vessel, whether under 150 feet in length, or of 150 feet in length or upwards, be attached to a net or other fishing gear, she shall, on the approach of other vessels, show an additional white light at least 3 feet below the anchor light, and at a horizontal distance of at least 5 feet away from it in the direction of the net or gear.

(*h*) If a vessel or boat when fishing becomes stationary in consequence of her gear getting fast to a rock or other obstruction, she shall in day-time haul down the day-signal required by sub-division (*k*); at night show the light or lights prescribed for a vessel at anchor; and, during fog, mist, falling snow, or heavy rain-storms, make the signal prescribed for a vessel at anchor. (See sub-division (*d*), and the last paragraph of Article 15.)

(*i*) In fog, mist, falling snow, or heavy rain-storms, drift-net vessels attached to their nets, and vessels when trawling, dredging, or fishing with any kind of drag-net, and vessels line fishing with their lines out, shall, if of 20 tons gross tonnage or upwards, respectively, at intervals of not more than one minute, make a blast; if steam vessels, with the whistle or siren, and, if sailing vessels, with the fog-horn; each blast to be followed by ringing the bell. Fishing vessels and boats of less than 20 tons gross tonnage shall not be obliged to give the above-mentioned signals; but, if they do not, they shall make some other efficient sound signal at intervals of not more than one minute.

(*k*) All vessels or boats fishing with nets or lines or trawls, when under way, shall in daytime indicate their occupation [to an approaching vessel] by displaying a basket [or other efficient signal] where it can best be seen. If vessels or boats at anchor have their gear out, they shall, on the approach of other vessels, show the same signal on the side on which those vessels can pass.

The vessels required by this article to carry or show the lights hereinbefore specified shall not be obliged to carry the lights prescribed by Article 4 (*a*) and the last paragraph of Article 11.

ARTICLE 10

[A vessel which is being overtaken by another shall show from her stern to such last-mentioned vessel a white light or a flare-up light.

The white light required to be shown by this article may be fixed and carried in a lantern, but in such case the lantern shall be] *A vessel when under way shall carry at her stern, a white light* so constructed, fitted, and screened, that it shall throw an unbroken light over an arc of the horizon of 12 points of the compass, viz., for 6 points from right aft on each side of the vessel, *and of such a character* [so] as to be visible at a distance of at least [1 mile] *2 miles*. Such light shall be carried as nearly as practicable on the same level as the side lights.

In small vessels, if it is not possible on account of bad weather or other sufficient cause for this light to be fixed, a light shall be kept at hand lighted and ready for use, and shall, on the approach of an overtaking vessel, be shown in sufficient time to prevent collision.

For vessels engaged in towing, see Article 3, last paragraph.

ARTICLE 11

A vessel under 150 feet in length, when at anchor, shall carry forward, where it can best be seen, but at a height not exceeding 20 feet above the hull, a white light in a lantern so constructed as to show a clear, uniform, and unbroken light visible all round the horizon at a distance of at least [1] *2* miles.

A vessel of 150 feet or upwards in length, when at anchor, shall carry in the forward part of the vessel, at a height of not less than 20, and not exceeding 40, feet above the hull, one such light, and at or near the stern of the vessel, and at such a height that it shall be not less than 15 feet lower than the forward light, another such light.

Between sunrise and sunset all vessels when at anchor in or near a fairway shall carry, forward, where it can best be seen, one black ball, 2 feet in diameter. [The length of a vessel shall be deemed to be the length appearing in her certificate of registry.]

A vessel aground in or near a fairway shall carry *by night* the above light or lights and the two red lights prescribed by Article 4 (*a*), *and by day, where they can best be seen, 3 black balls, each 2 feet in diameter, placed in a vertical line one over the other.*

ARTICLE 12

Every vessel may, if necessary, in order to attract attention, in addition to the lights which she is by these Rules required to carry, show a flare-up light or use any detonating *or other efficient sound* signal that cannot be mistaken for *a prescribed* distress *or fog* signal.

ARTICLE 13

Nothing in these Rules shall interfere with the operation of any special rules made by the Government of any nation with respect to additional station and signal lights for two or more ships of war or for vessels sailing under convoy, or with the exhibition of recognition signals adopted by shipowners, which have been authorized by their respective Governments and duly registered and published.

ARTICLE 14

A [steam] vessel proceeding under sail [only, but having her funnel up], *when also under steam or other mechanical power* shall carry in *the* daytime, forward, where it can best be seen, one [black ball] *black cone, point upwards,* 2 feet in diameter *at its base.*

Sound Signals for Fog, &c.

ARTICLE 15

All signals prescribed by this article for vessels under way shall be given—

1. By "steam vessels" on the whistle or siren.
2. By "sailing vessels and vessels towed" on the fog horn.

The words "prolonged blast" used in this article, shall mean a blast of from 4 to 6 seconds' duration.

A steam vessel shall be provided with an efficient whistle or siren, sounded by steam or some substitute for steam, so placed that the sound may not be intercepted by any obstruction and with an efficient fog horn, to be sounded by mechanical means, and also with an efficient bell.* A sailing vessel of 20 tons gross tonnage or upwards shall be provided with a similar fog horn and bell.

In fog, mist, falling snow or heavy rain-storms, whether by day or night, the signals described in this article shall be used as follows, viz.:

(*a*) A steam vessel having way upon her, shall sound, at intervals of not more than 2 minutes, a prolonged blast.

(*b*) A steam vessel under way, but stopped and having no way upon her, shall sound, at intervals of not more than 2 minutes, 2 prolonged blasts, with an interval of about 1 second between them.

(*c*) A sailing vessel under way shall sound, at intervals of not more than 1 minute, when on the starboard tack, 1 blast, when on the port tack, 2 blasts in succession, and when with the wind abaft the beam, 3 blasts in succession.

(*d*) A vessel, when at anchor, shall, at intervals of not more than 1 minute, ring the bell rapidly for about 5 seconds.

In vessels of more than 350 feet in length the bell shall be sounded in the forepart of the vessel, and, in addition, there shall be sounded in the after-part of the vessel, at intervals of not more than 1 minute, a gong or other instrument, the tone of which cannot be confused with the ringing of the bell.

(*e*) A vessel, when towing, a vessel employed in laying or in picking up a [telegraph] *submarine* cable, and a vessel under way, which is unable to get out of the way of an approaching vessel through being not under command, or unable to manœuvre as required by these Rules shall, instead of the signals prescribed in sub-divisions (*a*), (*b*) and (*c*) of this article, at intervals of not more than 2 minutes, sound 3 blasts in succession, viz., 1 prolonged blast followed by 2 short blasts. [A vessel towed may give this signal and she shall not give any other.]

A vessel towed, or if more than one vessel is towed, the last vessel of the tow, shall, at intervals of not more than 2 minutes, sound 4 blasts in succession, viz., 1 prolonged blast followed by 3 short blasts, provided that this signal is not required when it is impossible to keep the vessel manned.

When practicable, the vessel towed shall make this signal immediately after the signal made by the towing vessel.

(*f*) *A vessel aground in or near a fairway shall give the signal prescribed in paragraph* (d), *and shall, in addition, give 3 separate and distinct strokes on the bell immediately preceding and following each such signal.*

Sailing vessels and boats of less than 20 tons gross tonnage shall not be obliged to give the above-mentioned signals, but if they do not, they shall make some other efficient sound-signal at intervals of not more than 1 minute.†

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* In all cases where the rules require a bell to be used a drum may be substituted on board Turkish vessels, or a gong where such articles are used on board small sea-going vessels.

† Dutch steam pilot-vessels, when engaged on their station on pilotage duty in fog, mist, falling snow, or heavy rain-storms, are required to make at intervals of 2 minutes at most one long blast with the siren, followed after 1 second by a long blast with the steam whistle and again after 1 second by a long blast on the siren. When not engaged on their station on pilotage duty, they make the same signals as other steamships.

Speed of Ships to be Moderate in Fog, &c.

ARTICLE 16

Every vessel shall, in a fog, mist, falling snow, or heavy rainstorms, go at a moderate speed, having careful regard to the existing circumstances and conditions.

A steam vessel hearing, apparently forward of her beam, the fog-signal of a vessel the position of which is not ascertained, shall, so far as the circumstances of the case admit, stop her engines, and then navigate with caution until danger of collision is over.

Steering and Sailing Rules

PRELIMINARY—RISK OF COLLISION.

Risk of collision can, when circumstances permit, be ascertained by carefully watching the compass bearing of an approaching vessel. If the bearing does not appreciably change, such risk should be deemed to exist.

ARTICLE 17

When two sailing vessels are approaching one another, so as to involve risk of collision, one of them shall keep out of the way of the other, as follows, viz.:

(*a*) A vessel which is running free shall keep out of the way of a vessel which is close-hauled.

(*b*) A vessel which is close-hauled on the port tack shall keep out of the way of a vessel which is close-hauled on the starboard tack.

(*c*) When both are running free, with wind on different sides, the vessel which has the wind on the port side shall keep out of the way of the other.

(*d*) When both are running free, with the wind on the same side, the vessel which is to windward shall keep out of the way of the vessel which is to leeward.

(*e*) A vessel which has the wind aft shall keep out of the way of the other vessel.

ARTICLE 18

When two steam vessels are meeting end on, or nearly end on, so as to involve risk of collison, each shall alter her course to starboard, so that each may pass on the port side of the other.

This article only applies to cases where vessels are meeting end on, or nearly end on, in such a manner as to involve risk of collision, and does not apply to two vessels which must, if both keep on their respective courses, pass clear of each other.

The only cases to which it does apply are when each of the two vessels is end on, or nearly end on, to the other; in other words, to cases in which, by day, each vessel sees the masts of the other in a line, or nearly in a line, with her own; and, by night, to cases in which each vessel is in such a position as to see both the side lights of the other.

It does not apply, by day, to cases in which a vessel sees another ahead crossing her own course; or by night, to cases where the red light of one vessel is opposed to the red light of the other, or where the green light of one vessel is opposed to the green light of the other, or where a red light without a green light, or a green light without a red light, is seen ahead, or where both green and red lights are seen anywhere but ahead.

ARTICLE 19

When two steam vessels are crossing, so as to involve risk of collision, the vessel which has the other on her own starboard side shall keep out of the way of the other.

ARTICLE 20

When a steam vessel and a sailing vessel are proceeding in such directions as to involve risk of collision, the steam vessel shall keep out of the way of the sailing vessel.

ARTICLE 21

Where by way of these Rules one of two vessels is to keep out of the way, the other shall keep her course and speed.

Note.—When, in consequence of thick weather or other causes, such vessel finds herself so close that collision cannot be avoided by the action of the giving-way vessel, she also shall take such action as will best aid to avert collision. (See Articles 27 and 29.)

ARTICLE 22

Every vessel which is directed by these Rules to keep out of the way of another vessel shall, if the circumstances of the case admit, avoid crossing ahead of the other.

ARTICLE 23

Every steam vessel which is directed by these Rules is to keep out of the way of another vessel shall, on approaching her, if necessary, slacken her speed or stop or reverse.

ARTICLE 24

Notwithstanding anything contained in these Rules, every vessel, overtaking any other, shall keep out of the way of the overtaken vessel.

Every vessel coming up with another vessel from any direction more than two points abaft her beam, *i. e.*, in such a position, with reference to the vessel which she is overtaking, that at night she would be unable to see either of that vessel's side lights, shall be deemed to be an overtaking vessel; and no subsequent alteration of the bearing between the two vessels shall make the overtaking vessel a crossing vessel within the meaning of these Rules, or relieve her of the duty of keeping clear of the overtaken vessel until she is finally past and clear.

As by day the overtaking vessel cannot always know with certainty whether she is forward or abaft this direction from the other vessel, she should, if in doubt, assume that she is an overtaking vessel and keep out of the way.

ARTICLE 25

In narrow channels every steam vessel shall, when it is safe and practicable, keep to that side of the fairway or mid-channel which lies on the starboard side of such vessel.

ARTICLE 26

Sailing vessels under way shall keep out of the way of sailing vessels or boats fishing with nets, or lines, or trawls. This Rule shall not give to any vessel or boat engaged in fishing the right of obstructing a fair-way used by vessels other than fishing-vessels or boats.

ARTICLE 27

In obeying and construing these Rules, due regard shall be had to all dangers of navigation and collision, and to any special circumstances which may render a departure from the above Rules necessary in order to avoid immediate danger.

Sound-Signals for Vessels in Sight of One Another

ARTICLE 28

The words "short blast" used in this article shall mean a blast of about one second's duration.

When vessels are in sight of one another, a steam vessel under way, in taking any course authorized or required by these Rules, shall indicate that course by the following signals on her whistle or siren, viz.:

One short blast to mean, "I am directing my course to starboard."

Two short blasts to mean, "I am directing my course to port."

Three short blasts to mean, "My engines are going full speed astern."

No Vessel under Any Circumstances to Neglect Proper Precautions

ARTICLE 29

Nothing in these Rules shall exonerate any vessel, or the owner, or master, or crew thereof, from the consequences of any neglect to carry lights or signals, or of any neglect to keep a proper look-out, or of the neglect of any precaution which may be required by the ordinary practice of seamen, or by the special circumstances of the case.

Reservation of Rules for Harbours and Inland Navigation

ARTICLE 30

Nothing in these Rules shall interfere with the operation of a special rule, duly made by local authority, relative to the navigation of any harbour, river, or inland waters.

Distress Signals

ARTICLE 31

When a vessel is in distress and requires assistance from other vessels or from the shore, the following shall be the signals to be used or displayed by her, either together or separately, viz.:

In the daytime—

1. A gun or other explosive signal fired at intervals of about a minute;
2. The International Code signal of distress; [indicated by N. C.]
3. The [distant] *distance* signal, consisting of a square flag, having either above or below it a ball or anything resembling a ball;
4. A continuous sounding with any fog-signal apparatus;
5. *The international distress signal made by radiotelegraphy or radiotelephony, or by any other distance signalling method.*

At night—

1. A gun or other explosive signal fired at intervals of about a minute;
2. Flames on the vessel (as from a burning tar-barrel, oil-barrel, &c.);
3. Rockets or shells, throwing stars of any colour or description, fired one at a time, at short intervals;
4. A continuous sounding with any fog-signal apparatus;
5. *The international distress signal made by radiotelegraphy or radiotelephony, or by any other distance signalling method.*

The use of any of the above signals, except for the purpose of indicating that a vessel is in distress, and the use of any signals which may be confused with any of the above signals, is prohibited.

FINAL ACT OF THE INTERNATIONAL CONFERENCE ON SAFETY OF LIFE AT SEA, 1929

The Governments of Germany, the Commonwealth of Australia, Belgium, Canada, Denmark, Spain, the Irish Free State, the United States of America, Finland, France, the United Kingdom of Great Britain and Northern Ireland, India, Italy, Japan, Norway, the Netherlands, Sweden, the Union of Socialist Soviet Republics;

Desirous of promoting safety of life at sea by establishing in common agreement uniform principles and rules directed thereto;

Having decided to participate in an international conference which, upon the invitation of the Government of the United Kingdom of Great Britain and Northern Ireland, was held in London;

Appointed the following delegations:

GERMANY

Delegates:

Dr. Friedrich Sthamer, Ambassador Extraordinary and Plenipotentiary of the German Reich in London.

Mr. Koenigs, Ministerialdirigent in the Reichsverkehrsministerium, Geheimer Regierungsrat, Berlin.

Mr. Werner, Oberregierungsrat in the Reichsverkehrsministerium, Geheimer Justizrat, Berlin.
Mr. Laas, Professor, Director of the "Germanischer Lloyd" Classification Society, Berlin.
Dr. Riess, Director, ret. of the Reichsschiffsvermessungsamt, Geheimer Regierungsrat, Neubrandenburg.
Mr. Giess, Ministerialrat in the Reichspostministerium, Berlin.
Vice-Admiral Dominik, President of the "Deutsche Seewarte," Hamburg.

Experts:

Mr. Behner, Director of the "Deutsche Betriebsgesellschaft fuer drahtlose Telegraphie," Berlin.
Mr. Elingius, Captain, Hamburg-Suedamerika Linie, Hamburg.
Mr. Biedermann, Director, Norddeutscher Lloyd, Bremen.
Mr. Freyer, Captain, Hamburg.
Mr. Heberling, Diplom-Ingenieur, "Germanischer Lloyd" Classification Society, Berlin.
Dr. Jäger, Oberpostrat in the Reichspostministerium.
Mr. Köhler, Hamburg.
Mr. Kunstmann, Shipowner, Japanese and Spanish Consul, Stettin.
Mr. Luensee, Captain, Regierungsrat in the "Deutsche Seewarte," Hamburg.
Mr. Reichenbächer, Director, Hamburg-Amerika Linie, Hamburg.
Mr. Suchting, Director, Blohm & Voss, Hamburg.

Secretary:

Mr. Kanberg, Postinspektor in the Reichspostministerium.

THE COMMONWEALTH OF AUSTRALIA

Delegates:

Captain Henry James Feakes, Royal Australian Navy, Commonwealth Naval Representative in London.
Lieut.-Commander Thomas Free, Royal Naval Reserve (Retired).
Captain J. K. Davis, Commonwealth Director of Navigation.

BELGIUM

Delegates:

Baron de Gerlache de Gomery, Director-General of the Marine Department.
Mr. Gustave De Winne, Ingénieur en Chef, Director of the Marine Department.
Mr. Georges Goor, Adviser to the Marine Department.
Mr. Gerard Vincent, Ingénieur.

CANADA

Delegates:

Mr. Alexander Johnson, Deputy Minister of Marine.
Mr. Lucien Pacaud, Secretary in the Office of the Canadian High Commissioner in London.

Experts:

Lieut.-Commander C. P. Edwards, Director of Radio, Department of Marine.
Mr. Frank McDonnell, Chairman of the Board of Steamship Inspection, Department of Marine.
Captain L. G. Dixon, Marine Superintendent.
Mr. J. W. Bain, Engineer in the Radio Branch, Department of Marine.
Captain J. Gillies, Representative in London of the Canadian Pacific Steamships, Ltd.
Captain A. S. M. Nicholls, Representative in London of the Canadian National Steamship Company.

Secretary:

Miss N. Frericks, Secretary to the Deputy Minister of Marine.

DENMARK

Delegates:

Mr. Emil Krogh, Assistant Secretary in the Marine Department, Ministry of Industry, Commerce, and Shipping.
Mr. V. Topsöe-Jensen, Judge of the Supreme Court of Appeal.
Captain V. Lorck, Chief Examiner of Masters and Mates.
Mr. J. A. Körbing, Technical Managing Director of the United Steamship Company, Copenhagen.
Mr. Aage H. Larsen, Engineer in Chief of the Ministry of Industry, Commerce and Shipping.
Mr. Arnold Poulsen, Engineer Commissioner to the Ministry of Industry, Commerce and Shipping.

Expert:

Mr. Hagelberg, Chairman of the Association of Danish Shipmasters.

Secretary:

Mr. P. Villadsen, Ministry of Industry, Commerce and Shipping.

SPAIN

Delegates:

Rear-Admiral Don Francisco Javier de Salas y Gonzales, Head of the Naval Commission in Europe.
Engineer-Commander Don Jose Rubi y Rubi, Naval Commission in Europe.
Lieut.-Commander Eduardo Garcia Ramirez.

IRISH FREE STATES

Delegates:

Mr. J. W. Dulanty, Commissioner for Trade for the Irish Free State in Great Britain.
Mr. E. C. Foster, Chief Surveyor in the Marine Branch, Department of Industry and Commerce.

UNITED STATES OF AMERICA

Delegates:

The Honourable Wallace H. White, Junior, Member of Congress, Chairman of the Committee on Merchant Marine and Fisheries.
Mr. Arthur J. Tyrer, Commissioner of Navigation, Department of Commerce.
Mr. Charles M. Barnes, Chief of the Treaty Division, Department of State.
Rear-Admiral George H. Rock, Construction Corps, United States Navy, Assistant Chief of the Bureau of Construction and Repair, Navy Department.
Captain Clarence S. Kempff, United States Navy, Hydrographer, Navy Department.
Mr. Dickerson N. Hoover, Supervising Inspector-General of the Steamboat Inspection Service, Department of Commerce.
Mr. William D. Terrell, Chief of the Radio Division, Department of Commerce.
Rear-Admiral John G. Tawresey, Construction Corps, United States Navy (Retired), United States Shipping Board.
Mr. Herbert B. Walker, President of the American Steamship Owners' Association.
Mr. Henry G. Smith, President of the National Council of American Shipbuilders.
Captain Charles A. McAllister, President of the American Bureau of Shipping.

Experts:

Lieut.-Commander E. L. Cochrane, Construction Corps, United States Navy, Bureau of Construction and Repair, Navy Department.
Mr. J. C. Niedermair, Navy Department.
Mr. J. F. MacMillan, Theodore E. Ferris, Naval Architect, American Steamship Owners' Association.
Mr. David Arnott, American Bureau of Shipping.
Captain William E. Griffith, United States Shipping Board.
Mr. A. J. Smith, Marine Office of America.
Captain N. B. Nelson, Steamboat Inspection Service.
Lieut. E. M. Webster, United States Coast Guard.
Commander C. M. Austin, United States Navy, Bureau of Navigation, Navy Department.
Mr. E. B. Calvert, United States Weather Bureau.

Secretary:

Mr. Vinton Chapin, Foreign Service Officer.

FINLAND

Delegates:

Baron Gustaf Wrede, President of the Shipping Board.
Captain Väinö Bergman, Inspector of Shipping.
Consul Karl Kurten, Manager of the Finnish Shipowners' Association.

Expert:

Captain Birger Brandt, Finnish Shipmasters' Association.

FRANCE

Delegates:

Mr. Rio, Senator and former Minister.
Captain Haarbleicher, Naval Construction Corps, Director of Mercantile Shipping Service, Department of Public Works.
Commander Marie, Naval Construction Corps, Direction of Mercantile Shipping.
Captain Thouroude, Naval Attaché to the French Embassy in London.

Experts:

Mr. de Berlhe, Deputy Manager of the Bureau Véritas.
Mr. Brillie, Chief Consulting Engineer of the Compagnie Générale Transatlantique.
Captain Bureau, National Meteorological Office.
Mr. de Catalano, General Marine Superintendent of the Compagnie Générale Transatlantique.
Mr. Dalix, Manager of the Compagnie Radio-Maritime.
Mr. Dubois, Marine Superintendent of the Compagnie des Messageries Maritimes.
Mr. Falcoz, Engineer Superintendent of the Compagnie des Messageries Maritimes.
Mr. Fricker, Chief Surveyor of the Bureau Véritas.
Mr. Nizery, Manager of the Compagnie des Chargeurs Réunis.
Mr. Pinczon, Consulting Naval Architect of the Chantiers de St. Nazaire.
Mr. Rosigneux, Chief of the Technical Service of the Comité Central des Armateurs de France.

Secretary:

Captain Dilly, Inspector of Navigation, Department of Public Works.

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Delegates:

Sir Herbert W. Richmond, Vice-Admiral, Royal Navy.
Sir Westcott Abell, Professor of Naval Architecture, Armstrong College, Newcastle-on-Tyne.
Mr. A. L. Ayre, Vice-President of the Shipbuilding Employers' Federation.
Captain F. W. Bate, Professional Officer, Mercantile Marine Department, Board of Trade.
Mr. C. H. Boyd, Mercantile Marine Department, Board of Trade.
Sir William C. Currie, President of the Chamber of Shipping of the United Kingdom.
Mr. A. J. Daniel, Principal Ship Surveyor, Board of Trade.
Sir Norman Hill, Chairman of the Merchant Shipping Advisory Committee.
Sir Charles Hipwood, Principal Assistant Secretary, Mercantile Marine Department, Board of Trade.
Captain A. R. H. Morrell, Trinity House.

Experts:
Mr. G. Gunning, Assistant General Secretary, National Union of Seamen.
Commander G. S. Horsburgh, Cunard Steamship Company.
Commander F. G. Loring, Inspector of Wireless Telegraphy, General Post Office.
Dr. G. C. Simpson, Director of the Meteorological Office.
Secretary:
Mr. Walter Carter, Board of Trade.
Assistant Secretaries:
Mr. W. G. Fergusson, Board of Trade.
Mr. W. Graham, Board of Trade.
Mr. A. E. Lee, Board of Trade.
Mr. W. E. Stimpson, Board of Trade.
Mr. F. J. Waller, Board of Trade.
Mr. W. J. Wilton, Board of Trade.

INDIA

Delegates:
Sir Geoffrey L. Corbett, Commerce Department, Government of India.
Captain E. V. Whish, Port Officer, Bombay.
Mr. M. A. Master, General Manager of the Scindia Steam Navigation Company.

ITALY

Delegates:
Lieut.-General of Port G. Ingianni, General Director of the Mercantile Marine.
Vice-Admiral A. Alessio, Chief of the Technical Inspectorate of the Mercantile Marine.
Count D. Rogeri di Villanova, Counsellor to the Italian Embassy in London.
Mr. T. C. Giannini, Counsellor of Emigration.
Major-General of Port F. Marena, Vice-Inspector of Harbour Master Offices.
Engineer-General E. Ferretti, Chief of the Technical Office of the Italian Naval and Aeronautical Register.
Mr. G. Gneme, Chief of the Telegraph Service of the General Direction of Postal and Telegraphic Services.
Commander L. Biancheri, Royal Italian Navy.
Experts:
The Honourable I. M. Magrini, Member of Parliament, President of the National Fascist Confederation of Seamen and Airmen.
Mr. M. Cosulich, National Fascist Confederation of Maritime and Aerial Transport Enterprises.
Marquis L. Solari, Counsellor Delegate of Radio Marittima Italiana.
Mr. G. Solda, Inspector of the Naval and Aeronautical Register.
Captain L. Zino, National Fascist Confederation of Maritime and Aerial Transport Enterprises.
Secretaries:
Lieut.-Colonel of Port S. Giacchetti, Chief of the Secretariat of the General Direction of the Mercantile Marine.
Captain of Port F. Falcolini, Attaché to the Secretariat of the General Direction of the Mercantile Marine.

JAPAN

Delegates:
Mr. Yukio Yamamoto, Inspector-General of the Mercantile Marine Bureau, Expert in the Department of Communications.
Captain Shichihei Ota, Imperial Japanese Navy.
Mr. Itaro Ishii, First-Class Secretary of Embassy.
Experts:
Mr. Sonoji Tsuchiya, Secretary of the Local Administration Office of Communications.
Mr. Kazuma Minato, Expert in the Department of Communications.
Mr. Sozo Ikushima, Expert in the Department of Communications.
Mr. Kiyoji Seno, Expert in the Department of Communications.
Commander Prince Tadashige Shimadzu, Naval Attaché to the Japanese Embassy in London.
Mr. Toshio Takiyama, Expert in the Local Administration Office of Communications.
Constructor-Lieut.-Commander Narasaburo Masukata, Imperial Japanese Navy.
Mr. Toshinaga Saito, Manager, Ship Drawing Office, Kobe Works of Mitsubishi Shipbuilding Company, Limited.
Mr. Yoshio Saito, Assistant Superintendent Engineer of Nippon Yusen Kabushiki Kaisha.
Mr. Motoki Matsumura, Attaché.
Mr. Chuchei Anazawa, Expert in the Department of Communications.

NORWAY

Delegates:
Mr. B. Vogt, Norwegian Minister in London.
Mr. L. T. Hansen, Director of the Department of Shipping, Ministry of Commerce and Navigation.
Mr. J. Schönheyder, Survey-in-Chief of the Ship and Engineer Division, Ministry of Commerce and Navigation.
Mr. Arth H. Mathiesen, Vice-President of the Norwegian Shipowners' Association.
Captain N. Marstrander, Chairman of the Board of the Norwegian Masters' Association.
Mr. A. Birkeland, Manager of the Norwegian Seamen's and Firemen's Union.
Experts:
Mr. E. Wettergreen, Chief of Division, Ministry of Commerce and Navigation.
Mr. K. S. Irgens, Senior Captain, Norwegian America Line.
Commander Chr. Meyer, Assistant Secretary of the Norwegian Shipowners' Association.

NETHERLANDS

Delegates:
Vice-Admiral C. Fock, Inspector-General of Navigation.
Mr. C. H. de Goeje, Ex-Inspector-General of Navigation, Netherland East Indies.
Mr. A. van Driel, Adviser on Naval Architecture, Shipping Inspection Service.
Mr. J. A. Bland van den Berg, Inspector of Coastal and Ships' Radiotelegraphy.
Mr. Phs. van Ommeren, Junior, Chairman of Phs. van Ommeren, Ltd.
Mr. H. G. J. Uilkens, Ex-Commodore of Netherland Steamship Company.
Secretary:
Jonkheer H. P. J. Bosch van Drakestein, Attaché at the Netherland Legation in London.

SWEDEN

Delegates:
Baron Palmstierna, Swedish Minister in London.
Mr. Nils Gustaf Nilsson, Assistant Under-Secretary in the Board of Trade.
Captain Erik Axel Fredrik Eggert, Maritime Expert to the Social Board.
Experts and Assistant Delegates:
Mr. Axel Sigurd Litström, Chief Bureau Engineer in the Royal Telegraph Office.
Mr. Gunnar MacErik Böös, First Amanuensis in the Board of Trade.
Captain John Nils Gunnar Anderberg, The Swedish Shipowners' Association.
Captain Nils Petter Larsson, President of the Swedish Society of Masters and Officers of the Mercantile Marine.
Mr. Nicklas Olsson, President of the Swedish Seamen's Union.

UNION OF SOCIALIST SOVIET REPUBLICS

Delegates:
Mr. Jan Lvovitch Arens, Counsellor to the U. S. S. R. Embassy in Paris.
Captain Karl Pavlovitch Eggi, Commander of the Icebreaker "Lenin," Soviet Merchant Fleet (Sovtorgflot).
Expert and Secretary:
Mr. Peter Nikolaevitch Matveeff, Chief Inspector of the Register of the U. S. S. R.

The League of Nations, having been invited to send representatives to the Conference to act as observers, appointed the following delegation for this purpose:
Mr. Robert Haas, Secretary-General of the Advisory and Technical Committee for Communications and Transit,
Mr. J. M. F. Romein, Secretary of the Permanent Committee for Ports and Maritime Navigation,
Who accordingly assembled in London.

Vice-Admiral Sir Herbert Richmond was appointed President of the Conference, and Mr. W. Carter, Secretary-General.

For the purposes of its work the Conference set up the following Committees, of which the under-mentioned were Presidents:
Committee on Construction: Rear-Admiral Rock.
Committee on Life-Saving Appliances, &c.: Sir Norman Hill.
Committee on Radiotelegraphy: Mr. Giess.
Committee on Safety of Navigation: Sir Charles Hipwood.
Committee on Certificates: Major-General Marena.
Committee on General Provisions: Sir Charles Hipwood.
Committee on Drafting: Senator Rio.

In the course of a series of meetings between the 16th April, 1929, and the 31st May, 1929, a Convention, dated the 31st May, 1929, for the safety of life at sea was drawn up.

I

At the moment of signing the Convention for the Safety of Life at Sea concluded this day, the undersigned plenipotentiaries have agreed on the following:

SAFETY OPERATION

In order to ensure the coming into force at an early date of the international agreement to make the installation of radiotelegraphy obligatory on all cargo ships of 1,600 tons gross tonnage and upwards, and thereby to promote the general safety of life at sea, the Contracting Governments undertake to use their efforts to promote an amendment to the Radiotelegraph Convention to the effect that the requirements as to the minimum speed of operation to be attained by an operator on board a compulsorily fitted ship should be laid down as follows:

"Correct transmission and correct reception by ear of code groups (mixed letters, figures, and punctuation marks) at a speed of 16 (sixteen) groups per minute. Each code group must comprise 5 (five) characters, each figure or punctuation mark counting as 2 (two) characters."

Should the International Radiotelegraph Conference find itself unable to approve of the above proposal, the present Conference is of opinion that a new Certificate with operating qualifications as set out above should be established, and that the holders of such

Certificate should be authorised to deal with public correspondence in ship stations of the Third Class as defined by the Washington Radiotelegraph Convention.

II

The Conference takes note of the following declarations, made by the undermentioned delegations:

(A)

The Plenipotentiaries of the United States of America formally declare that the signing of the International Convention for the Safety of Life at Sea by them, on the part of the United States of America, on this date, is not to be construed to mean that the Government of the United States of America recognizes a régime or entity which signs or accedes to the Convention as the Government of a country when that régime or entity is not recognized by the Government of the United States of America as the Government of that country.

The Plenipotentiaries of the United States of America further declare that the participation of the United States of America in the International Convention for the Safety of Life at Sea signed on this date does not involve any contractual obligation on the part of the United States of America to a country, represented by a régime or entity which the Government of the United States of America does not recognize as the Government of that country, until such country has a Government recognized by the Government of the United States of America.

(B)

The Delegation of the Union of Socialist Soviet Republics declares that the Government of the Union of Socialist Soviet Republics, not being a party to the International Radiotelegraph Convention of 1927, does not consider itself bound by the undertaking embodied in Part I of this Final Act, but will, upon ratification of the International Convention for the Safety of Life at Sea, apply and give full effect to those articles of the last-named Convention and its annexes, where reference is made to provisions of the said Radiotelegraph Convention, as parties to the International Convention for the Safety of Life at Sea only.

III

The Conference also adopts the following recommendations:

AS REGARDS CONSTRUCTION

1. Stability

The necessity for and practicability of adopting stability regulations have been considered by this Conference, and the opinion has been reached that at this time it is practicable to adopt only the general requirement for stability tests on new passenger ships contained in Article 8. The Conference desires, however, to draw the attention of the Contracting Governments to the desirability of a study by each Administration of the subject of stability for the different national types of ships and trades, and of the exchange of information on this subject between these Contracting Governments.

2. Openings in Bulkheads and Ship's Sides

The objection which attaches to openings, which may sometimes be open at sea, in the sides of ships and in the main transverse watertight bulkheads is recognised by this Conference, but it is the sense of the Conference that it is not at this time practicable to adopt international regulations concerning such openings which are more exacting than those incorporated in the Regulations. The Conference recommends, however, that the various Governments make special effort to assure that the number of such openings, particularly hinged sidescuttles below the margin line and doors low down in the machinery space bulkheads, be kept at the minimum required in each case.

3. Services of Special Risk

The International Conference on Safety of Life at Sea realises that there are trades, such as the passenger services between England and the nearby Continental ports, in which the sea risks are, owing to weather and traffic conditions, exceptional, and where it is practicable, owing to the absence of general cargo, to adopt a higher standard of subdivision than that prescribed by the Convention. The Conference, therefore, recommends that the Contracting Governments concerned consider the adoption, in the case of ships primarily engaged in the carriage of passengers in such trades, of such improved standards of subdivision as may be found reasonable and practicable.

AS REGARDS LIFE-SAVING APPLIANCES, &c.

4. Means of Clinging to Boats

The International Conference on Safety of Life at Sea recommends that the Contracting Governments should consider the practicability of requiring lifeboats carried on ships registered in their ports to be fitted with means to enable persons to cling to the boats if upturned in the water, without increasing the risks incident to the lowering of the boat.

5. Dangerous Goods

The International Conference on Safety of Life at Sea recommends that every possible effort should be made with a view to attaining an international agreement as to what goods should be considered as "dangerous goods" as mentioned in Article 24 of the present Convention and of fixing uniform rules for the packing and stowage of such goods.

AS REGARDS RADIOTELEGRAPHY

6. Alarm Signal

The International Conference on Safety of Life at Sea, having approved of the use of the automatic alarm receiver for watch-keeping purposes, and anticipating that a large number of these receivers will be installed in passenger and cargo ships in the near future, recommends that the next International Radiotelegraph Conference prescribe that "the alarm signal shall, as a general rule, precede the distress signal."

7. Cyclone Warnings

The International Conference on Safety of Life at Sea, considering that it is of more importance to prevent disaster than to render assistance after a disaster has occurred, and being of the opinion that in certain cases use may be made of the auto-alarm to this end, strongly recommends that the next International Radiotelegraph Conference authorise Governments to permit coast stations under their jurisdiction to precede the broadcasting of emergency cyclone warnings by the alarm signal.

8. Wave Lengths

The International Conference on Safety of Life at Sea draws the attention of the Governments concerned to the advisability of ensuring that signals of distress utilising waves of Type A2 shall be effective over a sufficiently wide band of frequencies.

The Conference also desires to draw attention to the provisions of Article 5, § 11, of the Regulations annexed to the International Radiotelegraph Convention, Washington, 1927, and to point out that radiotelephonic transmissions on frequencies in the neighbourhood of the distress wave will render inoperative automatic alarm receivers working on the alarm signal defined in Article 19, § 21, (*e*), of the above-mentioned Regulations. The Conference desires, therefore, to emphasize the importance, in the interests of safety of life at sea, of avoiding the use of radiotelephonic emissions in the neighbourhood of the distress wave, except in case of emergency.

AS REGARDS SAFETY OF NAVIGATION

9. Radio Aids to Navigation

The International Conference on Safety of Life at Sea recommends that the Contracting Governments should establish and maintain an adequate system of radio aids to navigation, and should take all necessary measures to ensure the efficiency and reliability of such services.

10. Synchronised Radio and Under-water Signals

The International Conference on Safety of Life at Sea favours the extension of the installation of distance-finding apparatus capable of emitting synchronised radio and under-water signals, as necessary to meet navigational needs in distance finding and position finding by vessels.

11. Depth-sounding Apparatus

The International Conference on Safety of Life at Sea recommends that the Contracting Governments should encourage the development and use of echo depth-sounding apparatus.

12. Life-saving Signals

The International Conference on Safety of Life at Sea considers that the signals for life-saving stations communicating with vessels in distress and signals for vessels in distress communicating with life-saving stations should be international.

13. Shore Lights

The International Conference on Safety of Life at Sea considers that, so far as practicable, steps should be taken by the Administrations concerned to regulate the position and the intensity of lights on land in the vicinity of the entrances to ports so as to ensure that such lights cannot be mistaken for, or do not impair the visibility of, the navigation lights of the port.

14. Collision Regulations—Aircraft

Under the International Collision Regulations, aircraft on the surface of the water are within the definition of "steam vessels." As such, they are required to carry lights, make sound signals and manœuvre, both in respect of surface vessels and of each other, in a manner that is not, in some instances, possible for them, due to the physical limitations of aircraft. At the same time, they can and should take upon themselves some definite measure of responsibility for the avoidance of collisions between surface vessels and aircraft on the surface of the water, and it is necessary that their rights and duties, when on the surface of the water, should be defined.

In order that an international agreement may be reached covering those provisions of the International Collision Regulations which apply to surface vessels and to aircraft on the surface of the high seas and on the waters connected therewith, navigable by sea-going vessels, the Conference recommends, in the interests of safety of life at sea, that this question should be studied by the competent authorities in the countries concerned, so that there may be an exchange of views, and an endeavour made to arrive at an international agreement. The Conference requests the Government of the United Kingdom of Great Britain and Northern Ireland to take the necessary action in the matter.

AS REGARDS CERTIFICATES

15. Recognition of Convention Standards

Recognising the importance of bringing the Convention standards into operation at the earliest possible date, it is recommended that all such steps as may be practicable should be taken by the Contracting Governments to secure the recognition in international trade as from the date of the signing of this Convention of such ships as in fact conform to such standards.

In faith whereof the undersigned have affixed their signatures to the present Act.

Done in London this thirty-first day of May, 1929, in a single copy which shall be deposited in the archives of the Government

of the United Kingdom of Great Britain and Northern Ireland, which shall transmit certified true copies thereof to all signatory Governments.

[*Germany:*]
STHAMER.
GUSTAV KOENIGS.
ARTHUR WERNER.
WALTER LAAS.
OTTO RIESS.
HERMANN GIESS.
HUGO DOMINIK.
[*Australia:*]
HENRY JAMES FEAKES.
THOMAS FREE.
[*Belgium:*]
A. DE GERLACHE DE GOMERY.
G. DE WINNE.
[*Canada:*]
A. JOHNSTON.
LUCIEN PACAUD.
[*Denmark:*]
EMIL KROGH.
V. LORCK.
P. VILLADSEN.
[*Spain:*]
JAVIER DE SALAS.
[*Irish Free State*]*:*
JOHN WHELAN DULANTY.
E. C. FOSTER.
[*United States of America:*]
WALLACE H. WHITE.
ARTHUR J. TYRER.
CHARLES M. BARNES.
GEO. H. ROCK.
CLARENCE S. KEMPFF.
DICKERSON N. HOOVER.
W. D. TERRELL.
JOHN G. TAWRESEY.
HERBERT B. WALKER.
CHARLES A. MCALLISTER.
EDWARD L. COCHRANE.
J. C. NIEDERMAIR.
JOHN F. MACMILLAN.
DAVID ARNOTT.
N. B. NELSON.
E. M. WEBSTER.
E. B. CALVERT.
VINTON CHAPIN.
[*Finland:*]
GUSTAF WREDE.
V. BERGMAN.
KARL KURTEN.
[*France:*]
RIO.
A. HAARBLEICHER.
JEAN MARIE.
F. THOUROUDE.
H. BRILLIE.
FRICKER.
J. PINCZON.
R. ROSSIGNEUX.
CH. DILLY.
[*Great Britain and Northern Ireland:*]
H. W. RICHMOND.
WESTCOTT ABELL.
A. L. AYRE.
F. W. BATE.
C. H. BOYD.
WILLIAM C. CURRIE.
A. J. DANIEL.
NORMAN HILL.
C. HIPWOOD.
A. MORRELL.
WALTER CARTER.
W. G. FERGUSON.
W. GRAHAM.
A. E. LEE.
W. E. STIMPSON.
F. J. WALLER.
W. J. WILTON.
[*India:*]
G. L. CORBETT.
E. V. WHISH.
MANSUKHLAL ATMARAM MASTER.
[*Italy:*]
GIULIO INGIANNI.
ALBERTO ALESSIO.
DELFINO ROGERI DI VILLANOVA.
TORQUATO C. GIANNINI.
FRANCESCO MARENA.
ERNESTO FERRETTI.
G. GNEME.
LUIGI BIANCHERI.
M. COSULICH.
SALVATORE GIACCHETTI.
FEDERICO FALCOLINI.
[*Japan:*]
YUKIO YAMAMOTO.
SCHICHIHEI OTA.
ITARO ISHII.
SONOJI TSUCHIYA.
KAZUMA MINAITO.
S. IKUSHIMA.
K. SENO.
SHIMADZU.
N. MASUKATA.
T. SAITO.
Y. SAITO.
MOTOKI MATSUMURA.
C. ANAZAWA.
[*Norway:*]
B. VOGT.
L. T. HANSEN.
ARTH H. MATHIESEN.
E. WETTERGREEN.
[*Netherlands:*]
C. FOCK.
C. H. DE GOEJE.
A. VAN DRIEL.
J. A. BLAND-V.-D.-BERG.
PHS. VAN OMMEREN.
H. G. J. UILKENS.
H. BOSCH VAN DRAKESTEIN.
[*Sweden:*]
ERIK PALMSTIERNA.
NILS GUSTAF NILSSON.
A. SIGURD LITSTRÖM.
G. MACERIK BÖÖS.
NICKLAS OLSSON.
[*Union of Socialist Soviet Republics:*]
J. ARENS.
K. EGGI.
P. MATVEEFF.

INTERNATIONAL CONFERENCE ON SAFETY AT SEA, LONDON
DELEGATION OF THE UNITED STATES OF AMERICA,
Washington, D. C., August 6, 1929.

The PRESIDENT,
The White House.

To the PRESIDENT:

As chairman of the delegation of the United States of America to the International Conference for the Revision of the Convention of 1914 for Safety of Life at Sea held at London from April 16 to May 31 last, inclusive, I submit the following report on behalf of the delegation:

The convention of 1914 was signed by representatives of 16 Governments. It was ratified by some of the signatory Governments but because of the war and for other reasons it was not brought completely into force as a convention, by any State, although parts of it were made effective by particular States by legislative enactment or otherwise. In the years following the signing of the convention in 1914, many changes and advances were made in the types and methods of construction of ships, and additional experience and knowledge were gained with respect to many other matters covered by the convention of 1914. For these reasons the British Government in the autumn of 1927 transmitted to other maritime nations which had signed the convention of 1914 a memorandum by the British Board of Trade covering in some detail a study which had been carried on in Great Britain since 1914 of the subjects included in the convention of that year, and made tentative suggestions for the revision of the 1914 convention and for the holding of a conference for that purpose.

As a result of these proposals from the British Board of Trade, a study of the 1914 convention and of the respects in which it should be revised was undertaken by interested departments of our Government and by shipbuilding and ship operating interests of the United States. An interdepartmental committee under the chairmanship of one of the Assistant Secretaries of State, and an executive committee, under the Department of Commerce, were created for the purpose of organizing and directing these preliminary studies.

For making the detailed technical studies, three principal technical committees with subcommittees were organized, under the supervision of the Department of Commerce, as follows:

1. Ship construction committee:
   - A. Subdivision of ships.
   - B. Lifesaving appliances.
   - C. Fire extinguishing appliances.
2. Wirless telegraphy committee.
3. Navigation committee:
   - A. Ice patrol and derelict destruction.
   - B. Meteorology.
   - C. Rules of the road.

Representatives of the American Steamship Owners' Association, of the National Council of American Shipbuilders, and of the American Bureau of Shipping, as well as of the interested departments of the Government, were included in the membership of these technical committees and of the executive committee.

The technical committees devoted a year to an intensive study of their subjects. From their earliest organization they were aided in their work by many of the leading naval architects, shipbuilders, and marine insurance authorities of the country. Their

reports were submitted to the executive committee, and by it were transmitted through the Secretary of Commerce to the Secretary of State, who issued the instructions to the delegates.

The holding of an international conference to convene at London on April 16, 1929, having been decided upon, an invitation to the Government of the United States to participate therein was extended through the British ambassador at Washington on January 21, 1929, and was accepted on behalf of the United States on February 21, 1929. Participation by the United States in the conference was authorized by Congress, and delegates were appointed by the President. The members of the delegation were:

Hon. Wallace H. White, jr., Member of Congress, chairman of the Committee on the Merchant Marine and Fisheries, House of Representatives.

Mr. Arthur J. Tyrer, Commissioner of Navigation, Department of Commerce.

Mr. Charles M. Barnes, Chief of the Treaty Division, Department of State.

Rear Admiral George H. Rock, Construction Corps, United States Navy, Assistant Chief of the Bureau of Construction and Repair, Navy Department.

Capt. Clarence S. Kempff, United States Navy, hydrographer, Navy Department.

Mr. Dickerson N. Hoover, Supervising Inspector General of the Steamboat Inspection Service, Department of Commerce.

Mr. William D. Terrell, Chief of the Radio Division, Department of Commerce.

Rear Admiral John G. Tawresey, Construction Corps, United States Navy (retired), United States Shipping Board.

Mr. Herbert B. Walker, president of the American Steamship Owners' Association.

Mr. Henry G. Smith, president of the National Council of American Shipbuilders.

Capt. Charles A. McAllister, president of the American Bureau of Shipping.

With a single exception, the delegates designated by the President had served upon the technical committees to which reference has been made and were familiar not only with the 1914 convention but with all the shipping and navigational questions likely to be considered at the conference. They were the men who had determined the principles and the policies and indeed the precise proposals which were recommended in the reports of the technical committees, and which it was believed the United States should endeavor to have adopted by the conference.

In addition to the delegates, the following technical assistants were appointed and accompanied the delegation to London:

Lieut. Commander E. L. Cochrane, Construction Corps, United States Navy, Bureau of Construction and Repair, Navy Department.

Mr. J. C. Niedermair, Navy Department.

Mr. J. F. MacMillan, American Steamship Owners' Association.

Mr. David Arnott, American Bureau of Shipping.

Capt. William E. Griffith, United States Shipping Board.

Mr. A. J. Smith, Marine Office of America.

Capt. N. B. Nelson, United States Steamboat Inspection Service.

Lieut. E. M. Webster, United States Coast Guard.

Commander C. M. Austin, United States Navy, Bureau of Navigation, Navy Department.

Mr. Edgar B. Calvert, United States Weather Bureau.

Instructions were issued to the delegation under date of March 28, 1929. A copy of these instructions is attached hereto and is marked "Exhibit A." In addition to these general instructions, the President, in a letter to the chairman, indicated his desire that the delegation should strive at the conference for the highest practicable standards of safety. A copy of this letter is attached and is designated "Exhibit B."

In pursuance of these instructions, the delegation of the United States proceeded to London, arriving there on April 12. The conference convened on April 16. Delegates were present from Germany, the Commonwealth of Australia, Belgium, Canada, Denmark, Spain, the Irish Free State, the United States of America, Finland, France, the United Kingdom of Great Britain and Northern Ireland, India, Italy, Japan, Norway, the Netherlands, Sweden, and the Union of Soviet Socialist Republics. The League of Nations was represented by observers. The conference was opened by Sir Philip Cunliffe-Lister, president of the British Board of Trade. By request the chairman of the delegation of the United States placed in nomination as president of the conference Vice Admiral Sir Herbert Richmond, of the British delegation, who was unanimously elected. At this opening session the rules of procedure for the conference were presented. They followed closely the rules of the 1913–14 conference. A change of importance was in that article of the rules which made English and French both official languages. At the previous conference French only was recognized as the official language. By vote passed at this first plenary session the duty of drafting a program for the conference was placed upon a committee consisting of the chairman of the delegations present at the conference. As a result of action by the committee of chairmen, the following technical committees of the conference were determined upon, i. e., (1) ship construction, (2) life-saving appliances, (3) radiotelegraphy, (4) safety of navigation, and (5) certificates. A (6) committee on general provisions and a (7) drafting committee were provided for later. The committee of chairmen also was given authority to designate the heads of these committees and by its action Rear Admiral George H. Rock, of the construction corps of the Navy of the United States, was named as chairman of the committee on ship construction. The chairmen of the other committees were:

Committee on life-saving appliances, Sir Norman Hill, of the British delegation.

Committee on radiotelegraphy, Mr. Hermann Giess, of the German delegation.

Committee on safety of navigation, Sir Charles Hipwood, of the British delegation.

Committee on certificates, Maj. Gen. F. Marena, of the Italian delegation.

Committee on general provisions, Sir Charles Hipwood, of the British delegation.

Committee on drafting, Senator Rio, of the French delegation.

The chairmen of the several delegations at the conference were asked to designate the members of their delegations to serve upon the conference committees. With the approval of the delegation of the United States, I made assignments of delegates and technical assistants to each committee as follows:

SHIP CONSTRUCTION

Delegates.—Rear Admiral George H. Rock, Mr. H. G. Smith, Mr. H. B. Walker, Rear Admiral J. G. Tawresey, Mr. D. N. Hoover.

Technical assistants.—Lieut. Commander E. L. Cochrane, Mr. J. F. MacMillan, Dr. David Arnott, Mr. J. C. Niedermair, Mr. A. J. Smith.

LIFE-SAVING APPLIANCES

Delegates.—Mr. D. N. Hoover, Rear Admiral J. G. Tawresey, Capt. Charles A. McAllister, Mr. H. B. Walker, Mr. H. G. Smith.

Technical assistants.—Capt. M. B. Nelson, Capt. W. E. Griffith, Mr. A. J. Smith, Mr. J. F. MacMillan, Mr. David Arnott, Lieut. Commander E. L. Cochrane.

RADIOTELEGRAPHY

Delegates.—Mr. W. D. Terrell, Mr. H. B. Walker, Mr. A. J. Tyrer, Capt. Charles A. McAllister, Mr. D. N. Hoover.

Technical assistants.—Lieut. E. M. Webster, Capt. W. E. Griffith, Mr. E. B. Calvert.

SAFETY OF NAVIGATION

Delegates.—Capt. Clarence S. Kempff, Capt. Charles A. McAllister, Mr. H. B. Walker, Mr. H. G. Smith.

Technical assistants.—Capt. W. E. Griffith, Commander C. M. Austin, Mr. E. B. Calvert, Lieut. E. M. Webster, Mr. J. F. MacMillan.

CERTIFICATES

Delegates.—Mr. A. J. Tyrer, Mr. Charles M. Barnes, Capt. Charles A. McAllister, Mr. D. N. Hoover.

Technical assistants.—Capt. N. B. Nelson, Capt. W. E. Griffith.

COMMITTEE ON GENERAL PROVISIONS

Delegates.—Hon. Wallace H. White, Jr., Mr. Charles M. Barnes.

DRAFTING

Delegates.—Hon. Wallace H. White, jr., Mr. Charles M. Barnes.

Upon the completion of the organization of the technical committees those committees began the study of the proposals submitted. As the several technical committees completed their work and made their reports to the president of the conference these reports were read, discussed, and acted upon at meetings of the delegation of the United States. Upon the conclusion of the work of the technical committees the drafting committee began its work. From time to time, as questions arose which could not be readily solved by the drafting committee, they were referred to a committee of five appointed by the drafting committee. Great Britain, France, Germany, Denmark, and the United States were represented on this committee of five by the chairmen of their delegations.

No alterations which appeared to result in changes in substance in the reports of the technical committees were agreed to by the United States members of the drafting committee which were not called to the attention of and which were not passed upon by the full delegation of the United States.

The conference concluded its work and the convention as agreed to was signed on May 31. Every delegate present indicated his approval of the convention by signature thereof. The conference adjourned in the afternoon of May 31. A copy of the convention is attached hereto and is marked "Exhibit C." It was signed in French and English texts, both of which are of equal authority. The greatest care was taken that the French and English texts should be identical in meaning. The final act of the conference, signed at the same time and included in the document with the convention, embraces certain supplementary agreements, declarations, and recommendations made by the conference or delegations thereof.

The convention consists of 66 articles grouped in eight chapters. It is completed by regulations which have the same force and take effect at the same time as the convention itself.

Chapter 1 contains certain preliminary articles. Of first importance is the article setting forth to what ships the convention shall apply and carrying definitions used throughout the convention.

Chapter 2 deals with ship construction. This subject was considered by and the chapter was prepared by the committee, of which Rear Admiral Rock, of the delegation of the United States, was chairman. Its work was technical in the extreme and the provisions of the chapter are of outstanding importance, for safety of life at sea in the first instance, and in large degree depends upon the ship itself. The work of the committee divided itself into four main subjects: (*a*) That of subdivision of ships, (*b*) the structure and openings, (*c*) stability, and (*d*) the voyages. In very large measure the agreements reached by the conference with respect to these subjects were responsive to proposals urged by the delegates of the United States, and it is believed that by this chapter of the convention world standards of construction have been substantially raised. With few exceptions the

laws of the United States do not cover the requirements of this chapter, although in practice they are largely conformed to. The chapter deals with structural matters and applies in the main to ships built after July 1, 1931. With respect to existing ships, the obligation is imposed upon each government to effect upon its ships, so far as practicable and reasonable, the increased standards of safety recommended. The chapter covers in detail water-tight subdivisions, peak and machinery space bulkheads, the rules for constructing and testing bulkheads, water-tight decks, fire-resisting bulkheads, the openings in bulkheads and ships' sides, exits from compartments, pumping arrangements, etc. It requires a stability test for every new ship, and initial and subsequent surveys for ships. In the regulations annexed to the convention and having reference to this chapter, will be found the detailed provisions for making effective the general requirements of the convention dealing with this matter of ship construction.

Chapter 3 of the convention, as supplemented by regulations, deals with life-saving appliances and with fire detection and extinction. With respect to these subjects your delegation supported those safeguards which science, nautical experience, and seamanship approve. This chapter and its regulations make provision for the lifeboats required on passenger ships and for additional buoyant apparatus. They provide specifically that there must be accommodations in boats for all persons on board and in addition buoyant apparatus for 25 per cent of the persons on board. They deal with the construction of lifeboats, with the embarkation of passengers, with life jackets and life buoys, with means of ingress and egress for passengers and crew, with dangerous goods and fire protection, and with muster rolls and drills. In many respects this chapter raises world standards and the standards of the law of the United States.

Chapter 4 relates to the subject of radiotelegraphy. The provisions of the chapter are supplemented by regulations. The 1914 convention required a radio installation only if a ship had on board 50 or more persons. Radio installation under the law of the United States is required only on steam vessels having on board 50 or more persons. The law does not apply to sailing vessels carrying either passengers or cargo. It does not apply to the modern motor ship. There are many cargo ships of the United States of a tonnage of 6,000 to 8,000 tons, and possibly up to 10,000 tons, which under the present law are not required to have radio installation because of the fact that such vessels will not have on board 50 or more persons, and there are many passenger ships not reached by the law of this country. The present convention requires, subject to definite exemptions, that all passenger ships and all cargo ships of 1,600 tons gross tonnage and over engaged on international voyages shall be fitted with radio installation. These new standards are much above those of the 1914 convention and of the law of the United States.

An interesting problem of the conference was with respect to authorizing the use of an automatic radio alarm receiver. The Washington Radiotelegraph Convention of 1927, in section 21 of article 19 of the general regulations annexed thereto, specified standards which should be attained by any such automatic-alarm receiver. The present convention recognizes the use of any automatic-alarm receiver meeting the specifications of the Washington Radiotelegraph Convention. It was believed that the recognition of this instrument would increase the number of ships which might hear a distress call, and so add to the margin of safety of all vessels. The general result of the provisions of the convention relating to radiotelegraphy is that at least 1,000 vessels not now equipped with radio will be required to install radio apparatus and that many hundreds and perhaps thousands of vessels now maintaining a voluntary radio service of indifferent quality will be compelled to have an installation and to meet standards prescribed by the convention. They make potential life-savers of a vastly increased number of ships. Through the use of the automatic alarm continuous watch is assured upon many vessels not now required to maintain such watch. The whole effect of this chapter of the convention, in the opinion of your delegation, is to elevate the legal standards of the world and of the United States.

Chapter 5 of the convention and the articles pertinent to the chapter, deal with the general subject of navigation. The provisions refer, unless express exception is made, to all ships on all voyages. Under this chapter provision is made for the collection and dissemination of meteorological data by ships at sea and for ships. The North Atlantic ice patrol established by the 1914 convention is continued and its activities are enlarged. The question of routes across the Atlantic is dealt with. The chapter requires the equipment of passenger ships of 5,000 tons and over with the radio compass. The chapter also covers helm orders, alarm, distress, and urgency signals, the misuse of distress signals, the speed of transmission of message of distress, the procedure in handling messages, and includes an undertaking by each government to insure that ships shall be sufficiently and efficiently manned. Of outstanding importance in this chapter is the agreement in article 40 that alterations in the international regulations for preventing collisions at sea should be made. In annex 2 to the convention appear the alterations to these collision regulations which the conference believed should be made effective. An examination of annex 2 will disclose the importance from the standpoint of safety of life at sea of these "rules of the road," so called, and of the changes which are recommended therein. The changes recommended tend to clarity and to greater safety. As a part of its work the technical committee on safety of navigation also made various other recommendations which are included in the final act of the conference, Part III, paragraphs 9–14. These recommendations have to do with radio aids to navigation, synchronized radio and underwater signals, depth-sounding apparatus, life-saving signals, shore lights and collision regulations for aircraft on the surface of the water. The subject matter of chapter 5 and of the regulations bearing thereon, the changes recommended in the collision regulations and the recommendations adopted by the conference with respect to the matters enumerated were of particular concern to the delegation of the United States, and the advances made may be attributed in no small part to the interest and efforts of its delegation.

Chapter 6 provides for the issue of certificates by the appropriate government. A safety certificate is required to be issued after inspection and survey to every passenger ship which complies with the requirements of chapter 2 (construction), chapter 3 (life-saving appliances), and chapter 4 (radiotelegraphy) of the convention. In addition to this safety certificate a safety radiotelegraphy certificate is required for every ship other than a passenger ship which complies with the provisions of chapter 4 relating to radiotelegraphy, and a third certificate, called an exemption certificate, is provided for each ship to which an exemption is granted by a contracting government under specific authority of the convention. This chapter deals with the form of certificates, their duration, and the credit to be given them by another government. The right of inspection of a foreign ship while within the jurisdiction of a contracting government is preserved.

The convention will come into force on July 1, 1931, as between the governments which have deposited their ratifications by that date provided that ratifications of at least five governments have been deposited. Provision is made for future conferences for the revision of the convention, the first of which conferences may not be held until after the convention shall have been in force for five years. A government may withdraw from the convention by denunciation thereof after the expiration of five years from the date on which the convention came into force with respect to it.

The hope of the delegation of the United States was to secure the adoption of rules which with respect to vessel construction would make ships as nearly unsinkable as practically possible; which would guard against fire; which would protect from the dangers of storm, of derelicts, and of ice; which in time of emergency and disaster would insure adequate lifeboats, rafts, and belts, and would otherwise safeguard the lives of passengers and crew; which would extend the use of radio as a protection of life and as an aid to navigation; which would make the rules of navigation responsive to the use of modern ships and changed conditions; and which would contribute in their letter and spirit to the highest standards of safety for those going down to the sea in ships. The delegation encountered wide diversity of interest and opinion as to many of the subjects considered, but the deep sense of responsibility felt by all led to final agreements upon all matters included within the scope of the convention.

I am convinced that the purpose which animated the Government of the United States in participating in this conference has been realized. I believe the convention provides for the highest standards of safety which it is now practicable to bring forward for international adoption. It represents a marked advance over the present legal standards and practices of the world and in many and important particulars it has raised the standards of our own country.

Respectfully submitted.

WALLACE H. WHITE, Jr.
Chairman Delegation of the United States of America.

Exhibits: A. Instructions to delegates of the United States, March 28, 1929; B. Letter of March 14, 1929, from the President to the chairman of the delegation; C. International Convention for the Safety of Life at Sea, signed May 31, 1929.[1]

EXHIBIT A

INSTRUCTIONS TO DELEGATES

DEPARTMENT OF STATE,
Washington, March 28, 1929.

Hon. WALLACE H. WHITE, Jr., *Chairman,*
Mr. ARTHUR J. TYRER, *Vice Chairman,*
Mr. CHARLES M. BARNES,
Rear Admiral GEORGE H. ROCK,
Capt. CLARENCE S. KEMPFF,
Mr. DICKERSON N. HOOVER,
Mr. WILLIAM D. TERRELL,
Rear Admiral JOHN G. TAWRESEY,
Mr. HERBERT B. WALKER,
Mr. HENRY G. SMITH,
Capt. CHARLES A. MCALLISTER,

Delegates on the part of the United States of America to the International Conference for the Revision of the Convention of 1914 for the Safety of Life at Sea, to convene in London April 16, 1929.

SIRS: The International Conference on Safety of Life at Sea, to be held at London beginning April 16, 1929, to which you have been appointed as delegates on the part of the United States of America by the President, by commissions issued on February 16, 1929, and already delivered to you, has as its purpose the revision of the Convention of 1914 on Safety of Life at Sea.

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[1] As the text of the convention accompanied President's message of transmittal to the Senate, it is not here reprinted. For convention, vide ante, p. 5.

The convention of 1914 was drawn up at a conference held at London, November, 1913, to January, 1914, and was signed on January 20, 1914, by representatives of Germany, Austria, Belgium, Denmark, Spain, the United States of America, France, Great Britain, Italy, Holland, Norway, Russia, and Sweden. Japan was represented at the conference of 1913–14, but the delegation was appointed at a late date and was not authorized by the Japanese Government to vote in the conference or committees or to sign the convention.

The main provisions of the convention of 1914 relate to the safety of navigation by the destruction of derelicts, the study and observation of ice conditions, the maintenance of the ice patrol in the North Atlantic Ocean, to the construction of vessels, to radiotelegraphy, life-saving appliances and fire protection on vessels, and to safety certificates. The convention was ratified by some of the signatory States, but not by all of them. It was not ratified by the United States. Owing to the war and other causes, the convention was not brought into force completely as a convention in any country, though parts of it have been adopted and put into force by several countries under their national law. The regulations in section 14 of the act of the Congress of the United States, approved March 4, 1915 (38 Stat. 1164, 1170–1184), known as the La Follette Seaman's Act, follow almost verbatim Articles XXVII to LI of the regulations annexed to the convention of 1914, which have to do with "life-saving appliances and fire protection."

Notwithstanding the failure of the Government of the United States to ratify the convention of 1914, this Government undertook the direction of the services of derelict destruction, study and observation of ice conditions, and the international ice patrol in the North Atlantic, as it was invited to do by article 7 of the convention. Pursuant to an Executive order, these services are performed by the vessels of the United States Coast Guard, Treasury Department, under the direction of the Interdepartmental Board on International Ice Observation, Ice Patrol, and Ocean Derelict Destruction. Foreign nations contribute pro rata shares for the maintenance of the services.

The proposal for a conference to revise and amend the Convention of 1914 for the Safety of Life at Sea was made by the British Government in the autumn of 1927. By a note under date of September 30, of that year, the British ambassador at Washington transmitted to the Secretary of State a memorandum of suggestions for the revision of the convention of 1914, prepared by the British Board of Trade, inquired whether in the opinion of the Government of the United States the proposals in the memorandum formed a suitable basis for the discussion of the amendment of the convention of 1914, and requested an expression of the views of the Government of the United States as to the advisability of holding an international conference for the purpose of making such revision.

In the memorandum it was suggested that as a result of experience obtained by the maritime powers it might be advisable to modify the convention of 1914, and certain observations, based upon the experience of the British authorities, were submitted therein concerning proposed modifications. These proposals related to the following subjects: Subdivision of ships, life-saving appliances, wireless telegraphy, fire-extinguishing appliances, ice patrol, collision regulations.

The proposals received from the British ambassador were brought to the attention of the Departments of War, Navy, Treasury, Commerce, Agriculture, and Shipping Board for an expression of their views in regard to them. All the departments concurred in the view that the convention of 1914 required amendment, that the proposed conference was of vital interest to the United States, and that it should be represented at the conference by delegates, technical advisers, and other necessary personnel.

By a note dated January 23, 1928, the Secretary of State informed the British ambassador that the Government of the United States was in agreement with the British Government that consideration should be given to the revision of the convention of 1914 and suggested that, if it were decided to call a conference, it be called for a date in the spring of 1929, subsequent to April 1, in order to allow time for the making of adequate technical preparation on the various subjects which would be discussed.

On January 12, 1928, an interdepartmental committee was organized, composed of representatives of the Departments of State, Treasury, War, Navy, Commerce, Agriculture, and the United States Shipping Board, for the purpose of developing a plan of procedure with reference to preparation by the United States for participation in the proposed conference. At the second meeting of the interdepartmental committee, held on January 21, 1928, a resolution was adopted charging the Department of Commerce with the organization of technical committees to make the necessary preparatory studies and with the direction of the preliminary work. Under the direction of the Department of Commerce three principal technical committees with subcommittees were organized, as follows:

1. Ship construction committee:
   - A. Subdivision of ships.
   - B. Life-saving appliances.
   - C. Fire-extinguishing appliances.
2. Wireless telegraphy committee.
3. Navigation committee:
   - A. Ice patrol.
   - B. Meteorology.
   - C. Rules of the road.

Later an executive committee, having the Commissioner of Navigation as chairman, was organized to direct and correlate the work of the technical committees.

As a result of the studies made by the technical committees and on the recommendation of the executive committee and the Secretary of Commerce, the Secretary of State suggested to the British ambassador in a note of December 6, 1928, that the subject of stability be added to the agenda of the conference. The United States has not been informed as to the views of the Government of Great Britain or of the governments of other foreign countries in regard to this suggestion. The agenda, so far as the Government of the United States is now informed, consists, therefore, of the subjects originally proposed by the British Government, listed on the third page of this instruction, which are as follows: Subdivision of ships, life-saving appliances, wireless telegraphy, fire-extinguishing appliances, ice patrol, and collision regulations, with the possible addition of the subject of stability, as was suggested by the United States.

The technical committees have now made and filed their final reports, which are on the following subjects:

1. Subdivision of ships.
2. Life-saving appliances.
3. Fire-extinguishing appliances.
4. Wireless telegraphy.
5. Ice patrol and derelict destruction.
6. Meteorological reports.
7. Rules of the road.

Copies of each of these reports are herewith transmitted to you for your information and for your guidance in your capacity as delegates on the part of the United States.

Participation in the conference on the part of the United States was authorized by Public Resolution No. 70, Seventieth Congress, second session, entitled "Joint resolution providing for the participation by the United States in the International Conference for the Revision of the Convention of 1914 for the Safety of Life at Sea," approved December 7, 1928, which is as follows:

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the sum of $100,000, or so much thereof as may be necessary, is hereby authorized to be appropriated for the expenses of participation by the United States in the International Conference for the Revision of the Convention of 1914 for the Safety of Life at Sea, to be held in London, England, in 1929, including travel and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), compensation of employees, stenographic and other services by contract if deemed necessary, rent of offices, purchase of necessary books and documents, printing and binding, printing of official visiting cards, and such other expenses as may be authorized by the Secretary of State."

and by a provision in Public No. 1034, Seventieth Congress, second session, being an act entitled "An act making appropriations to supply urgent deficiencies * * * for the fiscal year ending June 30, 1929, and for other purposes," approved March 4, 1929, which is as follows:

"International Conference for the Safety of Life at Sea: For the expenses of participation by the United States in the International Conference for the Revision of the Convention of 1914 for the Safety of Life at Sea, as authorized by Public Resolution Numbered 70, approved December 7, 1928, including travel and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), compensation of employees, stenographic and other services by contract if deemed necessary, rent of offices, purchase of necessary books and documents, printing and binding, printing of official visiting cards, and such other expenses as may be authorized by the Secretary of State, $90,000, to remain available until June 30, 1930."

The formal invitation to the Government of the United States to send representatives to the conference was contained in a note of January 21, 1929, to the Secretary of State from the British ambassador, in which it was stated that the conference would convene in London on April 16, next. This invitation was accepted on behalf of the Government of the United States by the Secretary of State in a note of February 21, 1929, to the British ambassador. It is understood that the British Government also extended invitations to the several British Dominions, India, Belgium, Denmark, Finland, France, Germany, Italy, Japan, the Netherlands, Norway, Russia, Spain, and Sweden, and to the League of Nations advisory and technical committee for communications and transit, ad audiendum.

It is believed that the American delegation is in a well-fortified position in respect of the work of the conference. A thorough study of the situation has been made in the preparatory work. Concrete proposals which have the approval of all the American interests concerned, including the shipping and shipbuilding industries have been made in the reports of the technical committees. Congress has passed the load-line bill, which furnishes the necessary legislative authority for establishing standards of safety in the loading of vessels. The United States will not, therefore, be exposed to the criticism, heretofore sometimes made, of urging high standards and of subsequently not putting into effect such standards as were adopted.

The recent loss of the steamship *Vestris* has directed public attention to and has crystallized public opinion on the necessity for a high standard for safety at sea. The high standards of safety required of transportation facilities in the United States fortify the delegation in advocating high standards of safety at sea. To obtain acceptance of the high standards of the proposals brought forward in the reports of the technical committees will, it is believed, require determined and combined effort on the part of the American delegation. Decisions of the delegation should follow, as

far as practicable, the recommendations agreed to in the technical reports. Proposals leading to standards less high than the recommendations should be given most careful consideration and the delegation should not agree to them unless there is strong reason for so doing. Unanimity of view and of action on the part of the delegates is essential. In order that the influence of the American delegation may be effective, the individual delegates should be guided and abide by the majority decisions of the delegation, and individual opinions at variance with the delegation's decisions should not be expressed.

To assure that the American proposals are couched in well-chosen words which convey the exact meaning intended, it would appear that, except in informal committee discussions, such proposals, so far as practicable, should be prepared in advance of the occasion on which they will be used.

Important questions of policy and general principle not covered by the reports of the committees or the instructions to the delegation should be determined by vote of the delegation, or be made the subject of a request to the department for instructions.

The delegation has the responsibilities—

(1) To uphold the prestige and dignity of the Government of the United States;

(2) To obtain the highest practicable standard of safety at sea for American nationals traveling in ships flying the flags of foreign nations; and

(3) To obtain an international standard commensurate with the high standard of safety now being constructed into American vessels, in order that these vessels may not suffer in commercial competition with foreign competitors.

In a letter of March 14, 1929, to the chairman of the delegation, the President wrote:

"In connection with the International Conference for the Revision of the Convention for Safety of Life at Sea, which is to convene in London on April 16, it is my desire that the American delegation urge the international acceptance of the highest practicable standards in the various fields which affect the safety of lives of American citizens and of American vessels at sea. This is a matter of great importance to the shipping industry in this country, and is a matter of even greater importance to American citizens who are engaging in ocean voyages in increasing numbers.

"The recommendations which have been made by the technical committees organized by the Department of Commerce constitute, I am advised, a substantial basis for proposals by the United States at the forthcoming conference, and can be urged with the full assurance that the administration will do all in its power to place such standards into full effect in the event that they are incorporated in an international agreement."

You will consider that provision should be made in the convention stipulating for subsequent conferences to consider improvements which may be suggested by invention or with reference to the adoption of such improvements by individual nations before they can be made a matter of conventional agreement.

If you deem it advisable to do so, you are authorized to arrange for preliminary and informal consultation with your colleagues of other nations, in order that those standards in regard to safety of life at sea which are held in common may be supported, if possible, with the weight which would naturally result from united effort.

It has been observed that the London treaty of 1914 is in the French language only. At the Conference for the Limitation of Armament held at Washington in the winter of 1921–22, both French and English were made official languages of the conference and the treaties adopted were signed in the two languages. The treaties signed at the Peace Conference at Paris likewise were signed in English as well as French. Moreover, French and English were made the official languages of the League of Nations, and it is my understanding that all international acts signed under the auspices of the league are in the two languages. It would seem to be desirable that English as well as French should be the official language of the Conference on Safety of Life at Sea, not only as a compliment to the British Government, in whose territory the conference is held, but also because of the richness of the English language in commercial and nautical terminology. For the same reasons it is believed that any convention or other instrument signed at the conference should be signed in English as well as in French. As, however, the conference will be held at London, it would seem to be more appropriate for the British delegates to make proposals in regard to this matter. You may confer with them informally concerning it, and should they propose to the conference the adoption of English as an official language of the conference, you will give the proposal your support.

You will be assisted in your work at the conference by the following technical assistants: Lieut. Commander E. L. Cochrane, Commander C. M. Austin, Capt. W. E. Griffith, Mr. A. J. Smith, Mr. J. F. MacMillan, Mr. David Arnott, Mr. Edgar B. Calvert, Capt. N. B. Nelson, Lieut. E. M. Webster, and Mr. J. C. Niedermair.

Mr. Vinton Chapin, Foreign Service officer, has been detailed from the State Department as Secretary to the delegation.

There is inclosed the President's instrument conferring upon you, jointly and severally, plenary powers to negotiate, conclude, and sign a convention revising the Convention of 1914 for the Safety of Life at Sea. This instrument should be deposited with the secretariat of the conference or the committee on credentials, whichever may be the procedure adopted.

Doubtless questions which are not definitely covered in the reports of the technical committees or in these instructions will arise at the conference, both in regard to technical subjects and in regard to matters of policy. In respect of the decisions to be made and the action to be taken on such questions, reliance is placed to the fullest extent on the experience and judgment of the delegation. While it is not desired to discourage the delegation from requesting specific instructions from the Government when such instructions are necessary, it is desired that requests for instructions other than requests merely for information which the delegation may not have in its possession should, in order to avoid the delay incident to communication between the delegation and the Government, be limited as much as possible.

Expressing the hope that your mission and its duties may be pleasant and the results gratifying to yourselves, your colleagues, and the Government and people of the United States.

I am, sirs,

Your obedient servant,

FRANK B. KELLOGG.

EXHIBIT B

LETTER FROM THE PRESIDENT

THE WHITE HOUSE,
Washington, March 14, 1929.

MY DEAR CONGRESSMAN WHITE: In connection with the International Conference for the Revision of the Convention for Safety of Life at Sea, which is to convene in London on April 16, it is my desire that the American delegation urge the international acceptance of the highest practicable standards in the various fields which affect the safety of lives of American citizens and of American vessels at sea. This is a matter of great importance to the shipping industry in this country, which is now entering a new phase of development, and is a matter of even greater importance to American citizens who are engaging in ocean voyages in increasing numbers.

The recommendations which have been made by the technical committees organized by the Department of Commerce constitute, I am advised, a substantial basis for proposals by the United States at the forthcoming conference, and can be urged with the full assurance that the administration will do all in its power to place such standards into full effect in the event that they are incorporated in an international agreement.

Faithfully yours,

HERBERT HOOVER.

HON. WALLACE H. WHITE, JR.,
Care of the Department of State.

EXHIBIT C

INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA, SIGNED MAY 31, 1929

As the text of the convention accompanied President's message of transmittal to the Senate, it is not here reprinted. For convention, vide ante, page 5.

Mr. PITTMAN. Mr. President, I wish to make a brief statement with regard to this treaty, which I consider one of the most important ever brought before the Senate.

Many of the disastrous shipwrecks which have occurred in the last few years, with tremendous loss of life, would probably not have occurred if the regulations provided in the pending treaty had been in force at that time. The treaty was executed by all the great maritime powers over 7 years ago and it has been ratified by nearly all of the powers except the United States.

We have attempted in the committee session after session of Congress to reach an agreement with regard to the ratification of the treaty. I may say that every member of the committee realized the vital importance of the Convention, and sought industriously to have it ratified.

There was a controversy, however, a sincere controversy, which prevented a sufficient agreement to justify the committee in reporting the convention until now.

There were members of the committee who feared that certain language in the treaty might subsequently be construed to repeal certain provisions of the La Follette Seamen's Act. Mr. Furuseth, who for years fought for that act, which was sponsored and placed on the statute books by the father of our present colleague, the senior Senator from Wisconsin [Mr. LA FOLLETTE], felt that way about it, and he was advised by certain attorneys that he was correct. I may say that I did not concur in that opinion. I do not believe that most of the Senators concurred in the opinion held by Mr. Furuseth and the attorneys. Yet it did involve a vital question. Finally, at the last session, the committee appointed a subcommittee to go particularly into the legal question, and, if possible, to settle the doubt for all time.

The senior Senator from Wisconsin was chairman of the subcommittee; the Senator from Maine [Mr. WHITE], who participated in the making of the treaty in 1929, was a

member of the subcommittee; and I think the junior Senator from Wisconsin [Mr. DUFFY], the present occupant of the chair, was a third member of the subcommittee.

I wish to state that two of the members of the subcommittee held the view which I held—that there was no repeal in any sense of the word of the La Follette Seamen's Act involved in this treaty. The senior Senator from Wisconsin [Mr. LA FOLLETTE] is here, and will speak for himself. He thought it might in some particulars repeal the Seamen's Act.

After a thorough investigation the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Maine [Mr. WHITE], who represented the opposite sides in the matter, agreed on three reservations which protect every interest under the treaty. Personally, I think they are interpretative reservations. They do not in any sense change my views of the treaty as it was. On the other hand, they remove any doubt, I understand, which the Senator from Wisconsin had.

Considering this treaty to be of vital importance to humanity, I have taken the liberty to bring it up at this time.

Mr. LA FOLLETTE. Mr. President, after long hearings before the subcommittee we have finally come to an agreement on this treaty. On the one hand, as has been indicated by the Senator from Nevada [Mr. PITTMAN], the distinguished chairman of the Committee on Foreign Relations, there were those who felt that the treaty contravened certain provisions of the Seamen's Act. On the other hand, the proponents of the treaty contended that the treaty did not contravene the Seamen's Act. Finally, as a result of long and protracted negotiations, we have worked out reservations which, in my opinion, express the point of view of those who were apprehensive concerning the effect of the treaty upon the Seamen's Act and those who contended that the treaty did not in anywise contravene or abrogate sections of the Seamen's Act.

I may say that from the beginning of this long controversy all persons concerned were interested, naturally, in the protection of life at sea. So, I believe that at the end of this period of deliberation we have formulated reservations or interpretations which express the point of view of those who were advocates of the treaty and those who were apprehensive concerning its effect upon existing law.

Therefore, I hope that the treaty may now be ratified with the reservations.

Mr. BORAH. Mr. President, I have no objection to the reservations, and I am very anxious to see the treaty ratified. I express the same view expressed by the chairman of the committee, that the treaty did not in the first instance contravene the terms of the Seamen's Act. But there were those who thought it did, and I think all possible doubt has been removed by the reservations.

It will be remembered that the treaty was once reported to the Senate, and it was reported upon the theory that it did not contravene the Seamen's Act. But there were those who became somewhat restless for fear that it did. It went back to the committee, and after long investigation and consideration three interpretive reservations have been worked out.

I have no objection to the reservations, and I am anxious to see the treaty ratified.

Mr. ROBINSON. Mr. President, I merely rise to say that my studies of this treaty and of the subject matter have led me to the conclusion that the treaty contemplates a wholesome arrangement for bringing about safety at sea, and I hope the treaty may be ratified.

Mr. SHIPSTEAD. Mr. President, in view of the many disasters at sea which have taken place in recent history, I feel it my duty to state that treaties for safety at sea and legislation to promote safety at sea are worthless, like any other treaties or legislation, unless they are enforced. The recent investigation into the inspection service under the Department of Commerce shows that that service is in a disgraceful condition, which should not be tolerated by any nation on the face of the earth. While we pass legislation to promote shipping and negotiate treaties to promote safety at sea, and appropriate money for the inspection of vessels and the operations of ships at sea the evidence shows that ships are operated while in an unsafe condition; that the crews are very often incompetent, and thousands of people lose their lives as a result of such conditions.

The La Follette Seamen's Act has never been enforced by the executive departments of the Government since it was passed. If it had been I am confident that our shipping and our maritime commerce would have been in better condition than it now is.

Mr. COPELAND. Mr. President, for years I have been impatient because this treaty has not been ratified. The Senator from Idaho [Mr. BORAH] who for a long time was chairman of the committee, I think was annoyed by my importunities, as his successor has been. I have long felt that it was really disgraceful to our country that we have not joined with other nations in this laudable effort to get safety at sea. I said yesterday in all sincerity in speaking on the subsidy bill that if I could have any monument erected to my memory I would want no finer monument than the seamen's act which was enacted through the energy and ability of the late Senator from Wisconsin, the father of the present senior Senator from that State [Mr. LA FOLLETTE]. I feel with the Senator from Minnesota that it has been very unfortunate that in this country we have failed to keep abreast of other countries. We would never have failed if the La Follette Seamen's Act had been strictly enforced. That was not done. However, in the Committee on Commerce we have tried during the past year to bring before the Senate and have brought here a number of bills seeking to carry out what this treaty in its spirit and letter would impose upon our country.

Nobody has for a moment desired to have anything happen to set aside the La Follette Act. Everybody has been in agreement that nothing should be done to interfere with that act. Now with this treaty before us and the reservations added to it, there can be no question that the Seamen's Act will be preserved in its entirety.

I congratulate the Foreign Relations Committee that it has determined to bring forward this treaty, that after 7 years at last the matter is presented for action here. I am confident that this will be a red-letter day in the maritime history of America by reason of the adoption of this treaty.

Mr. VANDENBERG. Mr. President, the junior Senator from Maine [Mr. WHITE], while he was a Member of the House, was one of the negotiators of this treaty. He is absent this evening, but I have been in touch with him, and I desire to state for the RECORD that he is in complete agreement with the reservations which have been submitted, and I think it is the final justification for Senate approval of the treaty that the able junior Senator from Maine is in complete agreement with the program as it now impends.

The PRESIDING OFFICER. If there be no amendment, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification, with the reservations reported by the committee, will be read.

The Chief Clerk read as follows:

Resolved (*two-thirds of the Senators present concurring therein*), That the Senate advise and consent to the ratification of the International Convention for Promoting Safety of Life at Sea, signed at London, May 31, 1929, subject to the following understandings:

(1) That nothing in this convention shall be so construed as to authorize any person to hold any seaman, whether a citizen of the United States of America or an alien, on board any merchant vessel, domestic or foreign, against his will, in a safe harbor within the jurisdiction of the United States of America, when such seaman has been officially admitted thereto as a member of the crew of such vessel or to compel such seaman to proceed to sea on such vessel against his will;

(2) That nothing in this convention shall be so construed as to nullify or modify section 4 of the Seaman's Act approved March 4, 1915 (38 Stat. 1164), as interpreted by the Supreme Court of the United States in *Strathearn* v. *Dillon* (252 U. S. 348); and

(3) That nothing in this convention shall be so construed as to prevent the officers of the United States of America who exercise the control over vessels provided for in article 54 from making such inspection of any vessel within the jurisdiction of the United States as may be necessary to determine that the condition of the vessel's seaworthiness corresponds substantially with

the particulars set forth in its certificate; that the vessel is sufficiently and efficiently manned, and that it may proceed to sea without danger to either passengers or crew, or to prevent such officers from withholding clearance to any vessel which they find may not proceed to sea with safety, until such time as any such vessel shall be put in condition so that it can proceed to sea without danger to the passengers or crew.

The PRESIDING OFFICER. The question is on agreeing to the reservations to the resolution of ratification.

The reservations were agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification, as amended by the reservations. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification, as amended by the reservations, is agreed to, and the treaty is ratified.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Wainwright Abbott, of Pennsylvania, to be consul of the United States of America.

The PRESIDING OFFICER. Without objection the nomination is confirmed.

PUBLIC WORKS ADMINISTRATION

The Chief Clerk read the nomination of Frank M. Keller to be State engineer inspector for the Public Works Administration in Colorado, Utah, and Wyoming.

The PRESIDING OFFICER. Without objection the nomination is confirmed.

PUBLIC HEALTH SERVICE

The Chief Clerk read the nomination of Passed Asst. Surg. Erval R. Coffey to be surgeon.

The PRESIDING OFFICER. Without objection the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters on the calendar.

Mr. McKELLAR. I ask that the nominations of all postmasters on the calendar be confirmed en bloc, except that of Otto Engel, at Kenmare, N. Dak., which I ask be re-referred to the Committee on Post Offices and Post Roads.

The PRESIDING OFFICER. Without objection, the nominations of postmasters on the calendar, with the exception of Otto Engel, to be postmaster at Kenmare, N. Dak., will be confirmed en bloc, and the excepted nomination will be re-referred to the Committee on Post Offices and Post Roads.

IN THE ARMY

Mr. SHEPPARD. Mr. President, there are certain nominations in the Army on the desk which were reported today. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Army will be confirmed en bloc.

Mr. SHEPPARD. I ask that the President be notified of the confirmation of the nominations in the Army.

The PRESIDING OFFICER. Without objection, the President will be notified.

LEGISLATIVE SESSION

Mr. ROBINSON. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE GRAZING ACT

Mr. ASHURST. Mr. President, upon the call of the calendar yesterday I objected to Order No. 2500, House bill 10094, the so-called Grazing Act. I have now had an opportunity to examine the bill, and I withdraw my objection.

D. E. WOOLDRIDGE

Mr. BLACK. From the Committee on Claims, I report the bill (H. R. 3943) for the relief of D. E. Wooldridge.

Mr. BARKLEY. Mr. President, I ask unanimous consent for the present consideration of House bill 3943, for the relief of D. E. Wooldridge, which has just been reported from the Committee on Claims.

Mr. McNARY. Mr. President, let the clerk report the bill.

The PRESIDING OFFICER. The clerk will report the bill by title.

The CHIEF CLERK. A bill (H. R. 3943) for the relief of D. E. Wooldridge.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. McNARY. Mr. President, what is the reason for the emergency?

Mr. BARKLEY. This is a House bill proposing to pay the former county attorney of Oldham, Ky., $1,000 in lieu of all claims against the Government by reason of an injury which he sustained in a raid against moonshiners and bootleggers in La Grange, Ky. The facts of the situation are that Federal agents went out to this place and solicited the assistance of the county attorney and the county judge in making a raid in which they discovered large quantities of moonshine liquor.

The liquor was on the second floor of the residence of the person charged with its manufacture. In throwing the liquor out from the second floor down to the ground a 10-gallon keg was thrown on the head of the county attorney, who was assisting in the raid. It injured him so badly he had to remain in the hospital for 2 months, and he expended approximately a thousand dollars for medical and hospital assistance and was unable to transact any business for many months. The bill simply compensates him for the actual money he spent in attempting to recover. The House has passed the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 3943) for the relief of D. E. Wooldridge was considered, ordered to a third reading, read the third time, and passed.

Mr. BONE. Mr. President, if I am a filibuster, I think I can justly claim to be the most amiable filibuster the Senate has seen in many days.

Mr. BARKLEY. I thank the Senator for the opportunity he gave me to aid him in his filibuster.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Idaho?

Mr. BONE. Certainly.

Mr. BORAH. I think that the Senator from Kentucky overlooked a point which he should explain. What became of the liquor? [Laughter.]

Mr. BONE. I do not know that I can yield for an explanation of that kind. [Laughter.]

Mr. BARKLEY. I shall be glad to explain privately to the Senator from Idaho if he is interested. [Laughter.]

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills and joint resolutions of the Senate:

S. 4390. An act to amend the National Defense Act relating to the Medical Administrative Corps;

S. 4567. An act to authorize the Secretary of Agriculture to extend and renew for the term of 10 years a lease to the Chicago, Milwaukee & St. Paul Railway Co. of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, and for a right-of-way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 9, 1926;

S. 4786. An act to authorize the Secretary of Agriculture to make such adjustments and revisions found to be due on contracts entered into by the Government with crop producers under the Agricultural Adjustment Act;

S. J. Res. 277. Joint resolution to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery; and

S. J. Res. 291. Joint resolution amending section 11 of the Soil Conservation and Domestic Allotment Act.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing

votes of the two Houses on the amendments of the Senate to the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes, and that the House had receded from its disagreement to the amendment of the Senate numbered 281 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate.

DEPARTMENTS OF TREASURY AND POST OFFICE APPROPRIATIONS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes.

Mr. BONE. Mr. President, among the other Members indicted by the gentlemen who had been hired by the shipbuilding companies of the United States to break up the conference at Geneva and incidentally to help put over the bill under which the ship mail subsidies were accomplished, were my former colleague, former Senator Dill, of Washington; the Senator from Montana [Mr. WHEELER]; the eminent and able and intelligent Senator from Arizona [Mr. ASHURST]; the Senator from Wisconsin [Mr. LA FOLLETTE]; former Senator Brookhart, of Iowa; the Senator from Nebraska [Mr. NORRIS]; the Senator from Minnesota [Mr. SHIPSTEAD]; and former Senators Johnson, of Minnesota; Ralston, of Indiana; and Howell, of Nebraska.

Mr. President, if I were an artist with a thousand eyes and to each eye I were able to glue a compound microscope and look around for a thousand years, I probably never would be able to find the answer to the problem of what these men ever did that stamped them as Communists in the eyes of this superheated patriot who had been hired by the shipbuilding interests. Mr. President, what do you think these men had done or had had done to them that brought this outburst from Mr. Shearer?

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Arizona?

Mr. BONE. Certainly.

Mr. ASHURST. Since the Senator has mentioned my name, permit me to say that possibly I was cataloged as a Communist because I have no quarrel with the Supreme Court of the United States when it declares acts to be void, which acts the Constitution gives Congress no power to pass.

Mr. BONE. The Senator is wholly in error. The Senator's offense was the offense that he had been endorsed for election by the Conference for Progressive Political Action. I hope my able friend from Arizona will appreciate this. The offense these Senators had committed was in being endorsed for election by the Conference for Progressive Political Action. The grizzly secret is out at last. The Conference for Progressive Political Action has as one of its leading members the Railway Brotherhood of America; so I want my brethren to understand that if so un-American, bolshevistic, communistic, seditious an organization as the Railroad Brotherhood of America dare to put the stamp of their approval upon your candidacy, that moment you become a Communist in the eyes of the gentleman who represented the Big Three of the shipbuilding interests of the United States.

My friend the Senator from Missouri [Mr. CLARK] has averted to another matter which is very interesting and which, I am sure, will prove interesting to Members of the Senate, because this is all tied in with the merchant-marine matter, all a part and parcel of the history of the merchant-marine legislation of the United States. This same William B. Shearer, known as the "big bass drum of Geneva"——

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. CLARK. That was the name which he bestowed upon himself. He so admitted in evidence, and it appeared later he was authorized and empowered to go to the Geneva Conference as the representative of the Big Three of the Shipbuilding Trust, and also, according to his own testimony, that before he went to Geneva he had received the secret code of the Navy Department and claimed he had been furnished that personally by the Chief of the Bureau of Navigation of the United States Navy.

Mr. BONE. The Senator from Missouri is correct. Shearer testified that the Navy Department had given him highly confidential documents of the Navy which he might take to Europe. When the question was asked as to who this man was, the fact is that he was evidently so well regarded at one time that naval officials were entrusting him with secret documents of the Navy Department and he was permitted to carry them to Europe and there identify himself to the secret agents of the United States Government and to speak, apparently, in an unofficial way for the United States Government.

Whether he be right or wrong, Mr. Shearer was a violent opponent of the League of Nations and the World Court, and I would be the last person in the world to challenge that he had a right to cherish that viewpoint and to feel that his opposition to the World Court and League of Nations was entirely justified. I voted against adherence to the World Court in this body and I can find no reason in my own heart to criticize Mr. Shearer for voicing, in part, the opposition to the World Court which I myself feel.

But Mr. Shearer had a few years ago written a pamphlet. The title he gave his pamphlet was "The Cloak of Benedict Arnold." This merely reflects the intemperance of utterance of those who do not like criticism of this ship mail-subsidy program, the program of profit of the shipbuilding interests of this country who have so vigorously and viciously fought the expansion of the Government navy yards and attempts on the part of some of us to expand those publicly owned agencies so useful in the matter of national defense.

In this pamphlet entitled "The Cloak of Benedict Arnold", Mr. Shearer, the "big bass drum of Geneva", the man who sits in criticism of and judgment upon those who dare differ with him, had qualified numerous prominent American citizens as undesirables. It would not be of much importance if I were merely quoting some utterly obscure citizen, but this man had been trusted by the biggest business organization in the United States, the so-called Big Three, the three great, massive shipbuilding enterprises of the United States. He had been their trusted, confidential agent. He had apparently, according to his own statement, been the trusted and confidential agent of the Navy Department of the United States.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BONE. Certainly.

Mr. CLARK. It seems to me the subject being discussed by the Senator is of such great importance that there ought to be a quorum present. Will the Senator yield to me to enable me to suggest the absence of a quorum?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Missouri for that purpose?

Mr. BONE. Certainly.

Mr. CLARK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Lewis	Reynolds
Ashurst	Connally	Loftin	Robinson
Bachman	Copeland	Lonergan	Russell
Bailey	Davis	McAdoo	Schwellenbach
Barkley	Dieterich	McGill	Sheppard
Benson	Duffy	McKellar	Shipstead
Bilbo	Frazier	McNary	Smith
Black	George	Maloney	Steiwer
Bone	Gerry	Metcalf	Thomas, Okla.
Borah	Gibson	Minton	Thomas, Utah
Brown	Glass	Moore	Townsend
Bulkley	Guffey	Murphy	Truman
Bulow	Hale	Murray	Tydings
Burke	Harrison	Neely	Vandenberg
Byrd	Hastings	Norris	Van Nuys
Byrnes	Hatch	Nye	Wagner
Capper	Hayden	O'Mahoney	Walsh
Caraway	Holt	Pittman	Wheeler
Carey	King	Pope	
Chavez	La Follette	Radcliffe	

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present.

Mr. BONE. Mr. President, I desire to proceed with the disclosure about the patriotic gentleman who seems to have done quite a little of boring from within in his relations both to big business and to our own Federal Government.

When Mr. Shearer was on the witness stand, I asked him this question:

Let us go ahead with this disclosure. Why would the Navy Department of the United States turn over to a private citizen employed by private shipbuilding companies, subsequently at least, a book which contained confidential United States Navy matter and, as you say, send it to you through the open mail, and there was no definite understanding with you in advance that you were to receive that highly confidential information, which, if put in the hands of one of these newspapermen, for instance, would constitute a crime, and even Senators probably could not get it; how did you get it?

Then Mr. Shearer made a somewhat evasive answer, and I suggested to him that he had not answered my question as to how he could get information which a private citizen could not secure without probably committing a criminal offense; and Mr. Shearer's answer was:

Because my record is known in the Navy Department; that I have been a champion of national defense. It is reflected in everything I have said and written, and they have had the acid test put on me, and they know I will run true to form for the national defense.

While Mr. Shearer was presuming to speak for the Navy Department of the United States, claiming to have in his possession confidential documents of the Navy Department relating to the national defense, hired by private shipbuilding interests which were to benefit inordinately in the way of financial profits from the merchant-marine program then in contemplation, Mr. Shearer wrote a book or a pamphlet called the Cloak of Benedict Arnold.

In the year 1928 Mr. William B. Shearer copyrighted this remarkable book. In that book he cataloged and listed numerous prominent American citizens whom he classified as unpatriotic; in fact, as being disloyal to the Republic. So I took Mr. Shearer's book and started to read these names to him, and asked him in each instance if he cataloged these prominent American citizens as unpatriotic and disloyal; in other words, as Communists, according to his own theory.

Now let me read to the Members of the United States Senate the names of those whom Mr. Shearer, the acclaimed representative of the Navy Department, the open and avowed and highly paid representative of the big private shipbuilding interests that fought to the bitter death every effort to expand our navy yards, so that they themselves could build battleships for us at the flossy and fancy prices they exacted from the Government. Let me read the names of the men whom this man Shearer indicted as traitors to their country by calling them unpatriotic citizens. The first on the list was Newton D. Baker. The next was Dr. Harry A. Garfield, son of the martyred President. I said to him, "Well, is not that an astounding statement for you to make?" He replied, "Incidentally, Senator, that is a little bit of plagiarism on my part, taken from the Hearst papers." I said, "You claim to be an author, do you not?" He said, "I simply copied it. It is a little plagiarism."

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. CLARK. It was later in evidence that this gentleman was paid some $5,000 by the Shipbuilding Trust for going out on the Pacific coast and discussing with Mr. Hearst the possibility of exposing a so-called British plot against the safety of the United States.

Mr. BONE. That is correct.

Another outstanding American inviting the wrath of this superpatriot and indicted by him was Dr. Ellen Pendleton, president of Wellesley College. I ask if he considered Dr. Pendleton unpatriotic, and he had to admit that he did.

Ralph Pulitzer, of the New York World; Chester Rowell, of California; Henry Taft——

Mr. McKELLAR. I ask for order, Mr. President.

The PRESIDING OFFICER. The Senate will be in order, and Senators will refrain from conversation.

Mr. BONE. Mr. President, the last nominee for the hall of infamy was Mr. Henry Taft. The next victim of the spleen of this patriotic gentleman was Mrs. Frank W. Vanderlip. When I asked him if he regarded Mr. Henry W. Taft as unpatriotic, too, he suggested that, since his name was in the book, he probably was in that category. He suggested that there were also names which he wanted me to read from the Department of Justice records.

Again I wish to say that running all through is the inference and implication and sometimes the flat assertion that those who presumed to differ with this gentleman's ideas were unpatriotic.

Going further down the list of those being indicted by Mr. Shearer we find the name of George W. Wickersham, former Attorney General of the United States. Dr. Mary Woolley, of Mount Holyoke College, was also unpatriotic. Colonel House was equally bad. Harvey Ingham, of the Des Moines State Register; Harold B. Johnson, editor of the Watertown, (N. Y.) Times, that splendid, outstanding daily; Tom Wallace, of the Louisville Times-Courier. I have never been able to understand how a newspaperman could be unpatriotic, but apparently Mr. Shearer has made that startling discovery.

Mr. President, it is very interesting to note that this representative of big business, this representative of shipbuilding interests, this representative of the chief beneficiaries of the Jones-White Act, cataloged under the title "Knaves or Fools" all these brilliant and outstanding Americans, whose achievements will be remembered when the name Shearer is forgotten. They were all cataloged in this remarkable book paid for and circulated by the private shipbuilding trust of this country, under the title "Knaves or Fools." Prominent in the list of names under that caption appears the name of Franklin D. Roosevelt.

Mr. President, further inquiry concerning this journalistic atrocity, called the "Cloak of Benedict Arnold", reveals the fact that the authorship of this pamphlet was one of the items of the claim that Mr. Shearer made against the three shipbuilding companies in the bill of particulars furnished, I think it was, in a suit that he brought. Mr. Shearer mentioned the cloak of Benedict Arnold. He had received money from them to pay the printer, and had launched his indictment against this great list of eminent Americans who had achieved outstanding success in their chosen professions by indicting them as knaves or fools.

Mr. President, this man merely exemplifies what I have said frequently here that there is no restraint whatever upon the tongue of those who object to just criticism leveled at the practices that went on under the Jones-White Act.

President Roosevelt had been an outstanding advocate of a big navy. In spite of that fact, the President was indicted by this man under that shameless caption. Mr. Shearer wound up his remarkable indictment by referring to the American people as "slaves."

Mr. President, it is not pleasant to indict Mr. Shearer, but I feel compelled to do so because of the man's lack of restraint in characterizing decent, clean, fine, upstanding American citizens, men who have achieved outstanding success in their profession, men who have honored and graced this presence, as being unworthy to wear the toga of citizenship.

THE TREASURY AGENCY SERVICE

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. COPELAND. I wish to make another effort to obtain action on House bill 12556, relating to the creation of the Treasury Agency Service. I ask unanimous consent that the Senate proceed to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

Mr. O'MAHONEY. Mr. President, I desire to offer an amendment to the bill, and I request that it be stated.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none. The clerk will report the bill by title.

The CHIEF CLERK (reading):

A bill to create the Treasury Agency Service, to provide for the more adequate protection of the revenue and a more effective enforcement of the revenue and other laws administered by the Treasury Department, and for other purposes.

Mr. BONE. Mr. President, I must object to the consideration of the bill.

The PRESIDING OFFICER. Objection is heard.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BONE. My mind is fully made up as to this bill.

Mr. O'MAHONEY. Will the Senator yield?

Mr. BONE. I yield.

Mr. O'MAHONEY. I ask that the clerk may read the amendment which I have offered to the bill and which has not been called to the attention of the Senator from Washington.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. O'MAHONEY. Mr. President, I am asking that the amendment be stated in order that the Senator from Washington may be advised as to what it is before the unanimous-consent request is submitted.

The PRESIDING OFFICER. Is there objection to the reading of the amendment? The Chair hears none, and the clerk will state the amendment.

The CHIEF CLERK. It is proposed, on page 1, lines 8 to 10, and on page 2, lines 1 to 5, to strike out the second sentence of section 2 (a) and to insert in lieu thereof the following:

There shall be appointed by the President, by and with the advice and consent of the Senate, a director of the Treasury Agency Service, who shall receive a salary of $10,000 per annum, and who shall perform such duties in connection with the supervision and coordination of the activities of the Treasury Agency Service as the Secretary of the Treasury may from time to time assign: *Provided*, That none of the provisions of this act shall be construed to relieve the Department of Justice, or any bureau, subdivision, or officer thereof of any authority, responsibility, or jurisdiction now vested in or imposed on such department, bureau, subdivision, or officer.

Mr. McNARY. Mr. President, is the request to consider the bill and the amendment?

The PRESIDING OFFICER. The request is to lay aside temporarily the pending business, and to consider the bill.

Mr. McNARY. An amendment is proposed to the bill?

The PRESIDING OFFICER. The Senator from Wyoming has offered an amendment.

Mr. McKELLAR. Mr. President, I cannot agree that the pending business be laid aside.

The PRESIDING OFFICER. Objection is heard to the present consideration of the bill.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 5) to prevent the adulteration, misbranding, and false advertising of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CHAPMAN, Mr. COLE of Maryland, Mr. KENNEY, Mr. REECE, and Mr. WOLFENDEN were appointed managers on the part of the House at the conference.

MEETING OF CONFEREES ON FOOD AND DRUG BILL

Mr. COPELAND. I ask that the conferees on the food and drug bill meet in the Commerce Committee room at 9 o'clock tomorrow morning.

INVESTIGATION OF THE MUNITIONS INDUSTRY (PT. 7, REPT. NO. 944)

Mr. NYE. Mr. President, I ask the privilege of submitting from the Special Committee on Investigation of the Munitions Industry its seventh report. This report deals with Government manufacture of munitions. I ask that it may be printed.

I should like to add for the information of the Senate that this is the seventh report to go to the printer, and by joint action of the two Houses of Congress a print of 44,000 copies of each report has been authorized. As soon as the print is available distribution will be made in keeping with the request made by the individual Members of the House and of the Senate, and that distribution can be expected within the next 2 weeks.

For the further information of the Senate, that there may be clearer identity of the various reports the committee has made, permit me to say that the first report is one on war profits; the second one is on the shipbuilding industry; the third report is on the munitions companies' activities; the fourth report is on the War Department mobilization bill; the fifth report has to do with existing legislation involving embargoes and neutrality acts; the sixth report is on banking relations; and now the seventh report has to do with Government manufacture of munitions.

The PRESIDING OFFICER. Without objection, the report will be received and printed.

ADDITIONAL REPORT OF A COMMITTEE

Mr. KING, from the Committee on the District of Columbia, to which was referred the bill (H. R. 12681) to amend section 1 of the act of Congress entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, the United States Park Police force, and the Fire Department of the District of Columbia", approved May 27, 1924, and for other purposes, reported it without amendment and submitted a report (No. 2451) thereon.

INTERNAL REVENUE TAXATION—CONFERENCE REPORT

Mr. KING submitted the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes, which was ordered to lie on the table.

(For conference report see House proceedings of this date, p. 10257.)

DEPARTMENT OF TREASURY AND POST OFFICE APPROPRIATIONS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes.

Mr. BONE. Mr. President, let me give the Senate just one illustration, before I conclude, of the outcome of the thing which Mr. Shearer and his associates were able to put over so successfully on the passage of the act to which I have been referring, under which these great subsidies were paid to private steamship lines in this country.

Out of the records of the committee which investigated ocean- and air-mail contracts there appears a study of the salaries and expenses paid to Henry Herberman by the Export Steamship Corporation and the Steers Terminal Co., a 100-percent subsidiary of the Export Steamship Corporation.

Let me say that when all these Americans were indicted and when all this frenzied effort was made to get this bill through, the men who were so eager to put it through were the men who accomplished something of this kind. It was never contemplated by Members of the Congress that steamship companies would be able to organize, as they did organize, subsidiary companies into which were siphoned the profits which, had they been shown on the books of the steamship companies getting the subsidies, would have been so outrageous in their size as immediately to have challenged the attention of the Congress. It was not until the Black Committee delved into the matter that the facts became known.

Here is a 100-percent subsidiary of the Export Steamship Corporation, and here is one of the salaries they paid. Forty-five thousand four hundred dollars was paid in 1926 to Mr. Herberman, who was allowed that year expenses by this subsidiary of over $66,000, or a total of $112,000 plus.

In 1927 the president of this little subsidiary of the Export Steamship Corporation took $50,000 in salary and over $77,000 in expenses, or a total in 1 year of over $127,000 siphoned out of this steamship company into the coffers of the subsidiary, a terminal company, and all realized out of subsidies.

In 1928 the going was a little better, the plucking a little better, and he took a salary from this subsidiary of $125,000, and expenses of over $96,000, or a total of over $221,000 in 1 year. Congress had been induced to pass legislation under which such things as that were accomplished.

In 1929 a salary of $77,500 was taken and expenses of over $65,000, amounting in all to over $143,000 in 1 year.

In 1930, the year of the great depression, this man took $75,000 in salary and over $49,000 in expenses, or a total of over $124,000.

In 1931, the year when millions of Americans walked the streets vainly begging for jobs, out of the Treasury of the United States, out of the money wrung from the taxpayers of this country, this man at the head of this little subsidiary of the Export Steamship Corporation is shown by the record to have taken $60,400 in salary and over $48,000 in expenses, or a total of $108,460.

No wonder these men wanted to put over a program of that kind. No wonder they were willing to hire a man of the type of Mr. Shearer to come to Washington, along with others, and put through a program which resulted in such outrageous and outstanding salaries to the heads of subsidiaries of steamship companies which were in on the heavy "sugar" which we called subsidies.

RECORD OF THE POST OFFICE DEPARTMENT UNDER JAMES A. FARLEY

Mr. McKELLAR. Mr. President, during the last 3 years the Post Office Department has made such a splendid record that I feel that before the Congress adjourns there ought to be some statement made of its accomplishments.

Postmaster General James A. Farley, who became a member of President Roosevelt's Cabinet on March 4, 1933, is one of the few Postmasters General in the history of the Post Office Department who has succeeded in administering the Postal Service on a self-sustaining basis with respect to that part of the Department's services which are rendered to the public for hire.

Confronted when he took office with a net postal deficit which for the fiscal year ending on June 30, 1932, reached the staggering total of $153,581,408, Mr. Farley in the first 4 months of his administration reduced the postal deficit by more than $100,000,000. For the first full year of his administration Postmaster General Farley, through wise business management and the practice of strict economy wherever possible without impairment to the service, showed a net operating postal surplus of $12,161,415, the first Post Office Department surplus since 1919.

I digress at this point long enough to say, Mr. President, that during the nearly 150 years of our Postal Service there have been only 15 years when there was an actual surplus in the Department. During all the rest of the years there were deficits. This surplus was greater than for any previous fiscal year in the history of the Department, with the exception of that for 1918, which was achieved during the term of Postmaster General Burleson under President Wilson, and it exceeded the aggregate amount of the surpluses for all years prior to the Wilson administration.

The following fiscal year, which ended on June 30, 1935, and which represented the second full year of Mr. Farley's term, resulted in the Post Office Department showing a net operating surplus of $4,964,149, in a year which saw the compensation of postal employees put back on a 100-percent basis.

Think of it, Mr. President: Here was a department in which 3 years ago there was a deficit of $153,000,000, and not only that, but the employees' compensation had been cut, largely cut; and in less than 3 years, under the wise business management of Mr. Farley and those under him, there was a small surplus, and every employee's salary had been restored to what it was before the cut.

Postmaster General Farley has done much to better the working conditions of the postal employees in all branches of the Service. It was only after his hearty endorsement that the 40-hour-week law for postal employees was enacted into legislation during the first session of the Seventy-fourth Congress. For years the Post Office Department had been confronted with the problem of substitute employees, which was never more serious than when Mr. Farley took office.

For many years these substitutes, who, for the most part were family men with dependents, had petitioned the Post Office Department for assistance but to no avail. One of Mr. Farley's first official acts after becoming Postmaster General was the granting of a hearing to several hundred substitutes who converged on Washington from all sections of the country, and it was at that time, at the outset of his administration, that Mr. Farley resolved to do everything in his power to assist the cause of the postal substitute.

There were approximately 20,000 substitutes who had been given very little work during the depression period and who had for years waited in vain for regular appointments. These substitutes have now, in most instances, been given regular appointments and positions have been provided for many others who were unemployed, as a result of the enactment of this 40-hour-week law.

I desire to add at this point that one of the principal causes for the committee's approval of the 40-hour week was the fact that, by the passage of the 40-hour week law, these 10,000 or more substitutes were given employment in the Postal Service.

A new Postal Service rating system for postal employees has been instituted by Postmaster General Farley whereby all former demerits registered against employees were canceled in favor of the new rating system. The new system has for its purpose the recognition of faithful and meritorious service and the determination of the value of each employee to the service, with a view to serving as a guide in making promotions to the more important assignments in the field service.

Postmaster General Farley has recognized to a greater degree than ever before meritorious service in the making of appointments to high executive positions in the Department. This has brought about a higher morale among the employees throughout the service than at any previous time in the Department's history. He has also opened the doors of the Post Office Department at Washington to the representatives and officers of all of the postal employees' organizations, and this has resulted in a closer and more intimate relationship between the employees and the executives of the various branches of the service.

Shortly after becoming Postmaster General, Mr. Farley announced that incumbent postmasters would be permitted to serve out their terms, and this policy has been adhered to rigidly throughout the present administration.

Among the many improvements that have been made in the Postal Service, both at Washington and in the field, under Mr. Farley's personal direction and supervision, is the installation of a new accounting system, which has made it possible for postmasters' monthly accounts to be received at the Department 3 weeks after the close of any given 30-day period. This formerly took from 3 to 4 months. As a result, it is now possible to know promptly the trends of postal receipts and the manner in which each postmaster is conducting his office.

Several times during his administration Mr. Farley has called conferences with post-office inspectors from all sections of the country for the purpose of promoting more efficient service to the patrons of the Post Office Department. These conferences have resulted in numerous service improvements in all parts of the Nation through the supplying of additional deliveries, expediting of schedules, and the rerouting of the mails wherever required in the interest of better mail service.

A few months after taking office Mr. Farley introduced a new 48-hour dead-letter service, whereby dead letters are now on their way back to the sender within 48 hours of their being received in a dead-letter branch. Under the former system the average time consumed to make such disposition of a dead letter was 7 days. The installation of this new service reduced the cost of operating the dead-letter service from $138,000 to $38,000 during the first year of its operation.

In addition to rendering improved service to patrons of the Post Office Department, the Department has, within the past 3 years, at the direction of Mr. Farley, conducted a vigorous and widespread campaign to protect the people of the country from the numerous fraudulent enterprises conducted through the mails. This has resulted in annual savings of many millions of dollars to the American public. The Postal Inspection Service, under the direction of the Postmaster General, has also waged a vigorous and successful drive on the senders of obscene matter.

Mr. President, I now come to the operation of the activities of the Department which are to me extremely interesting.

The finest air-mail system in the history of the service, embracing as it does 29,000 route and 40,000,000 scheduled miles, was set up by Mr. Farley in 1934. Under the old system, which was in operation prior to that time, there were but 25,248 route and 35,000,000 scheduled miles. At present 215 cities throughout the Nation have direct air-mail service, as compared with 167 cities under the former system. Before 1934 the States of Maine, New Hampshire, Vermont, and West Virginia had no air-mail service whatever. Today these States are traversed by routes, which form an integral part of the new air-mail system, which serve directly 47 States.

The cost to the Post Office Department of this new and greatly improved air-mail system for the fiscal year which ended on June 30, 1935, was $8,880,000. In 1933, the fiscal year prior to the establishment of the present system, the cost of the air-mail service was $19,400,000 for a much more limited service than is available today.

I digress long enough to say that we appropriated frequently more than $20,000,000 for air service under the old regime. There were scandals involved. The contracts had to be canceled and were canceled. For less than one-half of what the Government paid previously we now have an infinitely better system and a constantly growing system, as I shall now explain.

All records for the volume of mail transported by air, passengers carried, passenger miles flown, and pounds of air express carried were broken last year, and present indications are that these records will again be bettered this year. Planes flying over the Post Office Department's domestic and foreign air-mail system last year carried more than thirteen and one-half million pounds of air mail, a gain of 76 percent over 1934, and more than 863,000 passengers, a gain of 53 percent. The passenger revenues of the air-mail companies for the calendar year 1936 amounted to more than $15,800,000, as compared with passenger revenues for 1934 of about $8,600,000, or an increase of 83 percent.

The most recent and certainly one of the most significant developments in the history of mail transportation was the inauguration by Mr. Farley of the trans-Pacific Air Mail Service in November of 1935 when the first scheduled flight on the Post Office Department's 8,700-mile air-mail route between San Francisco and the Orient took off from the Alameda, Calif., airport.

The establishment of this great transoceanic service across the broad expanse of the Pacific Ocean by way of Honolulu, Midway, Wake, Guam, and the Philippine Islands, has reduced the time consumed in transporting mail from the United States to the Far East from 18 days to but 5½ days.

In addition to these air-mail services there has been established by Mr. Farley an air-mail route connecting the islands of the Hawaiian group. There has also been an expansion of the Alaskan air-mail service in the last 3 years.

The Post Office Department's ocean mail service has likewise been improved and savings have been effected in this service which amount to more than $2,000,000 a year.

The Rural Free Delivery Service has been operated during Mr. Farley's administration at a cost of several million dollars a year less than heretofore.

Hundreds of new post-office buildings are being constructed throughout the country under the present administration's post-office building program. The act of June 19, 1934, authorized the expenditure of $65,000,000 for public buildings at places to be selected by the Secretary of the Treasury and the Postmaster General. There were 361 projects selected under this authorization, of which 92 have already been completed and a large percentage of the remainder are now under construction.

The act of August 12, 1935, authorized the expenditure of $60,000,000 for public-building construction and 356 projects were selected under this program. The first site under this authorization was chosen just 21 days after the enactment of the legislation. A number of these projects are now under construction and plans for the consummation of the remainder of this program are proceeding as expeditiously as possible.

These post-office building programs have resulted in putting to work thousands of men in all sections of the country, thereby contributing greatly to the improvement of unemployment conditions. They have likewise proved a stimulus to the building and allied trades through the purchase of building materials and supplies of all kinds for these new buildings. Many thousands of jobs have been created indirectly in the heavy industries through the carrying out of these building programs, which have, at the same time, been advantageous from a Government standpoint, resulting in increased efficiency through the provision of improved facilities.

An unprecedented growth in the sales of stamps to stamp collectors and philatelists through the Post Office Department's philatelic agency has been recorded since Mr. Farley took office. This has been due in no small measure to the attractive commemorative postage stamps which have been issued under his direction in the last 3 years. Another factor which has entered into the amazing increase in stamp collecting is Mr. Farley's policy of holding many first-day stamp sales at various points throughout the country, rather than confining them to Washington. This has resulted in thousands of people becoming acquainted for the first time with the educational benefits that accrue from the pursuit of stamp collecting.

Stamp sales through the philatelic agency, which is maintained at Department headquarters in Washington, rose from $300,000 in 1933 to $800,000 in 1934 and $2,400,000 in 1935. The latest reports from the philatelic agency indicate that there will be a further increase in revenue from this source for the present fiscal year.

These are but few of the many improvements and accomplishments of the present administration of the Postal Service.

An analysis of Mr. Farley's postal administration reveals one of the outstanding records in the Department's long history. The results that have been attained under his sound business management have demonstrated that this Government organization, one of the largest public institutions in the world, can be conducted in an efficient manner, with every regard for the public interest and the employees' welfare, and without waste and extravagance.

Mr. President, I desire to say in conclusion that in my judgment—and I have had quite a long experience with the Post Office Department of the Government, having served now for nearly 20 years on the Post Office Committee of the Senate—there never has been an administration which has been conducted in a more businesslike, a more efficient, a more vigorous, and a more honest way than our great American postal system has been conducted under Mr. Farley during the past three and a fraction years.

I felt that it was my duty at this time to make a statement of the accomplishments of this great business Department of our Government. I look upon it with a great deal of pride. The Post Office Committee has had before it many of the affairs of the Post Office Department; and, as chairman of the committee, I feel great pride in the accomplishments of the Department during the present administration.

Mr. BLACK. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I yield to the Senator from Alabama.

Mr. BLACK. I do not know whether or not the Senator from Tennessee referred to the work of the Post Office Department in connection with efforts to prevent those who

have ocean-mail contracts from obtaining a greater amount of money than they should obtain. It is my information that by requiring tests of the speed of the various ships operating under the ship-subsidy law, the present Post Office administration has already brought about a reduction in rates which will save the Government $8,000,000, even if the contracts should continue to the end.

Mr. McKELLAR. I have already referred to that fact. I also referred to the remarkable difference which has been brought about in the conduct not only of ocean mail, not only of domestic mail, not only of air mail, but even of foreign mail as well as domestic air mail. We have a much larger service and a much more efficient service at just about one-half what the old service cost.

The Senator from Alabama is fully familiar with all the steps that were taken to secure a stronger, a better, a more efficient, and a more honest air-mail service than we had when this administration came in. The Senator from Alabama was one of those who took part in bringing about that condition. His aid was very effective, and in connection with the act which was passed his advice was often sought. I desire to say that I never knew any official of the Government who acted with greater courage, with a greater love of his country's interests, and with greater concern for the honesty and integrity of a department of the Government than Mr. Farley in his action in canceling the contracts which ought to have been canceled and which were canceled at that time.

Mr. BLACK. I concur in the statement of the Senator from Tennessee.

COMPARISON OF APPROPRIATIONS

Mr. GLASS. Mr. President, I ask unanimous consent to insert in the main body of the RECORD, immediately following my remarks, a detailed statement of the appropriations made during the Seventy-fourth Congress, prepared at my direction by the clerks of the Appropriations Committee.

The PRESIDING OFFICER (Mr. KING in the chair). Without objection, it is so ordered.

The statement is as follows:

Comparison of appropriations made during the Seventy-fourth Congress, second session, with same made during the Seventy-fourth Congress, first session, and comparisons of appropriations of Seventy-fourth Congress, second session, with estimates

Title	Appropriations, 74th Cong., 1st sess.	Appropriations, 74th Cong., 2d sess.	Budget estimates, 74th Cong., 2d sess.	Increase (+) or decrease (−) appropriations, 74th, 2d, compared with appropriations, 74th, 1st	Increase (+) or decrease (−) appropriations, 74th, 2d, compared with estimates, 74th, 2d
REGULAR ACTS					
Agriculture and Farm Credit Administration	$125,157,983.14	$173,565,606.00	$194,389,004.00	+$48,407,622.86	−$20,823,398.00
District of Columbia	40,547,115.00	43,523,910.00	41,765,000.00	+2,976,795.00	+1,758,910.00
Independent Offices	777,501,956.00	2,889,751,905.00	3,604,345,766.00	+2,112,249,949.00	−714,593,861.00
Interior	61,220,928.00	114,579,357.05	130,433,341.75	+53,358,429.05	−15,853,984.70
Legislative	20,746,760.00	23,314,428.00	24,179,771.00	+2,567,668.00	−865,343.00
Navy	458,684,379.00	526,546,532.00	549,591,299.00	+67,862,153.00	−23,044,767.00
State, Justice, Commerce, and Labor	98,561,895.00	116,452,195.00	122,741,577.00	+17,890,300.00	−6,289,382.00
State	14,013,895.00	18,104,550.00	18,128,652.00	+4,090,655.00	−24,102.00
Justice	34,556,500.00	41,223,925.00	43,795,250.00	+6,667,425.00	−2,571,325.00
Commerce	34,631,500.00	35,257,220.00	35,354,175.00	+625,720.00	−96,955.00
Labor	15,360,000.00	21,866,500.00	25,463,500.00	+6,506,500.00	−3,597,000.00
Treasury and Post Office	903,635,678.00	992,524,892.00	1,001,567,449.00	+88,889,214.00	−9,042,557.00
Treasury	175,786,109.00	211,940,303.00	217,658,300.00	+36,154,194.00	−5,717,997.00
Post Office	727,849,569.00	780,584,589.00	783,909,149.00	+52,735,020.00	−3,324,560.00
War Department	401,998,170.00	572,446,844.00	572,699,305.00	+170,448,674.00	−252,461.00
Military	341,348,204.00	383,104,859.00	375,025,510.00	+41,756,655.00	+8,079,349.00
Nonmilitary	60,649,966.00	189,341,985.00	197,673,795.00	+128,692,019.00	−8,331,810.00
Total, regular acts	2,888,054,864.14	5,452,705,669.05	6,241,712,512.75	+2,564,650,804.91	−789,006,843.70
DEFICIENCY ACTS					
Emergency Relief Appropriation, 1935	4,000,000,000.00			−4,000,000,000.00	
First Deficiency, 1935	112,633,830.42			−112,633,830.42	
Second Deficiency, 1935	272,901,516.60			−272,901,516.60	
Supplemental Appropriation, 1936		368,234,514.10	372,651,107.60	+368,234,514.10	−4,416,593.50
First Deficiency Appropriation, 1936		2,375,397,537.96	2,412,748,397.12	+2,375,397,537.96	−37,350,859.16
Total, Deficiency and Emergency Relief Acts	4,385,535,347.02	2,743,632,052.06	2,785,399,504.72	−1,641,903,294.96	−41,767,452.66
Miscellaneous acts	106,065,172.15	[1] 3,000,000.00	1,229,000.00	−103,065,172.15	+1,771,000.00
Total, regular annual Deficiency and Emergency Relief Acts	7,379,655,383.31	8,199,337,721.11	9,028,341,017.47	+819,682,337.80	−829,003,296.36
Permanents and indefinites	2,200,101,127.00	[2] 1,517,093,142.00	1,517,093,142.00	−683,007,985.00	
Grand total	9,579,756,510.31	9,716,430,863.11	10,545,434,159.47	+136,674,352.80	−829,003,296.36

[1] Approximated.

[2] Revised figure.

PROPOSED FARMERS' AND WORKERS' RIGHTS AMENDMENT TO THE CONSTITUTION

Mr. BENSON. Mr. President, I feel deeply the conviction that this Congress cannot adjourn without giving consideration to amending the Federal Constitution, to protect the right of Congress to legislate for the benefit of the farmers and workers and common people of this country. I feel that there is a sweeping demand all over this Nation for the submission of such an amendment, without delay, to the people of the 48 States. I feel that the most recent major decision of the United States Supreme Court, in the New York minimum-wage case, makes this imperative if the people of this country are to enjoy the benefits of their own Government.

Senator ASHURST and Senator KING have assured me that a subcommittee of the Senate Committee on the Judiciary will hold such hearings on the joint resolution, Senate Joint Resolution 249, which I had the honor to introduce early in the present session. This proposed amendment, which was introduced long before the most recent and devastating Supreme Court decisions had been handed down, would have met the contentions of every one of these majority decisions, and would have made such decisions by the Court impossible.

More than 350 organizations of farmers, workers, political, social, religious, and language groups, and 20,000 individuals, have endorsed this amendment as proposed in Senate Joint Resolution 249, and asked its adoption. Among these organizations are 5 international unions, 11 State federations of labor, and 15 great farm organizations. I ask unanimous consent that the list of these endorsers for the constitutional amendment that I have introduced be printed in

the RECORD, that every Member of the Congress may know of their demands.

There being no objection, the list of endorsers was ordered to be printed in the RECORD, as follows:

FARMERS' AND WORKERS' RIGHTS AMENDMENT ENDORSERS

International unions:
Amalgamated Clothing Workers of America, New York, N. Y.
Independent Textile Union of America, executive council and 28 union locals, Woonsocket, R. I.
National convention, Brotherhood of Utility Employees of America, Brooklyn, N. Y.
American Federation of Teachers, Chicago, Ill.
Workingmen's Union of the World, Fort Smith, Ark.
Woolen and Worsted Workers (national convention).
American Federation of Hosiery Workers.
American Newspaper Guild.
Brotherhood of Utility Employees.
State federations of labor:
New Jersey State Federation of Labor, Paterson, N. J.
Minnesota State Federation of Labor, St. Paul, Minn.
Idaho State Federation of Labor, Pocatello, Idaho.
Indiana State Federation of Labor, Gary, Ind.
Wisconsin State Conference, Journeymen Painters, Milwaukee, Wis.
Connecticut State Federation of Labor, Hartford, Conn.
Eastern Pennsylvania District Council of American Federation of Hosiery Workers.
Rhode Island Textile Council.
District Council No. 1, Projectionists of Northern California.
California State Theatrical Federation.
West Virginia Federation of Labor.
Arizona (A. F. of L.).
Montana (A. F. of L.).
Rhode Island (A. F. of L.).
Wisconsin (A. F. of L.).
Arkansas (workingmen's unions).
Oklahoma (workingmen's unions).
New Jersey (District Council, Hosiery).
New York (District Council, Hosiery).
Central Labor Unions:
Toledo Central Labor Union, Toledo, Ohio.
Eighth Ward Unemployment League, Allentown, Pa.
Central Labor Union of Barre and vicinity, Barre, Vt.
New Jersey and New York District Council, American Federation of Hosiery Workers.
Central Labor Council, Sheboygan, Wis.
Hartford Structural Building Trades Alliance, Hartford, Conn.
Seattle Central Labor Council, Seattle, Wash.
Sullivan County Central Labor Union, Sullivan, Ind.
Pocatello Central Labor Union, Pocatello, Idaho.
Spokane Central Council, Spokane, Wash.
Massillon Trades and Labor Assembly, Massillon, Ohio.
Central Labor Union, Fairmount, W. Va.
United Hebrew Trades, Philadelphia, Pa.
Central Labor Union, Latrobe, Pa.
Central Labor Union, Ashtabula, Ohio.
Central Labor Council, Roanoke, Va.
United Furniture and Allied Trade Unions, Gardner, Mass.
Passaic County Central Labor Union, Passaic, N. J.
Keystone Workers Association, Pennsylvania.
Joint Board Amalgamated Clothing Workers Union, Baltimore, Md.
Trades and Labor Assembly, Decatur, Ill.
Racine Trades and Labor Council, Racine, Wis.
Tacoma (Wash.) Central Labor Council, Tacoma, Wash.
Central Labor Union, Erie, Pa.
Central Labor Union, Knoxville, Tenn.
Central Labor Union, Pawtucket, R. I.
Central Labor Council, Kern County, Calif.
Detroit and Wayne County Federation of Labor, Detroit, Mich.
Union County Central Labor Union, Elizabeth, N. J.
Silver Bow Trades and Labor Council, Butte, Mont.
Bakersfield Labor Council, Bakersfield, Calif.
Cleveland Federation of Labor, Cleveland, Ohio.
Grand Rapids Federation of Labor, Grand Rapids, Mich.
Lake County Central Labor Union, Gary, Ind.
Everett Central Council, Everett, Wash.
National Leather Workers' Association, Boston, Mass.
Rhode Island Federation of Labor, Pawtucket, R. I.
Hartford Central Labor Union, Hartford, Conn.
Hudson County Central Labor Union, Jersey City, N. J.
Easton Central Labor Union, Easton, Pa.
Fort Wayne Federation of Labor, Fort Wayne, Ind.
Hartford Central Labor Union, Hartford, Conn.
Union County Central Labor Union, Elizabeth, N. J.
Union Label League, Fort Worth, Tex.
Central Labor Union, Jasper, Ala.
Central Labor Union, Roanoke, Va.
Central Labor Union, Charleston, S. C.
Central Labor Union, Hudson County, N. J.
Central Labor Union, St. Petersburg, Fla.
Central Labor Union of Hopewell & Petersburg, Hopewell, Va.
Central Labor Union, Pocatello, Idaho.
Central Labor Union, Reading, Pa.
Federation of Jewish Trades Unions, Chicago, Ill.
Federated Trades Council, Milwaukee, Wis.
Kenosha Trades & Labor Council, Kenosha, Wis.
St. Paul Trades & Labor Council, St. Paul, Minn.
Allegany County Trades Council, Cumberland, Md.
Lake County Central Labor Union, Willoughby, Ohio.
Chicago Federation of Labor, Chicago, Ill.
Negro Labor Conference, New York, N. Y.
Lake County Central Labor Union, Indiana.
Spokane Central Labor Council, Spokane, Wash.
Trades & Labor Council, Monongahela Valley, W. Va.
Building Trades Alliance, Hartford, Conn.
Painters District Council, Chicago, Ill.
Joint Board I. L. G. W. U., Baltimore, Md.
Local unions:
Local No. 1, Progressive Miners of America, Illinois.
Carpenters' Union No. 1024, Cumberland.
International Association of Machinists, Chicago, Ill.
Sign Writers No. 1045, Denver, Colo.
Electrical Workers No. 3, New York, N. Y.
Railway Carmen No. 17, Dallas, Tex.
I. L. G. W. U. No. 22, New York, N. Y.
Machinists' Lodge, Newport, R. I.
International Union of Elevator Constructors No. 15, Milwaukee, Wis.
International Brotherhood of Electrical Workers No. 65, Butte, Mont.
Boilermakers, Iron Shipbuilders and Helpers Union 302, Milwaukee, Wis.
Joint Board Cloak Makers, Local No. 4, Baltimore, Md.
Machinists' Lodge, Newport, R. I.
Amalgamated Meat Cutters and Butcher Workers, Local No. 641, Denver, Colo.
International Association Bridge, Structural, and Ornamental Iron Workers, Local 473, Chicago, Ill.
Teachers' Union, Local No. 340, Baltimore, Md.
Furniture Finishers' Local Union No. 725, Cleveland, Ohio.
Printing Pressman's Union, Local 61, Baltimore, Md.
American Federation of Teachers, Dallas Lodge, Dallas, Tex.
Suitcase, Bag, and Portfolio Makers Union 48, New York, N. Y.
Federal Labor Union No. 8741, Billings, Mont.
Barbers' Union No. 434, Pocatello, Idaho.
International Mine, Mill, and Smelter Workers, Local No. 1, Butte, Mont.
Housewives' Union of Santa Clara County, Palo Alto, Calif.
United Textile Workers, Local No. 486, Pawtucket, R. I.
United Textile Workers, Local No. 2204, Albion, R. I.
Railway Clerks, Gem City Lodge, No. 299, Dayton, Ohio.
Painters' Union, Local No. 765, Cleveland, Ohio.
United Mine Workers of America, Local 6855, Nauvoo, Ala.
United Mine Workers of America, Local No. 5934, Carbon Hill, Ala.
United Mine Workers of America, Local No. 5801, Jasper, Ala.
United Mine Workers of America, Local No. 5800, Walker County, Ala.
United Mine Workers of America, Local No. 5841, Jasper, Ala.
International Union of Operating Engineers, Local 226, New Orleans, La.
International Union of Operating Engineers, Local 226A, New Orleans, La.
Yeast Workers' Local No. 323, Baltimore, Md.
Journeymen Barbers International Union, Local 5, Toledo, Ohio.
Bookkeepers and Stenographers, No. 12646, New York, N. Y.
I. L. G. W. U., Passaic, N. J.
Local 2096, United Textile Workers, Lakewood, Ohio.
Local 2170, United States Textile Workers.
Railway Machinists, District 73, Milwaukee, Wis.
Painters' Union, No. 213, Paterson, N. J.
Boot and Shoe Workers, Milwaukee, Wis.
Furniture Workers, Gardner, Mass.
Motion-Picture Projectionists, No. 428, Stockton, Calif.
Laundry Workers, No. 150, St. Paul, Minn.
Electrical Employees, Lynn, Mass.
I. L. G. W. U., No. 184, Seattle, Wash.
Machinists' Union, Garfield Park, Chicago, Ill.
Painters, No. 481, Hartford, Conn.
Railway Carmen, No. 17, Dallas, Tex.
Railway Machinists, No. 73, Milwaukee, Wis.
Division 611, Brotherhood of Locomotive Engineers, Eldon, Mo.
Brotherhood of Boiler Makers, No. 179, Denver, Colo.
Associated Master Barbers of America, No. 522, New Orleans, La.
International Union Mine, Mill, and Smelter Workers, No. 30, Bisbee, Ariz.
Quarry Workers' International Union, Graniteville Branch, No. 12, Barre, Vt.
Amalgamated Association Iron, Steel, and Tin Workers, Delano Lodge, No. 169, Mansfield, Ohio.
International Pocket Book Workers' Union, Chicago, Ill.
International Brotherhood of Electrical Workers, No. 8, Toledo, Ohio.
Dental Technicians' Association, Baltimore, Md.
Sheet Metal Workers' Union, No. 218, Baltimore, Md.
Teachers' Union of St. Louis, No. 420, St. Louis, Mo.
Painters' Union, No. 481, Hartford, Conn.
International Ladies' Garment Workers' Union, No. 184, Seattle, Wash.
United Mine Workers of America, Local No. 6814, Bay City, Mich.
United Brotherhood Carpenters and Joiners, Local 512, Ann Arbor, Mich.
Bakers, Local No. 100, Massillon, Ohio.

United Auto Workers Local No. 18488, Atlanta, Ga.
Brotherhood Carpenters and Joiners, Local 1416, New Bedford, Mass.
Painters, Local No. 867, Cleveland, Ohio.
American Federation Full Fashioned Hosiery Workers, Local 11, Newark, N. J.
Bricklayers, Masons, Plasters International, No. 50, Rome, N. Y.
International Association Machinists, Lodge 271, Birmingham, Ala.
United Mine Workers of America, Local 1397, Centralia, Ill.
Pretzel Workers Union, Local 168, Reading, Pa.
Railway Equipment Painters, Local 392, Milwaukee, Wis.
Typographical Union, No. 86, Reading, Pa.
Federal Labor Union, No. 19770, Preston, Idaho.
Sheet Metal Workers Union, No. 218, Baltimore, Md.
Bakery and Confectionery Workers Union, No. 26, Denver, Colo.
Potter, Local No. 111, Hopewell, Va.
Federal Labor Union, No. 18456, Kenosha, Wis.
Federal Guild, H, Hagerstown, Md.
Auto Workers Union, No. 18336, St. Louis, Mo.
F. E. R. A. Workers Union, New Haven, Conn.
White Motor Union, Cleveland, Ohio.
Executive Board, Local No. 4, I. L. G. W. U., Baltimore, Md.
Jewelry Workers Union, No. 46, New Haven, Conn.
Packers and Meat Cutters Union, Tacoma, Wash.
Sign and Pictorial Artists, Local 639, Cleveland, Ohio.
Carpenters' Local No. 79, New Haven, Conn.
Machinists Union, No. 420, New Haven, Conn.
International Brotherhood Electrical Workers, Local 102, Paterson, N. J.
Carpenters, Local No. 1258, Pocatello, Idaho.
Machinists Union, No. 66, Milwaukee, Wis.
Electrical Workers Union, No. 595, Oakland, Calif.
Electrical Employees Union, Lynn, Mass.
Cleaners, Dyers and Pressers Union, Local 18240, Oakland, Calif.
Barbers Union, Gary, Ind.
Machinists Union, Gary, Ind.
International Brotherhood of Electrical Workers, Local 8, Toledo, Ohio.
Gasoline, Pump and Tank Workers, Fort Wayne, Ind.
United Mine Workers of America, No. 4346, Barrackville, W. Va.
Youth organizations:
Public Speaking Class, Young Men's Christian Association, New Orleans, La.
Methodist Youth Federation, Chicago, Ill.
Young People's Socialist League, Chicago, Ill.
Political organizations:
Jugoslav Branch No. 27, Socialist Party, Cleveland, Ohio.
Germantown Branch, Socialist Party, Germantown, Pa.
Socialist Party of Kansas City, Kansas City, Mo.
Socialist Party of Northampton, Northampton, Mass.
Broome County Socialist Party, Binghamton, Mass.
Socialist Party of New Orleans, New Orleans, La.
Socialist Party of St. Paul, St. Paul, Minn.
Local Pierce County Socialist Party, Tacoma, Wash.
Socialist Party, Local New Haven, New Haven, Conn.
Mohnton Branch, Socialist Party, Mohnton, Pa.
Socialist Party, Howard County, Kokomo, Ind.
Socialist Party, Minneapolis Local, 631 Third Avenue South, Minneapolis, Minn.
Socialist Party, Barre Local, Barre, Vt.
Socialist Party, Charleston Local, 618 Randolph Street, Charleston, W. Va.
Socialist Party, Saratoga County Local, Box 408, Mediamville, N. Y.
South Langhorne Socialist Branch, South Langhorne, Pa.
Socialist Party of Pennsylvania, 122 Ninth Street, Pittsburgh, Pa.
Central Farmer-Labor Club of Duluth, 1702 Warren Avenue, Duluth, Minn.
Kelsey Farmer-Labor Association, Kelsey, Minn.
Socialist Party of U. S. A., Chicago, Ill.
Socialist Party of Colorado.
Local Niwot, Socialist Party, Colorado.
Twenty-third A. D. Branch, Socialist Party, Brooklyn, N. Y.
Jugoslav Socialist Branch No. 11, Bridgeport, Ohio.
Sioux City Local, Socialist Party, Sioux City, Iowa.
Wilton Local, Socialist Party, Wilton, Conn.
Local Bridgeport, Socialist Party, Bridgeport, Conn.
Polish Socialist Branch of Bridgeport, Bridgeport, Conn.
Farmer-Labor-Progressive Federation, Millersburg, Ohio.
City and county federations:
Alleghany Trades Council, Cumberland, Md.
Trades Council, Grand Rapids, Mich.
Trades Council, Wayne County (Detroit), Mich.
Trades Council, St. Paul, Minn.
Trades Council, Hudson County, N. J.
Trades Council, Ashtabula, Ohio.
Trades Council, Cleveland, Ohio.
Trades Council, Massillon, Ohio.
Trades Council, Latrobe, Pa.
Local governmental agencies:
City Council, Berlin, N. H.
Church groups:
Ministers No. 1 Union, New York City, N. Y.
Federal Council of Churches of Christ in America, Economic Justice Commission of the Brooklyn Church, Brooklyn, N. Y.
Mission Federation, New York, N. Y.
Miscellaneous:
Providence Central Labor Union, Providence, R. I.
Workers Alliance of America, Branch No. 64, Wisconsin.
International Brotherhood of Foundry Employees, Latrobe, Pa.
Workmen's Sick and Death Benefit Society, No. 237, Latrobe, Pa.
Slovene National Benefit Society, Latrobe, Pa.
Westmorland County Federation Slovene National Benefit Society, Latrobe, Pa.
Latrobe Central Labor Union, Latrobe, Pa.
Coke and Gas Workers Union, Duluth, Minn.
Local Peru Socialist Party, Peru, Ill.
Plymouth Division Pennsylvania Security League, Plymouth, Pa.
Hospital Employees' Union, Local 171, New York, N. Y.
Velvet Workers Association, Local No. 1, Easton, Pa.
Triple City Loom Fixers Association, Easton, Pa.
Central Labor Union, Easton, Pa.
W. P. A. Workers Union, Easton, Pa.
Unemployed Citizens' League, Easton, Pa.
Easton Branch, Socialist Party, Easton, Pa.
Farm organizations:
Farmers' Cooperative Union of America, Local 226, Charlotte, Mich.
Farmers' Union of Colorado, Colorado.
Farmers' Union of Michigan, St. Clair, Mich.
Farmers' Equity Union, Polk County, Wis.
Farmers' Equity Union, Lincoln County, Wis.
County Equity Union Convention, Merrill, Wis.
Agricultural Workers' Union No. 19724, A. F. of L., McGuffey, Ohio.
American Farmer and Farm Laborers' Union, Medill, Okla.
Southern Tenant Farmers' Union, Memphis, Tenn.
Farm Laborers' Union, Polk County, Wis.
American Farmer and Farm Laborers' Union, Mead, Okla.
Farmers' Equity Union, Luck Local, Luck, Wis.
American Farmer and Farm Laborers' Union of Bryan County, Durant, Okla.
Wisconsin Equity Union, Superior, Wis.
Sheboygan County Cooperative Milk Pool, Wisconsin.
Fraternal organizations:
Workmen's Circle, New Orleans, La.
Workmen's Circle, No. 493, New Haven, Conn.
Workmen's Circle, No. 17, New Haven, Conn.
Workmen's Circle, No. 232, New Haven, Conn.
Workmen's Circle, No. 94, New Orleans, La.
Workmen's Circle, No. 300, Brooklyn, N. Y.
Workmen's Circle, No. 358, San Diego, Calif.
Workmen's Circle, Dallas, Tex.
Workmen's Circle, San Antonio, Tex.
Workmen's Circle No. 20, New York, N. Y.
Workmen's Circle No. 79–B, Cleveland, Ohio.
Workmen's Circle No. 617, Beaver Falls, Pa.
Workmen's Circle No. 98, Philadelphia, Pa.
Workmen's Sick & Death Benefit Fund, Dallas, Tex.
Workmen's Sick & Death Benefit Fund, San Antonio, Tex.
Workmen's Sick & Death Benefit Fund No. 15, East Pittsburgh, Pa.
Workmen's Circle No. 26, Waterbury, Conn.
Workmen's Circle N. E. C. New York, N. Y.
Slovene National Benefit Society No. 135, Cleveland, Ohio.
Slovene National Benefit Society No. 13, Bridgeport, Ohio.
Slovene National Benefit Society No. 258, Bellaire, Ohio.
Slovene National Benefit Society No. 333, Blaine, Ohio.
Slovene National Benefit Society No. 275, Maynard, Ohio.
Slovene National Benefit Society No. 562, Barton, Ohio.
Slovene National Benefit Society No. 640, Bridgeport, Ohio.
Slovene National Benefit Society No. 325, Towanda, N. Y.
Slovene National Benefit Society No. 728, Towanda, N. Y.
Slovene National Benefit Society No. 3, Cleveland, Ohio.
Slovene National Benefit Society, Chicago, Ill.
Jewish National Workers' Alliance, Fall River, Mass.
Jewish National Workers' Alliance No. 5, Milwaukee, Wis.
Jewish National Workers' Alliance No. 170, Fall River, Mass.
S. N. P. J. No. 5, Cleveland, Ohio.
S. N. P. J No 450, Euclid, Ohio
S. N. P. J. No. 358, Power Point, Ohio.
S. N. P. J. No. 640, Bridgeport, Ohio.
S. N. P. J. No. 562, Barton, Ohio.
S. N. P. J. No. 567, Springfield, Ill.
S. N. P. J. No. 456 Ohio Valley, Euclid, Ohio.
Slovene Progressive Society No. 181, Power Point, Ohio.
Slovene Progressive Society No. 119, Bridgeport, Ohio.
Slovene Progressive Society No. 20, Cleveland, Ohio.
Slovene Progressive Society No. 211, Gowanda, N. Y.
E. S. Federation of S. N. P. J. Lodges, Universal, Pa.
S. N. P. J. No. 158, Cleveland, Ohio.
K. S. K. S. No. 123, Bridgeport, Ohio.
S. S. P. Z. No. 20, Cleveland, Ohio.
S. S. P. Z. No. 181, Power Point, Ohio.
Slovenian Mutual Benefit Association, Cleveland, Ohio.
Jewish National Workers Association No. 208, Petaluma, Calif.
South Slavonic Catholic Union No. 89, Towanda, N. Y.
Jugoslav Soc. Federation No. 12, Towanda, N. Y.
Jugoslav Soc. Federation No. 95, Piney Fork, Ohio.
Jugoslav Soc. Federation No. 9, Power Point, Ohio.
Jugoslav Soc. Federation No. 11, Bridgeport, Ohio.
Jugoslav Soc. Federation No. 5 Conference, eastern Ohio and West Virginia.
Federation of S. N. P. J. Lodges in Ohio Valley.

Mohawk Lodge S. N. P. J., No. 573, LaSalle, Ind.
National Executive Committee, Jewish National Workers Alliance.
Foresters of America, Bridgeport, Ohio.
Debs English Branch, Workmen's Circle, No. 665, New York City, N. Y.
New Cooperative Co., Bridgeport, Ohio.
Belmount County Political and Educational League, Bridgeport, Ohio.
Carniola Tent, No. 1288, Maccabees, Cleveland, Ohio.
Finnish Labor Society, Fitchburg, Mass.
Sacred Heart of Jesus Lodge, Cleveland, Ohio.
D. D. D. Dahnovja, Cleveland, Ohio.
Anton Verovsek Dramatic Club, Cleveland, Ohio.
James Connolly Club, Irish-American Labor League.
Poale Zion-Ziere Zion, Paterson, N. J.
Poale Zion-Ziere Zion, Camden, N. J.
Poale Zion-Ziere Zion, New York, N. Y.
Workmen's Circle No. 87, New York City, N. Y.
Workmen's Circle No. 216, New York City, N. Y.
Workmen's Circle No. 271, Bronx, N. Y.
Workmen's Circle No. 315B, New York, N. Y.
Workmen's Circle No. 325, Brooklyn, N. Y.
Workmen's Circle No. 684, Staten Island, N. Y.
Workmen's Circle, No. 812, Providence, R. I.
Workmen's Circle, No. 7, Union City, N. J.
Workmen's Circle, No. 710, Brockton, Mass.
Workmen's Circle, No. 294, Bronx, N. Y.
Workmen's Circle, No. 795B, Cleveland, Ohio.
Workmen's Circle, No. 20, New York, N. Y.
Workmen's Circle, No. 957, Denver, Colo.
Workmen's Circle, No. 693, San Francisco, Calif.
Workmen's Circle, No. 114, San Francisco, Calif.
Workmen's Circle, No. 924, Chelsea, Mass.
Workmen's Circle, No. 617, Beaver Falls, Pa.
Workmen's Circle, Karl Marx Branch, Cleveland, Ohio.
Workmen's Circle, No. 79, Cleveland, Ohio.
Workmen's Circle, No. 275, Bronx, N. Y.
Workmen's Sick & Death Benefit Fund, No. 15, East Pittsburgh, Pa.
Workmen's Sick & Death Benefit Fund, St. Louis, Mo.
Workmen's Sick & Death Benefit Fund, National Convention.
Unemployed organizations:
Workers Alliance of America, No. 17, Sullivan, Ind.
Workers Alliance of America, No. 37, Stockton, Calif.
Workers Alliance of America, Kansas City, Kans.
Workers Alliance of America, national office, Washington, D. C.
Workers Alliance of America, No. 64, Marathon County, Wis.
Workers Alliance of Mercer County, Trenton, N. J.
Workers Alliance of Grinnell, Grinnell, Iowa.
Workers Alliance of America, Springfield, Ill.
Workers Alliance of America, Illinois State Convention.
Workers Alliance, Stockton, Calif.
Indiana Workers Alliance.
Illinois Workers Alliance.
People's Unemployment League of Maryland.
Unemployed Citizens' League, Pittsburgh, Pa.
Unemployed Citizens' League, No. 3, Bethlehem, Pa.
Workers Relief Association, Erie, Pa.
Labor Unity Conference, Allegheny County, Cumberland, Md.
Pennsylvania Security League, Brookville, Pa.
Jugoslav section, Ohio Association Unemployment Insurance.
Wyandotte County United Action Committee, Kansas City, Kans.
American Workers Union, Kansas City, Kans.
Relief Clients Association, Kansas City, Kans.
Unemployed Workers of International Mine, Mill, and Smelters, Joplin, Mo.
Taxpayers' League of Federal Workers' Organization, Minneapolis, Minn.
Taxpayers Protective League, Reading, Pa.
Monroe County Relief Workers, Monroe County, N. Y.
Workers Federation of Punxsutawney, Pa.
Keystone Workers' Association, Reading Pa.
Workers' Unemployed Union of New York City, New York, N. Y.
Allied Workers, of Franklin County, Ind.
Jefferson County Commission, Pennsylvania Security League, Reading, Pa.
Allied Workers, of Franklin County, Kans.
Pennsylvania Security League, Reading, Pa.
Taxpayers' League Federal Workers, Minneapolis, Minn.
Central Service Union, Joplin, Mo.

FIVE-POINT TELEVISION PROGRAM

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD a statement relative to the five-point television program recommended to the Federal Communications Commission by James M. Skinner, chairman of the Radio Manufacturers Association special committee on television, at the engineering conference called by the Commission in Washington Tuesday, June 16, 1936, on allocation of ultra high-frequency waves.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A basic five-point program to plan for the successful development of television in the public interest was recommended to the Federal Communications Commission by James M. Skinner, chairman of the Radio Manufacturers Association special committee on television, at the engineering conference called by the Commission in Washington Tuesday, June 16, on allocation of ultra high-frequency waves.

Television will not be ready for the public for several years to come, but provision must be made now for its growth, said Mr. Skinner, who is also president of the Philadelphia Storage Battery Co., manufacturer of Philco radios. Sound radio and television will not be competitors. Sound radio is used, not only as a primary source of entertainment and education, but also as a background while reading, resting, working, or playing bridge. Looking at television requires concentration. However, said Mr. Skinner, the addition of daily television programs at certain hours should be a very important addition to the home life of the American people.

The United States is not lagging behind in the perfection of television, Mr. Skinner explained, but owing to the larger area of the country and the lower density of the population the problems of providing a service are greater here than in Europe. He urged the Commission to adopt the following television policies:

1. Establishment of a single set of television standards for the United States so that all receivers shall be capable of receiving the signals of all transmitters.

2. Development of pictures free from distortion and blur, approaching ultimately the distinctness and clarity obtainable in home movies.

3. Provision for services giving as near Nation-wide coverage as possible, so that the benefits of television may be available to all sections of the country.

4. Provision for a choice of programs, that is simultaneous broadcasting of more than one television program in as many localities as possible, to avoid monopoly and to provide variety of educational and entertainment features.

5. Lowest possible receiver cost and easiest possible tuning, to stimulate domestic installations of television receivers, both of which are best achieved by allocating for television as nearly a continuous band in the air waves as possible.

While it is not possible at present to determine precisely what the selling price of a television receiver will be, it will most likely cost less than the average motor car. The fact that the American public has found ways and means of financing the purchase of more than 20,000,000 motor cars, indicates that there is a wide market for television, Mr. Skinner emphasized.

"The present job of the Commission is to stake out for the public in the radio spectrum enough television space to preserve the possibility of a Nation-wide television service", Mr. Skinner declared. "The Radio Manufacturers Association feels that the Federal Communications Commission will supply the flexibility necessary to allow the art of television broadcasting to grow."

Television will further expand the service of radio to the American people as a source of education and entertainment, Mr. Skinner said. But, unlike radio, television cannot "feel its way" through the early stages of its commercial growth, he added, pointing out:

"Unless tentative standards are now set and later confirmed by extensive field tests under all sorts of conditions, receivers might be built and sold to the public which would be completely obsolete within a year or two. Commercial television must be born full grown."

Experimental work in television has reached a promising stage, Mr. Skinner stated, citing the experimental high definition television broadcasts which have been on the air for some time from the Philco Radio & Television Laboratories in Philadelphia and from RCA-Victor at Camden.

With further development, television will provide a stimulus to increased employment and national prosperity, according to the Philadelphia Storage Battery president.

"The Radio Manufacturers' Association views television ultimately as a big business," he stated, "a business which will employ many thousands of people in the production and operation of broadcasting equipment, in the production of receiving sets, in the production of daily programs, and in the fields of distribution and service. Television, we believe, is one of the new businesses the country needs to create new jobs."

Much money must still be expended for research and development, despite the millions of dollars already devoted to this purpose by radio manufacturers, Mr. Skinner continued. Just as 10 years were required before general public acceptance of the motor car and the radio developed, it is expected that it will take a similar period for television to come into general use in the average American home within range of broadcasting stations.

"In the opinion of the Radio Manufacturers Association, the Federal Communications Commission has in television a great opportunity and a great responsibility. Here is an impartial body with no interest to serve except that of the public interest. Although a television service is not likely for several years, the Commission must stake out now for the public enough space in the air waves to keep open the possibility of a Nation-wide television service."

Engineers of the radio industry have already held many meetings under the auspices of the Radio Manufacturers Association and have arrived at practically complete agreement on basic television standards, it was pointed out. Nine basic items have been covered, laying the groundwork for future television developments, all pointing to the same goal—a single television system for the United States, with every receiver capable of receiving every broadcast reaching its locality.

CALL OF THE ROLL

Mr. BLACK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Lewis	Reynolds
Ashurst	Connally	Loftin	Robinson
Bachman	Copeland	Lonergan	Russell
Bailey	Davis	McAdoo	Schwellenbach
Barkley	Dieterich	McGill	Sheppard
Benson	Duffy	McKellar	Shipstead
Bilbo	Frazier	McNary	Smith
Black	George	Maloney	Steiwer
Bone	Gerry	Metcalf	Thomas, Okla.
Borah	Gibson	Minton	Thomas, Utah
Brown	Glass	Moore	Townsend
Bulkley	Guffey	Murphy	Truman
Bulow	Hale	Murray	Tydings
Burke	Harrison	Neely	Vandenberg
Byrd	Hastings	Norris	Van Nuys
Byrnes	Hatch	Nye	Wagner
Capper	Hayden	O'Mahoney	Walsh
Caraway	Holt	Pittman	Wheeler
Carey	King	Pope	
Chavez	La Follette	Radcliffe	

The PRESIDENT pro tempore. Seventy-six Senators having answered to their names, a quorum is present.

DEPARTMENTS OF TREASURY AND POST OFFICE, APPROPRIATIONS CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes.

Mr. CLARK. Mr. President, I have just been informed that the House of Representatives a few minutes ago, by a vote of 118 to 83 on a motion to suspend the rules, rejected the bill which was passed by the Senate today.

Mr. President, that presents the situation which has been feared throughout the day by those of us who have been discussing this measure since the passage of the ship-subsidy bill today. That is the situation in which we feared an effort would be made to adopt an appropriation of $29,500,000 for the present ocean-mail contracts, and to defeat the new ship-subsidy legislation in the House because of its regulatory features which are not contained in the present law under the Jones-White Act.

Mr. President, I conceive it to be entirely consistent for a Senator or a Representative who is opposed to ship subsidy, who voted against the bill which was passed by the Senate today, to be unwilling to perpetuate the present infamous system, which has been denounced by the Postmaster General and by nearly every governmental agency which has ever passed on it.

It is perfectly apparent that the interests profiting under the present illegal and infamous system would infinitely prefer that system to endure than to have granted them an outright subsidy with the regulatory features contained in the compromise bill which passed the Senate this morning.

Let me say, Mr. President, that, so far as I am concerned, as I stated this morning, if I thought it were possible to defeat the appropriation of $26,500,000 and also to defeat the new ship-subsidy bill and throw the matter back into the hands of the Congress de novo, to be handled as a new subject, with the possibility of setting up a Government authority, such as advocated in the speech of the Senator from California [Mr. McAdoo], made in 1915, from which I quoted this morning and which I intend to quote at length tonight, that would be the course I would prefer.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Tennessee?

Mr. CLARK. I will be glad to yield to the Senator from Tennessee.

Mr. McKELLAR. The question I wish to ask the Senator is a very practical one. Did I understand him to say that the vote in the House tonight favored the bill, but there was not a two-thirds majority for it? Is that correct?

Mr. CLARK. I understand that to be correct.

Mr. McKELLAR. After having taken that vote, a two-thirds majority not having voted for the measure, would it be in order—the Senator, as I recall, was Parliamentarian in the House a number of years ago and I know he is familiar with the rules there—to adopt a rule to put the bill on its passage?

Mr. CLARK. Of course, the Senator from Tennessee is just as familiar with the rules of the House as am I.

Mr. McKELLAR. I doubt that.

Mr. CLARK. He knows that it is in order at any time under the rules of the House for the Rules Committee to report a special rule making a measure a special order of business. That might have been done tonight, but it was not done tonight.

Mr. McKELLAR. Can the Senator assure us that such a rule will be reported out tomorrow?

Mr. CLARK. I should certainly not assume to speak for the Rules Committee of the House of Representatives. Of course, it is perfectly in order for the Rules Committee to report a rule tomorrow morning putting the measure on its passage, which would only require a majority vote. That would have been perfectly in order tonight, so far as that is concerned; but I think I speak for all of those who hold the view I do about this particular matter of the ship-subsidy bill when I say, as an old philosopher in Missouri once said, that "a bird in hand is the noblest work of God." [Laughter.] So I am not disposed, so far as I am concerned, to yield the point and permit this appropriation to be made until we are certain that the ship-subsidy bill has passed the House.

Mr. ROBINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Arkansas?

Mr. CLARK. I yield.

Mr. ROBINSON. Suppose the ship-subsidy bill should fail to pass the House?

Mr. CLARK. If the ship-subsidy bill should fail to pass the House, I am disposed, speaking for myself, to speak to the limit of my endurance against the appropriation contained in the conference report on the Post Office Department Appropriation bill for the continuance of the present ocean-mail subsidy.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Virginia?

Mr. CLARK. I gladly yield.

Mr. GLASS. Does the Senator mean that he is willing to deprive the United States Treasury Department and the Post Office Department of funds because the House may fail to pass the ship-subsidy bill?

Mr. CLARK. I am disposed to defeat the conference report if I possibly can.

Mr. GLASS. I do not think the Senator possibly can, for that matter.

Mr. CLARK. Perhaps not.

Mr. GLASS. But if the Senator will pardon me for the suggestion, I do not think anybody should try to defeat the conference report under the circumstances, because it may be asserted that if this question comes up at the next session of Congress no report from the Appropriations Committee, unless some of us die, is going to contain this appropriation.

Mr. CLARK. The report from the Appropriations Committee at this session of Congress did not contain this appropriation, and the Senate, by an overwhelming majority, sustained the Appropriations Committee. Then the bill went to conference; the House insisted on the inclusion of this provision, and the Senate receded; so the only remedy which the Senate has in such a situation is to resist the adoption of the conference report.

Mr. GLASS. Well, Mr. President, I have tried for 8 weeks to have a conference with the House conferees on this bill, and it is not the fault in any degree of the Senate Appropriations Committee that the matter comes here at this late hour.

Mr. CLARK. Let me repeat what I said this afternoon that nobody has criticized the chairman of the Senate Appropriations Committee or the Senate Appropriations Committee

itself. This is an item along with other items in appropriation bills as to which the House conferees have taken a very hide-bound course, and insisted on the Senate yielding. As a United States Senator representing a sovereign State, I insist that the time has come for the Senate to assert itself. I am opposed to the provision to which the Senate conferees were forced to agree in this conference report, and the only way of which I know whereby I can assert my views is by the course which I am now pursuing, of endeavoring, at least, to defer action on the conference report until I am certain as to what the situation is.

Answering the question which was asked me a few moments ago, let me say that if the House of Representatives shall defeat the ship-subsidy bill, then it will be my purpose to resort to the last atom of my strength to defeat the conference report.

Mr. GLASS. I hope the Senator will not have the strength. [Laughter.]

The PRESIDENT pro tempore. The Chair desires to inform the occupants of the galleries that those who are there are the guests of the Senate; that the Senate is endeavoring to transact business and it is entirely against the rules of the Senate for the occupants of the galleries to talk or make any demonstration whatever. The Chair hopes that it will not be necessary to clear the galleries and he hopes that the galleries will remember the rule, and that the doorkeepers will see that order is preserved.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CLARK. I am glad to yield to the Senator from Tennessee.

Mr. McKELLAR. The Senator knows, I think, that I am as much opposed to the bill commonly known as the ship-subsidy bill as is he or anybody else. I have been opposed to it for many, many years.

Mr. CLARK. I may say to the Senator from Tennessee that for many years I have been proud to read his speeches in the CONGRESSIONAL RECORD on that subject.

Mr. McKELLAR. Mr. President, I find that in the bill to which the pending conference report relates the appropriation for the Treasury Department is $211,940,303, and for the Post Office Department the appropriation is $780,584,589, or a total of $992,524,892. That sum is absolutely necessary for the operation of those two Departments; they cannot be conducted unless the appropriations are made for them, as the Senator well knows. Under these circumstances, while I admire a fight as much as any man in the world, if the House tomorrow should defeat the merchant marine bill, I think, nevertheless, that these appropriations ought to be made. They ought to be made in the interest of our Government. I say that, although I am as much opposed to the subsidy as any Senator on this floor could be. At the same time I do not think we ought to jeopardize the work of these two great Departments of the Government for which the enormous sum of $992,000,000 is appropriated for their support. So tomorrow, after there is a vote in the House, I hope the Senator will, upon reflection, permit this appropriation bill to be passed because it ought to be passed.

Mr. CLARK. Let me make the Senator from Tennessee and the Senator from Virginia a fair proposition. There is plenty of time to pass all the undisputed items in this appropriation bill. If the Senator from Tennessee and the Senator from Virginia will permit this report to be sent back to conference and bring in a complete agreement carrying all the undisputed items in the bill and permit the disputed item of $26,500,000 to be submitted to a vote of the Senate and House, if we are defeated on the vote in the Senate, I shall have no objection to the passage of the bill.

Mr. GLASS. I should say that I do not think the Senate would send the bill back to conference, whether we agreed to do so or not. We are simply members of the Committee on Appropriations of the Senate.

Mr. CLARK. The Senator does himself too little credit. The Senator knows very well that the Senate will probably do what he and the Senator from Tennessee recommend.

Mr. GLASS. O Mr. President, I raised the Senator from Missouri since he was a very little boy. [Laughter.]

Mr. CLARK. And I will say to the Senator from Virginia that he did an excellent job. [Laughter.]

Mr. GLASS. I think so, too. I am so confident that I did that I am sure I shall be able to persuade the Senator from Missouri tomorrow to stop this delay.

Mr. McKELLAR. Mr. President, I intend to cooperate with the Senator from Virginia.

Mr. CLARK. Mr. President, I stated this morning that there has been a very great delusion with regard to the ship-subsidy matter so far as the protection of American labor is concerned. That is not my own view about the matter particularly. It comes to me from the very highest authority.

I desire to read to the Senate for just a moment or two some of the views expressed by one of the greatest labor leaders the United States has ever seen, a man who for 30 years has been a vice president of the American Federation of Labor, a man who has devoted his life to the improvement of the conditions of American seamen, Mr. Andrew Furuseth.

Appearing before the subcommittee of the Committee on Commerce on March 10, 1936, Mr. Furuseth testified as follows:

> Mr. Chairman, I think the whole entire business here is on the wrong road.

Mr. SHIPSTEAD. Mr. President, I make the point of order that there is disorder in the Senate.

The PRESIDENT pro tempore. The point of order is well taken. Conversation will cease, and the Senate will be in order.

Mr. CLARK. Mr. President, Mr. Furuseth read a very brief statement which I think is worthy of insertion in the RECORD at this point.

Mr. ROBINSON. Mr. President, will the Senator from Missouri yield to me in order that I may submit a request for an order of business?

Mr. CLARK. I yield.

Mr. ROBINSON. I ask unanimous consent that when the Senate completes its labors today it take a recess until 11 o'clock tomorrow morning; that upon the convening of the Senate tomorrow the conference report on the Treasury and Post Office appropriation bill be temporarily laid aside and that the Senate proceed to the consideration of the conference report on the tax bill; that at not later than 3 o'clock tomorrow the Senate vote on the conference report on the tax bill, and then resume consideration of the conference report on the Treasury and Post Office appropriation bill.

Mr. McNARY. Mr. President, I just returned to the Senate Chamber, and I did not hear the full proposal submitted by the Senator from Arkansas. I heard enough to lead me to believe that he had asked that the Senate meet at 11 o'clock tomorrow and vote at 3 o'clock on the conference report on the tax bill. Would there be any division of time between the proponents and the opponents of the conference report on that bill?

Mr. ROBINSON. I did not incorporate in the agreement any arrangement to that effect, but I will do so. I will modify the request so that the time for debate on the conference report be equally divided between the proponents of the conference report and the opponents of the conference report.

Mr. McNARY. The conference report on the revenue bill?

Mr. ROBINSON. On the revenue bill. The suggestion is that when we finish our work today—and it is my intention to move a recess immediately following the agreement, if it shall be entered—the Senate take a recess until 11 o'clock a. m. tomorrow, and that when the Senate meets tomorrow the conference report on the Treasury and Post Office appropriation bill be temporarily laid aside and that the Senate proceed to the consideration of the conference report on the tax bill, and that at not later than 3 o'clock the Senate proceed to vote on the conference report on the tax bill.

Mr. McNARY. Does that imply to the Senate that an adjournment sine die may be taken tomorrow afternoon or evening?

Mr. ROBINSON. The expectation is that the Congress will adjourn sometime tomorrow. I have conferred with the Speaker and others in authority in the body at the other end of the Capitol, and they are unable to indicate at this time an hour when the adjournment may be taken; but they are in accord with the purpose to conclude the labors of the session tomorrow.

Mr. McNARY. The Senator from Arkansas will labor to that end?

Mr. ROBINSON. I announced some weeks ago that my purpose was to adjourn not later than sometime tomorrow. I will say that if the conference report on the Treasury and Post Office appropriation bill and on the tax bill are not disposed of, there can be no adjournment.

Mr. McNARY. But with their disposition, the Senator will labor to the end that we may adjourn sine die tomorrow?

Mr. ROBINSON. I intend to move an adjournment the first opportunity I have after these two conference reports have been agreed to. I do not propose to do very much labor about it. I am getting tired of labor. I am thinking of joining the union and going on union hours. [Laughter.] We have already been at work 12 hours today continuously.

Mr. McNARY. The Senator probably has in mind the Union Party that was formed today. [Laughter.]

Mr. ROBINSON. The Senator certainly does not expect me to join that union.

Mr. McNARY. Speaking seriously—and I think we are much in accord, and we are all good-natured—the proposal is that the Senate meet tomorrow at 11 o'clock, vote at 3 o'clock on the tax bill conference report, and then take up the conference report on the Treasury and Post Office appropriation bill thereafter, and as quickly as possible after that adjourn sine die tomorrow.

Mr. ROBINSON. After that conference report has been agreed to I shall be ready to adjourn.

Mr. GLASS. Mr. President, in the last statement of the unanimous-consent request the Senator from Arkansas, I think, failed to state that after the vote shall have been taken on the conference report on the tax bill then the conference report on the Treasury and Post Office bill will be taken up.

Mr. ROBINSON. I made that statement in the request for unanimous consent.

Mr. McNARY. I have no objection to the request made by the Senator from Arkansas.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

Mr. GUFFEY. I object.

Mr. ROBINSON. Very well; let the war go on.

Mr. CLARK. Mr. President, I was just about to start reading a very interesting and illuminating statement made by Mr. Andrew Furuseth, president of the International Seamen's Union of America, made before the Commerce Committee on March 10, 1936.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. COPELAND. I should like to say just one word, because I intended to do it when I spoke about the safety-at-sea treaty. I think Andrew Furuseth is one of the great heroes of the sea. I have had the greatest respect for him, and I have had intimate contacts with him through many years. We do not agree much of the time, but I have always felt that he was an honest, straightforward, straight-thinking man, seeking to serve the seamen, and I should like at this moment, while he lies on his sick bed, on this day when we have passed the safety-at-sea treaty with the reservations which he desired to have incorporated, to say just that much about him, because he is a grand old man and has done much to promote the welfare of the "men who go down to the sea in ships."

Mr. CLARK. I am very happy to have the expression of the Senator from New York. I have known Mr. Furuseth since I was a little boy. I think he has done more than any labor leader in America to bring about improved conditions in the particular craft which he serves. Therefore I desire, as being of the highest importance, to read the statement which Mr. Furuseth made before the Commerce Committee on March 10, 1936:

Mr. FURUSETH. Mr. Chairman, I think the whole entire business here is on the wrong road, because we are trying to build a commercial merchant marine on the one hand and the most important of that is the personnel.

The proof of that is very simple. The Norwegian shipowners used to buy the old English vessels and operate them and do the upkeep of them with their own crews, with their own men. They could operate them so much cheaper than the English themselves could that they had less insurance to pay and that could only arise from the fact that the men who were on board the vessels had the necessary skill to take care of the vessel, for the upkeep of it, to assist the sailmaker, to assist the rigger, to assist the carpenter, and so forth, and so on.

Mr. MURPHY. Mr. President, I request that the Senator speak louder.

Mr. CLARK. If the Senator cannot hear me, I suggest he move a little bit closer. I continue reading from the hearings:

The highest skilled crew is the cheapest of all crews, and there is nothing done in this legislation to develop a skilled body of American seamen. We were on the road toward developing it, and on the road toward obtaining it, when in 1921 it was all cut off and the Seamen's Act was destroyed so far as equalization was concerned.

Mr. REYNOLDS. Mr. President, I ask for order. I cannot hear the Senator.

Mr. CLARK. Mr. President, I am not responsible for any deafness on the part of the Senator, and I only suggest that if he cannot hear me he move over a little closer. I now continue the reading:

There is nothing, so far as I can find, to hinder the United States from getting as capable men and plenty of them as any nation, because the United States—as a matter of fact, the bulk of the people of the United States are of the same identical breed, the same identical relationship, and the same blood that has governed the sea for the last 3,000 years.

Senator CLARK. Mr. Furuseth, let me ask you how was the Seamen's Act destroyed in 1921?

Mr. FURUSETH. By turning over to the foreign shipowners and foreign nations to determine what kind of a crew they should take out of an American port, and what kind of life-saving appliances they were going to permit to go out from an American port with.

Senator CLARK. If I understand you correctly, the United States has a right, by the control of clearance from our ports and entry into our ports, to control the character of crews and the character of life-saving appliances on which American citizens may travel?

Mr. FURUSETH. That was the essence of the Seamen's Act, in sections 13 and 14, if those sections had been carried out as they were in the first few years, and there would have been absolute equalization of the wage cost, which carried with it an equalization of every cost of operation except that the cost that came from the difference in the cost of building.

Section 13 provided a special kind of crew of American ships applicable to all foreign ships leaving the United States. Section 14 specifically provided that in a proviso, which it was thought there was no way of getting around, but they simply threw it all overboard.

It is the serious contention, Mr. President, of this great labor union, a union which brought about the enactment through the active intervention of Mr. Furuseth, and through the sponsorship in this body of the father of the distinguished senior Senator from Wisconsin, of the Seamen's Act. That act has been disregarded deliberately by the Government, by reason of certain departmental rulings which have killed the effect of it and nullified any advantage which that act might have carried for the "men who go down to the sea in ships."

I continue reading from the hearings:

Senator CLARK. That law is still on the statute books?

Mr. FURUSETH. It is still on the statute books, but rulings have killed it, and it does not exist so far as practical operation is concerned.

INTERNAL-REVENUE TAXATION

Mr. ROBINSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Arkansas?

Mr. CLARK. I yield.

Mr. ROBINSON. I move that the Senate proceed to the consideration of the conference report on the tax bill.

Mr. VANDENBERG. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Loftin	Robinson
Ashurst	Connally	Lonergan	Russell
Bachman	Copeland	McAdoo	Schwellenbach
Bailey	Davis	McGill	Sheppard
Barkley	Dieterich	McKellar	Shipstead
Benson	Duffy	McNary	Smith
Bilbo	Frazier	Maloney	Steiwer
Black	Gerry	Metcalf	Thomas, Okla.
Bone	Gibson	Minton	Thomas, Utah
Borah	Glass	Moore	Townsend
Brown	Guffey	Murphy	Truman
Bulkley	Hale	Murray	Tydings
Bulow	Harrison	Neely	Vandenberg
Burke	Hastings	Norris	Van Nuys
Byrd	Hatch	Nye	Wagner
Byrnes	Hayden	O'Mahoney	Walsh
Capper	Holt	Pittman	Wheeler
Caraway	King	Pope	
Carey	La Follette	Radcliffe	
Chavez	Lewis	Reynolds	

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present. The question is on the motion of the Senator from Arkansas to proceed to the consideration of the conference report on the tax bill.

The motion was agreed to; and the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes.

The VICE PRESIDENT. Without objection, the conference report is agreed to. [Laughter.]

Mr. VANDENBERG. Oh, no, Mr. President.

Mr. McNARY. Mr. President, I think there should be some explanation of the conference report.

The VICE PRESIDENT. There was no objection until the Senator from Oregon rose, and the Chair realized then that there might be some discussion of the conference report. [Laughter.]

Mr. McNARY. I think there should be some explanation. I think the Senator from Utah [Mr. KING] probably can explain the changes which have been made in the bill. Then I shall want a yea-and-nay vote.

The VICE PRESIDENT. The Senator from Oregon asks for the yeas and nays on the adoption of the conference report. Is the demand seconded? A sufficient number of Senators having seconded the demand, the yeas and nays are ordered, and the clerk will call the roll.

Mr. WALSH. Mr. President, before that is done I desire to make a brief statement in behalf of the Senator from Georgia [Mr. GEORGE] and myself.

Mr. PITTMAN. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. PITTMAN. Did not the clerk begin the roll call and did not some Senator answer?

The VICE PRESIDENT. The yeas and nays have been ordered, and the clerk did call the first name on the roll, but the Senator from Massachusetts [Mr. WALSH] was endeavoring to secure recognition from the Chair. The Chair feels, in all fairness, that the Senator from Massachusetts should receive recognition.

Mr. WALSH. Mr. President, I hope we have not reached the stage where a measure of this importance and magnitude cannot be mentioned and discussed, and I trust no effort is going to be made to prevent reasonable debate upon it. I have no desire to enter into a lengthy discussion, but I think it fair to the absent Senator from Georgia [Mr. GEORGE] and to myself that the record be clear as to our positions on this important measure.

The Senator from Georgia [Mr. GEORGE] and I have not been in accord with a majority of the conferees of the House and Senate with respect to one important feature of the bill, namely, that which imposes graduated supertaxes on undistributed earnings. We both signed the conference report because we did not want to appear in the role of obstructionists. We signed the conference report with the understanding that we would have an opportunity to present in writing our views, namely, our objections to certain features of the report.

We have prepared a statement which contains our views. It is not a long statement, and it is certainly only fair to both of us that it appear in the RECORD in order that the RECORD may show just what our views are on this important legislation and just what our objections are.

With many of the features of the bill we are in accord, but with one which is an important and vital feature we are very much in opposition to the other conferees.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. CLARK. In view of the fact that this is an extremely complicated matter over which the Ways and Means Committee of the House disputed for weeks and which the Finance Committee of the Senate had under consideration for many additional weeks, and in further view of the fact that this is an entirely new bill with which no one on either the Finance Committee or the Ways and Means Committee is apparently familiar—and certainly other Members of the Senate are not familiar with it——

Mr. BARKLEY. Mr. President, that statement is hardly justified. There are Senators on both the committees who are familiar with it.

Mr. CLARK. I am speaking of members of the committee other than the conferees. In view of the fact that Members of the Senate have not had an opportunity to become familiar with it except as they have read about it in the newspapers, I suggest that the Senator from Massachusetts read the statement of himself and the Senator from Georgia rather than merely have it printed in the RECORD. I should like to hear the statement.

Mr. BYRD. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Virginia?

Mr. WALSH. I yield.

Mr. BYRD. The conference report has not even been printed. I for one do not propose to see this important measure hurried through tonight without a fair opportunity to consider it. If necessary, I shall talk until the report can be printed and made available to every Member of the Senate. I cannot understand the desire to pass an $800,000,000 tax bill without even printing the report of the conferees.

Mr. WALSH. And trying to stop the conferees from explaining their position.

Mr. BYRD. There is only one copy of the report available in the Senate.

Mr. WALSH. No two Senators could have been more fair or could have cooperated more to secure action on this measure than the Senator from Georgia [Mr. GEORGE] and myself. I think our fellow colleagues on the conference committee will agree that we cooperated to the fullest extent in trying to get a fair bill. There is a principle in the bill to which we are opposed.

Mr. BARKLEY. Mr. President——

Mr. WALSH. I yield to the Senator from Kentucky.

Mr. BARKLEY. No Senator who was a member of the conference committee and no one who was a member of the Finance Committee objects to the Senator explaining his position. I not only do not object, but I shall be glad that the Senator be given ample opportunity to do so.

Mr. WALSH. I should expect that spirit on the part of the Senator from Kentucky.

Mr. BARKLEY. It may make it necessary for some of us, who do agree to the conference report and who do not share altogether the views of the Senator, to explain the bill as it has been presented.

Mr. ROBINSON. Mr. President, will the Senator from Massachusetts yield?

Mr. WALSH. I yield.

Mr. ROBINSON. I realize that the Senate is entitled to a fair opportunity to consider the report and that a reasonable time should be consumed in its consideration. It is now the unfinished business. I should like to submit again a request for unanimous consent, and that is, that when the Senate completes its labors today it take a recess until 11 o'clock

a. m. tomorrow, and that at not later than 2 o'clock p. m. the Senate vote on agreeing to the conference report.

The VICE PRESIDENT. Is there objection?

Mr. NEELY. Mr. President, reserving the right to object, may I ask the Senator from Arkansas, in the event the unanimous consent now requested is granted, what, if any, opportunity will be given to the friends of the Guffey coal bill to have that proposed legislation brought before the Senate?

Mr. ROBINSON. Mr. President, in my judgment, agreeing to this unanimous-consent proposal will not impair the opportunity that the Senator or others may have to move to proceed to the consideration of the Guffey coal bill. I myself have repeatedly attempted today, as the Senator well knows, to effect an arrangement by which that bill might be considered.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas?

Mr. BYRD. Mr. President, I understood that the previous proposal of the Senator from Arkansas was to vote at 3 o'clock tomorrow.

Mr. ROBINSON. Yes; but that was objected to.

Mr. BYRD. I object to the present proposal unless the Senator will make the time 3 o'clock and divide the time equally between the proponents and the opponents of the conference report.

Mr. ROBINSON. Very well; let us proceed tonight, then.

Mr. WALSH. Mr. President, at the suggestion of the Senator from Missouri [Mr. CLARK], I shall read to the Senate the views of the Senator from Georgia [Mr. GEORGE] and myself.

MINORITY VIEWS OF SENATORS GEORGE AND WALSH ON H. R. 12395, THE REVENUE BILL OF 1936

The revenue bill (H. R. 12395), as now reported by the Senate and House conferees, returns to the plan of a steeply graduated tax on undistributed corporate earnings, which had been the essence of the bill as passed by the House, and a plan which the Senate Finance Committee had rejected almost unanimously, and which the Senate has never approved, and, in our judgment, ought not to approve.

It is because we are convinced that this plan of a graduated penalty tax on undistributed corporate earnings is utterly unsound in principle and disastrous in its application that we are constrained to submit a brief statement of our objections.

The fundamental defects in this new plan of corporate taxation were summarized in the report which accompanied the bill when it was submitted to the Senate on June 1 from the Committee on Finance. The objections therein so cogently expressed, in a report in which all but two members of our committee impliedly concurred, are as real and in good conscience ought to be as compelling today as they were then.

We take the liberty of repeating them herein. That report said: "Your committee recognizes that our present system of taxation offers the opportunity, in certain cases, for individuals to avoid surtaxes by the retention of earnings in the corporations which they may control. However, your committee believes that the undistributed-profits tax plan proposed by the House bill has certain fundamental defects, some of which are as follows:

"First. The plan proposes an entirely untried system which appears decidedly uncertain as to revenue yield.

"Second. The plan will penalize many corporations not availed of for surtax avoidance in order that a comparatively few corporations availed of for that purpose may be reached.

"Third. The plan will prevent the growth of new corporations, in that they will be unable to build up reasonable reserves for working capital and future development.

"Fourth. The plan may retard business expansion and seriously affect the unemployment problem.

"Fifth. The plan penalizes the small corporation and the corporation with insufficient reserves and is of decided advantage to the large corporation and the corporation with excessive surplus.

"Sixth. The plan tends to transfer the corporate control from the officers and directors of the corporation to the legislative branch of the Government.

"Your committee takes the view that the evil sought to be remedied, to wit, the retention of profits by corporations to protect investors having large incomes against paying on larger incomes, may be soundly corrected without doing the injustices above described."

The bill as now embodied in the report of the conference committee works all of these injustices, and all of these objections lie against it. None of them, in reality, have been adequately met. Indeed, the bill to which the approval of the Senate is now sought is open to double objection.

The plan of a graduated tax on undistributed corporate earnings as originally proposed and defended was to have been in substitution for existing corporation income and capital-stock taxes. This new plan was to replace the present corporate tax levies. The House bill proceeded upon that theory. The Senate bill, rejecting the principle of a graduated tax on undistributed corporate earnings, retained the present corporate income-tax levy but at an increased rate—an increase dictated by the revenue needs of the Treasury plus a supertax at a flat rate of 7 percent on undistributed earnings.

The compromise now presented to the Senate and House superimposes upon the existing corporation tax structure, which is retained, the entire plan of the House bill for graduated penalty taxes on undistributed earnings. The compromise modifies the rates, but in all other essential respects is simply a merger of the House and Senate bills, which in tax theory were diametrically opposite.

It cannot be too often reiterated nor too strongly emphasized that the theory and concept of a tax on a sliding scale on undistributed corporate earnings is to penalize the accumulation of corporate surpluses and reserves. It is designed to encourage, if not indeed to compel, corporations large and small to distribute all their earnings, even though they are merely inventory gains, and to lay aside nothing for a rainy day.

The tax of this character which the compromise bill as now presented embodies is not measured by the earnings of a corporation. It is not measured by the size of a corporation, nor by the character of its business. It is not a tax on bigness—except to the extent that it will stunt the growth of small corporations and foreclose their opportunity to become big. It is not a tax on the corporate surpluses which the large and powerful corporations of the present day have accumulated out of their earnings of the past. It does not reach them at all, for the bill operates to give them preferential treatment and lower taxes.

The principle of this tax can be justified only on the premise that industries should pay out their profits as fast as they make them, and if they do not they should be penalized. The inevitable corollary to this principle is that the industries must finance their expansion with borrowed money—if they can borrow it—rather than out of earnings.

Furthermore, it assumes that profits as soon as earned are cash in the bank susceptible of immediate dividend payment, when in fact the profits in whole or in part are ordinarily not in the bank at all, but are in merchandise or accounts receivable.

We submit that such a policy is contrary to every dictate of prudence, contrary to every sound business principle, contrary to the experience of the past, inimical to the real welfare of the stockholders, and will tend to promote insecurity for the workers in industry. It is a spendthrift policy.

Corporate stockholders, much as they may welcome a distribution of profits in the form of dividends, are primarily concerned with the continued solvency of the company in which they are shareholders, with its growth and prudent expansion to the end that future profits may be insured and enhanced.

The workers in industry are dependent for their jobs on the solvency of their employer and upon the industry's ability to stay in business and meet the pay rolls. They are victimized by improvident management, and any tax plan which penalizes reserves and impedes expansion out of earnings encourages improvidence.

Certainly the events of the past 6 years have amply demonstrated the necessity and value of reserves and their stabilizing influence. Many companies became bankrupt. Many plants were closed. Both dividends and pay rolls declined. But those companies—and there were thousands of them which came through in most instances—were fortified with the accumulated reserves laid aside from previous profits, which enabled them to keep going and to meet current losses. That is what the reserves were for. Such dividends as have been paid during the depression and which have been of inestimable help in maintaining the purchasing power of the millions of small shareholders and industrial workers have not infrequently represented the undistributed profits of a previous prosperity. Had more business firms paid out less in dividends during the boom years and built up larger reserves to tide them over the lean years, the hardships of the depression would have been ameliorated.

Banks and other fiduciary corporations, such as insurance companies, building-and-loan associations, and the like are required by law to build up reserves out of earnings. In regulation of the banks our present Federal policy is to emphasize and enlarge reserve requirements and to discourage the distribution of banking profits in dividends, but for business corporations an opposite policy is now advocated.

The proponents of the plan for imposing a variable tax on undistributed corporate earnings whereby the larger the percentage of earnings retained, the heavier the rate of tax, have laid emphasis upon the allegation that under existing law, corporations with large earnings and controlled by rich stockholders, were improperly withholding their earnings from dividend distribution in order that their stockholders might escape the payment of income taxes at surtax rates, which would ensue if the dividends were paid. This is the so-called tax-avoidance evil for which this tax plan is offered as a corrective. The extent to which this situation has prevailed is a matter of dispute and to some extent of conjecture.

It is, of course, preposterous to theorize by taking the figure of total corporate profits, subtracting from it total corporate dividends, and arguing that if the entire difference were likewise distributed in dividends, such a distribution would result in the collection of large sums in income taxes from the recipients of these theoretical dividends and that the estimated total of such theoretical tax receipts measures the extent of present tax avoidance.

The fact is that the existing revenue act contains an explicit provision imposing a penalty tax of 50 percent upon the corporate profits, the distribution of which is withheld for reasons of tax avoidance. Accordingly a means of dealing with such real tax avoidance of this character as may exist is already at hand. To attempt to justify a broad plan for penalizing future accumulations of surpluses and reserves by all corporations as a measure of dealing with the tax avoidance of a few rascals is both unfair and absurd. The Commissioner of Internal Revenue testified that less than 300 cases had been under consideration in his office.

The defenders of the bill in the form which it has now taken contend that by sundry exemptions and modifications the smallest corporations are spared the full force of the new tax, as well as helped by the lowering of the rates on the normal corporation income tax; that the banks and insurance companies are entirely excluded; and that in some instances corporations under contract not to pay dividends, and forbidden by law to do so, are permitted without extra penalty to apply a percentage of their earnings to reserves.

So far as the consequences of the bill to the small corporations are concerned—and it is to be noted 98 percent of all industries give employment to 250 persons or less—we believe that despite the attempted concessions they will be badly hurt. So far as the very large corporations with large accumulations of surplus are concerned, and with a liberal dividend policy, they may pay less under the compromise than under the present law, or than they would have to under the terms of the Senate bill. As for the provision whereby Congress undertakes to lay down an arbitrary percentage figure as the amount which all businesses may lay aside without penalty for surplus and reserves the inequity is manifest, since it is manifest that what constitutes a reasonable reserve for one business may be wholly inadequate or grossly excessive for another business.

It is self-evident that a business without any surplus or reserve today might prudently plow back into the business all of its profits for some years to come, whereas an identical business with large reserves might prudently pay out all its profits in dividends.

Questions of the fluctuating character of the enterprise, its bank credit, and whether it has an established market for its securities, all enter into the question of what is a prudent dividend policy, and this bill attempts to broadly determine the dividend policy of all businesses.

If, as we believe, the principle is fundamentally unsound as well as constituting an unwarranted attempt through the instrumentality of the Government's power to tax, to shape and regulate the future destinies of private business, no amount of tinkering and compromising and modifying will make it sound and right.

The bill in its present form proposes to tax businesses with exactly the same income at variable rates dependent on the disposition which is made of the income. The plan in general favors the strong against the weak and the large against the small.

Even if there were no valid objections in principle to this measure, nevertheless there has not been sufficient study made to enable the Congress to provide—through exemptions—relief to the following classes of business concerns which are distinctly penalized:

1. Those with deficits.
2. Those with debts.
3. Those under contract not to pay dividends.
4. Those under contracts or laws which prevent the payment of dividends.
5. Those with contracts obligating the corporation to the expenditure of money for the new construction of plant machinery and equipment.
6. Those that within the taxable year make expenditures to increase their plant in order to expand and thereby increase employment.

In addition the following business concerns are undoubtedly discriminated against:

1. Those which at the present time have no reserves.
2. Those whose entire taxable net income may be merely increased in their inventories.
3. Those prohibited by State laws from making dividend distribution if their capital is thereby impaired. Thirty-six States have such laws prohibiting directors from declaring dividends under such circumstances.

Furthermore, if necessary, reasonable, and equitable exemptions were made there would be a very substantial diminution in the revenue demands of the Treasury. This very fact indicates that this measure will collect the major portion of the $660,000,000 requested by the Treasury from business concerns who are emerging from the depression with debts, impaired capital, obsolete machinery, and empty treasury reserves, and plants in need of rehabilitation.

Finally, this bill handicaps the launching of new business enterprises and discourages the reinvestment of corporate earnings in industry at the very moment when the only hope of lightening the present staggering load upon the Federal Treasury for unemployment relief lies in the ability of industry to go forward, expand its operations, increase its pay rolls, and provide more jobs. It is calculated to impede rather than to promote recovery.

We believe that from every standpoint and for the reasons above summarized the bill as now presented is objectionable.

Mr. President, we have annexed to the statement of objections just made in behalf of the Senator from Georgia and myself, a table which I ask to have set forth in the RECORD. We call attention to two classes of corporations particularly. I request permission to have the table, with two short introductory paragraphs, set forth in the RECORD at this point?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1. In view of the claim repeatedly made that under this bill as agreed to in conference, so-called rich corporations will be compelled to pay more taxes, it is to be noted that based on the tax returns of 1934, 160 corporations, with over a million dollars net income (among them the largest in the country) will be exempt from all supertaxes on undistributed earnings, as they now distribute all their earnings because they have large and ample surpluses.

2. In view of the further claim that so-called smaller corporations will benefit by this bill, the table below indicates very substantial increases in the taxes of corporations with a net income under and above $10,000, when they withhold their earnings for the purpose of accumulating a reserve fund.

Net income	Total tax		Increase	
	Present law	1936 revenue bill [1]	Amount	Percent
$1,000	$125	$144.40	$19.40	15.52
$2,000	250	288.80	38.80	15.52
$3,000	380	461.10	81.10	21.34
$4,000	510	633.40	123.40	24.20
$5,000	640	805.70	165.70	25.89
$10,000	1,290	2,082.00	792.00	61.40
$20,000	2,640	5,236.00	2,596.00	98.33
$50,000	6,940	15,163.10	8,223.10	118.49
$100,000	14,440	31,502.80	17,062.80	118.16
$200,000	29,440	63,927.80	34,487.80	117.13
$300,000	44,440	96,352.80	51,912.80	116.82
$400,000	59,440	128,777.80	69,337.80	116.65
$500,000	74,440	161,202.80	86,762.80	116.55
$1,000,000	149,440	323,327.80	173,887.80	116.36

[1] Tax computation based on no distribution.

Mr. WALSH. In brief explanation of the table, let us consider a corporation which has made a thousand dollars of net earnings and says, "We want to hold that. We do not know what is going to happen in the next year. We do not know whether we will have a fire or a flood, or whether we will have some other loss we cannot now foresee. Anyway, it will help us to build up our credit." Under the present law, that corporation would pay $125 tax; under the terms of this bill, it would pay $144.40, an increase of 15.52 percent in its taxes.

The corporation having $4,000 net income does not distribute. Now it would pay $510; but under the bill it would pay $633.40, an increase of 24 percent in its taxes.

A corporation with $10,000 net income under the present law would pay $1,290; and under this bill would pay $2,082, an increase of 61.40 percent in taxes.

A corporation with a net income of $50,000 would under the present law pay $6,940 and under this bill would pay $15,163, an increase of 118 percent in its taxes.

A corporation with a net income of $1,000,000—and for some companies in some great gigantic business $1,000,000 is a small revenue especially if the capitalization is extremely large—the present tax would be $149,440 and under this bill the tax would be $323,327.80, an increase of 116 percent.

Mr. President, I had not intended to take so much time, but I did desire to present as briefly as possible the views of the distinguished and able Senator from Georgia [Mr. GEORGE] and myself. We feel very, very strongly that it is a great mistake at this time, emerging from a disastrous depression, for the Federal Government to announce the policy, "We do not want to encourage you to build up surpluses or to establish reserves in your corporation." Of all times, this is the time when we need to encourage business, when we need business to expand, when we need to have larger pay rolls, when we ought not to be put in the position of announcing the policy that, to put it mildly, discourages reserves.

Mr. President, let me add that figures are available as to the tremendous extent to which unemployment was prevented, and the great extent to which the consumption of

goods was increased, by corporations paying from their surpluses dividends to their stockholders during this depression. I challenge any human being to attempt to depict what would have happened in this country in 1931, 1932, 1933, and 1934 if it had not been for the billions of dollars in surpluses in the industries of this country that were poured out to prevent losses, to keep men employed, and to pay dividends to the millions of small stockholders whose only income during those days was the little dividends they received from the corporations in which they had invested. Yet in the face of that record, in the face of that experience, we are now saying, "When the next depression comes we shall have no surpluses. We shall have no reserves. We shall have corporations that will have distributed in days of prosperity all they had and saved nothing for a rainy day."

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Colorado.

Mr. ADAMS. I have not seen the conference report; but it has been stated that the exemption which previously existed in the bill of insurance companies has been eliminated. Is that correct?

Mr. WALSH. The Senator refers to the amendment offered by the Senator from Connecticut [Mr. LONERGAN]?

Mr. ADAMS. I think so.

Mr. WALSH. Yes; that amendment has been eliminated.

Mr. ADAMS. It occurs to me, if that is the case, that this result would again occur: During the rapid depression the insurance companies—fire, life, and accident—depended upon their surpluses which were invested in stocks and bonds. The decline was so great at that time that, even with large surpluses, many of those companies became technically insolvent. It occurs to me that under this bill companies of that kind, which exist for the purpose of protecting people against misfortunes not of their own making, are penalized when we deny to them the accumulation of surpluses.

Mr. WALSH. Insurance companies and banks are not subject to the supertax under this bill. The Lonergan amendment was an amendment permitting individuals or corporations to take out insurance for the purpose of paying the heavy estate or inheritance tax that would have to be paid in the event of death. The amendment sought to encourage that course by permitting the deduction of the dividends paid out from the net income. It was thought by some of the members of the conference committee—there was an honest difference of opinion—that it tended to help insurance companies; it was a good selling point for insurance companies to go out and sell insurance with that inducement in view.

On the other hand, it had this advantage, and that is why the problem was difficult to decide—that in the case of the small manufacturing plant which had $500,000 in frozen assets, if I may use that expression, stock and machinery, which had no cash, and the estate tax was $75,000 or $100,000, it would be a very convenient thing for the widow or for the children or heirs of the owner of the plant to say, "Here is this insurance policy to pay our estate tax with." Because the owner was prudent the heirs will not have to go into bankruptcy and mortgage the plant.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH. Just a moment.

Mr. KING. I desire to ask a question just on that point.

Mr. WALSH. One moment, and then I will yield.

Mr. President, our work on this bill has not been pleasant. I do not like to talk about fellow Senators. Anybody who has seen the Senator from Georgia [Mr. GEORGE] during the past week, who looked into his face, who saw him as he moved about this chamber, must have been impressed with the fact that he has been carrying a heavy burden and a heavy load. Why? Because his conscience would not permit him to go in the direction he would like to go, the direction in which his associates in the committee went, the direction in which his own political party has gone, the direction in which the leader of his political party would like to have him go. It is not pleasant for him or for me to be here differing with our colleagues. We have tried, in every way we could, to expedite action on this bill. We have done the most unusual and exceptional thing—I do not think it has ever been done before—of signing a report to which we do not agree; but if we had not done so, the Senate could not adjourn tomorrow night.

I wish to have this said: Whatever Senators may do, whatever their votes may be, let them give the Senator from Georgia at least, if not myself, credit for sincerely and deeply feeling from the depths of his soul that this is an unwise course that Congress is pursuing; that it is fraught with great danger; that it is a serious blow to the future business prosperity and welfare of the country; that if it becomes the law, and continues to result in discouraging the accumulation of surpluses and dividends, it is going to be disastrous, especially if ever again a depression like the present one occurs in this country.

And let us not, in passing upon this measure, think only of those few corporations, rich and powerful, which undoubtedly have avoided their responsibility to their Government.

I have been trying to think—and I have seen them in every corner of my State, and I know they are in every town and hamlet in this country—of the corporations that are just keeping their heads above water. Those corporations would be prosperous and they would make their stockholders and their employees safe and secure if they had a reserve. Their burden and their nightmare is the absence of reserves; the absence of a surplus; the absence of a nest egg to which they may turn when a time of adversity comes, so that they may go down to the banker and say, when they wish raw material which they can get at a reduced price, "Here is the amount of my surplus. Will you give me credit on a 3 months' note or a 6 months' note?"

Senators, I tell you it is a very serious matter, and it is a matter which we ought to approach with fear and trepidation—the awful consequences of levying a normal tax upon every corporation, and, on top of that, saying, "Unless you distribute all of your earnings to your stockholders, you will be penalized with a supertax extending from 7 to 27 percent over and above your maximum 15-percent normal tax. If you distribute, if you are able to distribute, if you have surplus and reserves, then all you pay is the normal tax. If you are prosperous, if you have already achieved success, if you are already independent, you are a fortunate concern; you have no more supertaxes. But if you are still struggling, if you are still without reserves, if you still need surpluses, if you wish to protect yourself against a rainy day, then every dollar which you seek to set aside will have added to it a further penalty and an additional tax."

There is the problem. As to the rest of the bill, there is not any particular difference of opinion; but I do want to insist and state the fact that so far as the Senator from Georgia [Mr. GEORGE] and I are concerned, we are absolutely unable to reach the conclusion that it is a sound and safe and prudent course of action for our Government to take at this particular time, whatever might be said of doing it at a time when all corporations were rich, and all had surpluses, and all were prosperous; and again I call your attention to the fact that of all the corporations in this country, 98 percent of them employ less than 250 people. These corporations are not rich and powerful, and they are the very ones that need surpluses. They are the very ones upon which this tax is going to be imposed. They will feel it more. It will pinch them harder.

Mr. President, I have expressed our views.

REGULATION OF INTERSTATE COMMERCE IN BITUMINOUS COAL

Mr. NEELY. Mr. President, I renew my motion that the Senate proceed to the consideration of House bill 12800, the coal-conservation bill.

Mr. KING. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Carey	King	Reynolds
Ashurst	Chavez	La Follette	Robinson
Bachman	Clark	Lonergan	Russell
Bailey	Connally	McGill	Schwellenbach
Barkley	Copeland	McKellar	Sheppard
Benson	Davis	McNary	Shipstead
Bilbo	Dieterich	Maloney	Steiwer
Black	Duffy	Minton	Thomas, Okla.
Bone	Frazier	Moore	Thomas, Utah
Brown	Gerry	Murphy	Townsend
Bulkley	Gibson	Murray	Truman
Bulow	Guffey	Neely	Vandenberg
Burke	Hale	Norris	Van Nuys
Byrd	Hastings	Nye	Wagner
Byrnes	Hatch	O'Mahoney	Walsh
Capper	Hayden	Pittman	
Caraway	Holt	Pope	

The PRESIDENT pro tempore. Sixty-six Senators having answered to their names a quorum is present.

Mr. NEELY. Mr. President, the country ought to know that those who are obstructing the efforts to proceed to the consideration of the coal-conservation bill are voting for the bankruptcy of thousands of coal operators. They are voting for the enforced unemployment of a quarter of a million of coal miners in 26 States of the Union; they are voting poverty, hunger, and disaster to vast multitudes of women and children who are dependent upon the meager wages of bituminous-coal miners for their very existence.

The great liberal statesman from the Du Pont State of Delaware is afraid that the bill, if enacted, will shelter monopoly. Of course, this great defender of the rights of the common people could never go back to Delaware if he did not object to the passage of a bill that would foster monopoly.

The great progressive from Idaho [Mr. BORAH], for whom I have the most genuine affection, objects to the bill, not because he is afraid of a monopoly but because he is afraid of price fixing by the Federal Government.

And another widely proclaimed Presidential possibility—the Senator from Michigan, who did not receive a single vote in the Cleveland convention—is afraid of something not defined, but sufficient to impel him to object. Is he afraid that the operators might continue to employ 250,000 miners and thereby rob them and their wives and their children of the joy and liberty of starving to death?

For 12 hours the great constitutional lawyers and incurable chronic senatorial objectors have wasted precious time, heedlessly fiddling while the country is threatened by a conflagration greater than Rome or Nero ever knew.

A few operators with hardened hearts and every humanitarian impulse banished to oblivion are rejoicing tonight because they know that without this legislation they can crush all of their weak competitors and establish a monopoly of the soft-coal business for themselves.

It is infinitely more important for the Senate to pass the Guffey coal bill than it is for Senators to go to the Philadelphia convention which will nominate the great President to succeed himself for 4 more years. The advocates of the Guffey bill insist upon a record vote on this measure before the Congress adjourns to the end that the voters may know how many of their servants desire to increase unemployment and promote bankruptcy and misery.

If necessary, let us recess until after the convention, and then return here and remain in session until all of the chronic objectors who have never given the country a single constructive measure shall have exhausted their intolerable verbosity and all indispensable legislation shall have been supplied the suffering people.

Mr. President, no chronic obstructionist ever had a constructive thought. One and all of them are like the young woman who went to her first sewing bee. An experienced seamstress said to her, "Miss, can you sew?" She answered, "No; I can't sew a stitch, but I can rip up beautifully." [Laughter.] And so can the objectors in and out of the Senate. They must not be permitted to prevent this body from considering legislation which the people desire.

Let us put these constitutional objectors, these legislative barnacles, these warts on the body politic on record and ascertain whether there is enough progressive sentiment in this Chamber to say to the world that the Senate has enough sense, enough energy, and enough courage to legislate for the American people.

So far as I am concerned no consent will be given to any proposal which in any degree limits the opportunity to obtain a vote for the protection of the poverty-stricken coal operators and the distressed coal miners of the United States. So far as I am concerned there will be no adjournment sine die until after the Senate votes on the Guffey bill.

Mr. HASTINGS. Mr. President, it occurs to me that it is probably a good thing that the senior Senator from West Virginia and myself are both about to retire from the Senate. [Laughter.]

Mr. NEELY. Mr. President, will the Senator yield?

Mr. HASTINGS. Oh, yes; I will yield.

Mr. NEELY. I did not hear what the Senator said. I was told his remark was to the effect that the Senator from Delaware is about to retire, and that the Senator from West Virginia was also about to retire. However, let me say to the Senator that in West Virginia there is no Du Pont to tell me I cannot run, and I will say that I have just been renominated by the greatest vote that any man ever received in West Virginia, and I will be back here in the Senate while the Senator from Delaware is practicing law in Wilmington during the next 6 years.

Another reason why the Senator from Delaware will be left at home is because he tried to oppose legislation to alleviate human suffering and tried to obstruct it.

Mr. HASTINGS. Mr. President, I am not sure that the Senator is not whistling in the dark to keep up his courage.

Mr. NEELY. Let the Senator speak louder or else permit me to sit over closer to him. I do not like to take up the time of the Senate, but if I am forced to do so I can do so.

Mr. HASTINGS. I am quite certain that if the Senator from West Virginia were as sure of his reelection as he pretends to be he would not be quite so interested in this bill as he pretends to be.

Mr. NEELY. Mr. President, will the Senator yield to me once more?

Mr. HASTINGS. It is getting late. I have a long speech which I have postponed since 1 o'clock today, and I propose to deliver it now, and the Senator can stay here or go home, just as he pleases, but I do not care to be interrupted.

Mr. NEELY. The Senator then refuses to yield. That is what I understand.

Mr. HASTINGS. After I have said something to interest the Senator, if he wants me to yield I will yield, but not just now.

Mr. NEELY. The Senator does not expect me to wait until he says something interesting before I interrupt him, does he? [Laughter.]

Mr. HASTINGS. Oh, no, not to the Senator from West Virginia, but I desire to say to him that my chief interest in postponing the consideration of the bill was because the Senator whose name it bears is about to become a great host to a great political party. The truth is he ought to be home now. He ought to be in the City of Brotherly Love preparing himself for the great host of Democrats, including the Senator from West Virginia, which is to appear there next week.

My chief interest in preventing the bill from coming before the Senate and taking up so much time was in order to accommodate the distinguished Senator from Pennsylvania. I remember how proud I was that he lived next door to me. I remember how proud I was that he went around and got an extra $50,000 and contributed it to the Democratic committee in order to get them to come to Philadelphia. I was proud of the fact that I lived close enough to a State which was not only willing that the Democratic convention should come there, but was willing to pay an additional $50,000 in order to insure its coming.

As I think about it and remember how much interested I am in that convention, and remember how uncertain it is who they are going to nominate [laughter], I am anxious to get away from here and obtain a little rest so I can go there

and hear the speeches and see the convention in action. That is my interest in getting away from Washington. I am not particularly interested in the Guffey coal bill, but if Senators are going to try to pass it through the Senate I shall have to stay here and object to it, because I have seen enough bills put through the Senate and then declared unconstitutional to warrant me in objecting to that being done any more.

Mr. President, I am anxious for the Democratic convention to go to Philadelphia and see the place where our country was born. I am anxious for them to visit the place where the Declaration of Independence was signed; and I am as sure as I live that long before the convention ends more than one great Democrat will declare that they have met there to make a new declaration of independence, independence for the Democratic Party perhaps, which would be a good thing for the country once more. [Laughter.]

Then as I think of them being there where the State of Delaware went and placed its approval first upon our great Constitution, and then remember what little regard the Democrats have had for it since they have been in power, it interests me, and I do not want to miss the convention, because I wish to know what they will say.

Then, Mr. President, there are other Members of the Senate who are interested in that convention. Think of that "double keynoter"! The keynoter for 1932 did his job so well that he does it again in 1936. I have watched him through the conference as we struggled with the tax bill, and I had pity for him, because I knew that he had stayed up late at night and gotten up early in the morning in order that he might compare what he said in 1932 with what it is necessary for him to say in 1936.

As I grieved about that and thought about the Guffey coal bill, I thought it became my duty to come to his rescue so as to give him time to work on his speech, and here I find the Senator from West Virginia keeping him up until half-past 12 at night, and forcing me to keep him up longer, when I am concerned about his health, and more concerned about the speech which he is going to make. [Laughter.] It would not be fair, Mr. President, to a Republican, to say nothing about a Democrat, and we must be fair to them, because surely they are going into the discard, and as they do go into the discard we want to have something to remember them by.

We have had one keynote speech of the Senator from Kentucky [Mr. BARKLEY], and when he makes the double keynote speech we will have something by which to remember him. I want him to make that speech in the shadow of the Liberty Bell, and as it rings out its patriotic appeal we can see him spreading his wings and telling what is going to happen in the next 4 years.

Then, Mr. President, we ought to bear in mind also another great man here who has had a tremendous job keeping his team in line, the great Democratic leader. He is to be the chairman of the convention, and I wager he has not yet had time to write a word of that speech. That will be a difficult job for him, too. As I think of that convention my mind runs back to dear 1928, when he was in another convention that greatly honored him. As he looks over that great host of Democrats he will grieve with us all for those who are dead and gone. I can see him counting on a slip of paper those who are dead and not gone. [Laughter.]

And then the crowd which will interest him more than any will be the crowd that is gone and not dead. [Laughter.] They will be the ones who will interest him, and he will have to make a speech to try to get that particular crowd back in line. I have sympathy for him and I should like to get him away from here so he can obtain some rest and make the kind of speech which he is perfectly capable of making when he is in good physical condition.

Then we are told that the great and distinguished Senator from New York [Mr. WAGNER] is to write the platform. Mr. President, you and I know that will be a big job for the Democrats this year. I know how difficult it is going to be. The distinguished Senator from Missouri [Mr. CLARK] the other day called our attention to a song that had been discovered out in Cleveland at the Republican convention. I am certain the Democrats, too, will have a song, and as I think about it I am satisfied the Senator from New York will suggest a song for the first line of that platform. As he suggests it, he will have in mind a little song he has heard time and time again, which runs something like this:

It ain't gonna rain no more, no more,
It ain't gonna rain no more.

[Laughter.]

What he will do is this: He will start off the platform by saying:

We ain't goin' to lie no more, no more;
We ain't goin' to lie no more.

[Laughter.]

But when he does that, I want to call his attention to the fact that a great host of people from all over the land will say:

How in the world are we goin' to tell
That you ain't goin' to lie no more?

[Laughter.]

Mr. President, as he comes on down and reaches that thing that always interests Democrats, the balancing of the Budget, he will still stick to his song, and will sing something like this:

We ain't goin' to spend no more, no more;
We ain't goin' to spend no more.

[Laughter.]

But he will have a great host coming back and saying:

How in the world are we goin' to tell
That you ain't goin' to spend no more?

[Laughter.]

Mr. President, the junior Senator from New York a few days ago, after I had made a speech here, which the Senator from West Virginia did not hear but should have heard, because it would have done his heart good, called our attention to the New Deal prosperity. I assume he is going to write that in his platform, and when he does I want to remind him that he caused a measure to be passed through the Senate the other day carrying an appropriation of $460,000,000 for the purpose of housing those who are living in the slums. In his speech urging the passage of that measure, one of the points he urged upon the Senate was that it would put some 3,000,000 or 4,000,000 people to work. As I thought about that and thought about the tax bill, I remembered how we were struggling with the tax bill, struggling and trying to raise money enough to run the Government for a year, skinning the corporations to the bone in order that we might get the needed money, taking away all their surpluses in order that we might raise the $660,000,000 insisted upon by the President, and yet here was the distinguished Senator from New York rushing and crowding through the Senate a bill which would take $460,000,000 of it.

As I thought about how we struggled with that thing for 15 weeks and then, after we had gotten all that it was possible to get from the corporations and from any other source that anybody was willing to try to get it from, realized we were not getting enough to run the Government for 30 days, I felt it was time to give the Senator from New York an opportunity to go away and consider his platform and not be fooling around here with the Guffey coal bill.

Mr. President, the other day we heard the distinguished Senator from Missouri [Mr. CLARK], suggesting that the Republicans wanted a new song, that they ought to get one with a title based on "Twelve Long Years—Twelve Long Weary Years", as the Senator described it. He had four paragraphs in his speech about "Twelve long, weary, tragic years."

It is not difficult to understand that to the Democratic politicians the 12 years referred to by the distinguished Senator were, indeed, long. They were weary, and they were tragic from their point of view. Twelve years is a long time

for Democrats to be sitting around waiting for a political job.

Let us review for a moment the history of the pain, the agony, the suffering the Democrats experienced during those 12 long years.

In the first place, they waited 12 long years for an opportunity to deceive the people by making solemn promises in their platform to do certain things, and then promptly repudiating such a platform when they obtained control of the Government.

They waited 12 long years for an opportunity to levy all kinds of taxes upon the people in order to give them money to spend on deserving Democrats.

They waited 12 long years for an opportunity to use the public funds to build up a political machine which they believed, while they were building, and still believe, makes it impossible to defeat them next November.

They waited 12 long years for an opportunity to repudiate Government obligations.

They waited 12 long years for a chance to beat and thresh at the Constitution and undermine its very foundation.

They waited 12 long years to regiment the industries of the Nation which gave them an opportunity to punish those who did not obey the rules and regulations laid down by their chief.

They waited 12 long years for an opportunity to destroy the food that the people of a distressed Nation needed to eat.

They waited 12 long years to put the shackles upon the farmer by making him believe that they were improving his condition.

They waited 12 long years to put into practice the preachings of Karl Marx.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. HASTINGS. In a minute or two, as soon as I get through this song and set it to music. [Laughter.]

They waited 12 long years for an opportunity to repudiate Thomas Jefferson and all of the things he taught during his long service to his Nation.

They waited 12 long years for an opportunity to increase Government expenses from approximately $4,000,000,000 to more than $8,000,000,000 anuually.

They waited 12 long years in order to increase the debt of the country at the rate of something like $5,000,000,000 annually.

They waited 12 long years for an opportunity to shackle a free press, a free radio, and to make illegal searches of private papers of American citizens.

They waited 10 long years for prosperity to pass and depression to come; until, as the distinguished Senator from Missouri says, they found 13,000,000 people walking the streets looking for jobs.

They have worked for 3 long years in an endeavor to relieve this situation; and after an expenditure of $15,000,000,000 they have reduced the unemployed from 13,000,000 to twelve and one-half million, a great accomplishment for a New Deal administration!

They have waited 12 long years to find a President with a crooning voice, appealing to the human sympathies of the American people, but who at the same time gave approval to the action of his Postmaster General in destroying the civil service.

They waited 12 long years for a President who not only took control of the office of Chief Executive, but took control of Congress as well.

They waited 12 long years to find a President who could change his mind and change his policies as rapidly and with as little concern as he takes a drink of water.

They waited 12 long years for an opportunity to give a helping hand to monopolies by suspending the antitrust laws, and at this very time they are endeavoring to legalize it outright so far as the coal industry is concerned.

They waited 12 long years for an opportunity to rob the rich by taxation, and they are struggling now in their endeavor to hide the fact that they are about to take the shirt and pants of the poor man as well.

They waited 12 long years for an opportunity to take the flesh from the corporations by means of an illegal processing tax, and in the new bill they take 80 percent of their bones as well.

They have worked for 12 long weeks in their effort to frame a tax bill that would skin every corporation of its surplus funds, and thus raise enough funds to run the Government for 30 short days.

I now yield to the Senator from Missouri.

Mr. CLARK. Mr. President, as the Senator was going along it seemed to me there were some fugitive statements in his remarks that required an answer; but since the Senator has insisted on going ahead and having his speech taken as a whole, looking back on it, I cannot think of anything in it that requires an answer from anyone. [Laughter.]

Mr. HASTINGS. Mr. President, today the distinguished Senator from Rhode Island [Mr. METCALF] read into the RECORD a letter supposed to have been signed by Mr. Farley; and I desire to refer to it at this time, because it may be that the Democratic national convention will wish to make some investigation in order to find out who it is that is illegally appending Mr. Farley's name to these various letters.

The letter which the distinguished Senator from Arkansas [Mr. ROBINSON] thought was read was the one appearing in the Herald Tribune a day or two ago. The letter read by the distinguished Senator from Rhode Island, however, is entirely different from that letter, and does not have any such defense as Mr. Farley undertakes to make for the one appearing in the Herald Tribune. But let me read the Herald Tribune letter into the RECORD, too. Here it is.

The President's picture is on one corner of it. The letterhead is:

Roosevelt Nominator Committee. Hotel Bellevue, Boston, Mass. James A. Farley, chairman. W. Forbes Morgan, secretary. Democratic National Committee.

Then James M. Curley and Peter F. Tague and Joseph McGrath have some official positions in the committee.

I do not see anything particularly wrong with this letter itself, and nobody else does. The point about it is that it is being sent to the postmasters. That is the thing which makes it hard to understand. That is the thing which makes it difficult for us to excuse Mr. Farley for the things he is doing. This letter was being sent to the postmasters, the persons he appointed, and the persons who might lose their jobs if they did not please him. I wish to read it into the RECORD.

Mr. CLARK. Mr. President, will the Senator yield at that point?

Mr. HASTINGS. Yes.

Mr. CLARK. Does the Senator recall the efforts of Assistant Postmaster General Philp, I believe, in the last campaign, who at Springfield, Mo., in the spring of 1932, addressed a convention of postmasters in his official capacity, and told them that those who did not get out and get busy for the Republican Party would certainly lose their jobs if President Hoover were returned to office?

Mr. HASTINGS. Does the Senator suppose that is where Mr. Farley got his idea?

Mr. CLARK. I do not, and I do not think this thing has any comparison with that; but I am asking the Senator what he thinks of the practice of the Assistant Postmaster General officially appearing before a convention of postmasters in a State and making from the housetops the announcement to which I have just referred; and I do not think the Senator will deny my statement about that.

Mr. HASTINGS. I certainly will not deny it if the Sentor says it happened. I do not remember it, however.

Mr. CLARK. My former colleague, Senator Patterson, once admitted it on the floor of the Senate.

Mr. HASTINGS. Did Senator Patterson complain about it?

Mr. CLARK. Senator Patterson did not. I was complaining about it, and Senator Patterson admitted it. Does the Senator approve action of that sort?

Mr. HASTINGS. No; not at all; certainly not.

Mr. CLARK. Does the Senator think an ordinary letter sent out by a national committee compares at all with the proposition of an Assistant Postmaster General going out and appearing in his official capacity before a convention of postmasters and warning any postmaster who did not get out and get busy for the administration that he would lose his job?

Mr. HASTINGS. The Senator from Missouri and I certainly will agree that the fact that some person made a mistake, even though it was a Republican, is no excuse for a Democrat to go wrong and make a worse mistake.

Mr. CLARK. No; of course, that is true; but I should like to ask my friend from Delaware, who is so intimately familiar with everything that goes on in Republican activities, whether he ever protested against that action of Assistant Postmaster General Philp.

Mr. HASTINGS. I do not remember anything about it.

Mr. CLARK. It was publicized throughout the United States at the time.

Mr. HASTINGS. Well, during the past 3 years enough has been said to cause me to forget everything that ever went before. [Laughter.] That is my situation.

Mr. CLARK. Mr. President, I am entirely prepared to believe that statement.

Mr. HASTINGS. The Senator ought to believe it, because it is not only true of me but is is true of millions of persons.

Mr. CLARK. I certainly do believe it.

Mr. HASTINGS. Mr. President, I wish to read this letter, directed to "Dear Friend." It says:

Mr. James A. Farley has arranged to finance the entire national campaign by selling——

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. May I ask the Senator to repeat the first sentence of the letter?

Mr. HASTINGS (reading):

Mr. James A. Farley has arranged to finance the entire national campaign by selling Presidential nominator tickets at $1 each.

Mr. O'MAHONEY. Mr. President, I assume that when the Senator from Delaware writes to his constituents at home about what he is doing, he begins the letter by saying, "Senator Hastings has announced that he will do thus and so."

Mr. HASTINGS. No, Mr. President; but if I had as good an opinion of myself as Mr. Farley has of himself I probably should use such language as that. [Laughter.]

Mr. O'MAHONEY. I venture to say that the Senator from Delaware will be quite unable to produce any other letter written by Mr. Farley in that style. I desire to say to the Senator that it seems to me quite obvious to any person of intelligence who wishes to apply his intelligence that the letter he is reading could not possibly have been written by Mr. Farley. Mr. Farley has said that he did not write it, that he never saw it, that he never authorized it, and the photostat copies of it which have been published clearly show that the signature is not his.

Mr. HASTINGS. What about the letter which was read to the Senate today? Has Mr. Farley denied that one? Did the Senator hear the letter read by the Senator from Rhode Island [Mr. METCALF]?

Mr. O'MAHONEY. I was not fortunate enough to hear it read.

Mr. HASTINGS. Suppose I abandon the first letter and read the one read by the Senator from Rhode Island. This one I think Mr. Farley has not denied signing, and it has not the language in it, it has not the same defense as that contained in the first, and if the Senator is interested in knowing whether or not Mr. Farley did write it, the Senator may inquire of him. The letter has been read to the Senate once today, but the Senate has duplicated itself several times, and I do not suppose it will hurt to go on with that.

This letter is on the letterhead of the Democratic National Committee, Hotel Biltmore, New York City. They have headquarters there, I believe. It says, "James A. Farley, chairman." The letter is dated June 13, 1936, and reads:

DEMOCRATIC NATIONAL COMMITTEE,
JAMES A. FARLEY, CHAIRMAN, HOTEL BILTMORE,
New York City, June 13, 1936.

DEAR——: I know that you will want to have a personal part in the great national Democratic rallies which are being called to hear President Franklin D. Roosevelt accept his renomination at the national convention in Philadelphia on Saturday evening, June 27.

The Roosevelt nominators have been formed to organize these rallies, and to raise a substantial part of the national campaign fund for President Roosevelt, for presentation to the party's national treasury when he makes his speech of acceptance, and to launch then and there the victory campaign itself.

The goal is unprecedented and the plan is remarkable. The movement has been made possible because President Roosevelt has created the opportunity for the display of universal public enthusiasm by arranging to go in person to the convention to receive the notification of his renomination and to respond immediately with his speech of acceptance. To hear his address in the presence of a host of 100,000 Democrats the national convention will hold an open air session in Franklin Field. The great central national rally at Franklin Field will have its counterparts in the cities and towns throughout the country.

I am giving you additional details in the enclosed leaflet and I am also sending you a copy of the Roosevelt nominators enrollment roster which will be furnished in necessary quantity to the local chairman.

Here is what I am asking you to do. It is to select without delay a prominent Democrat of your community to act as chairman of the Roosevelt nominators for your community, secure his acceptance and wire me care of Democratic National Committee, Hotel Biltmore, New York, his name and address.

Please hand him the organizing material enclosed in this letter so that he can begin organizing immediately. He will be sent at once an official certificate of appointment as chairman of the finance division of the Democratic National Committee for the community, and will be supplied with additional material and enrollment rosters.

Time is short and I will appreciate your prompt action. With personal thanks to you for the complete support I know you will give this effective plan and with best wishes.

Sincerely yours,

(Signed) JAMES A. FARLEY, *Chairman.*

Mr. O'MAHONEY. Mr. President, I have listened with close attention to what the Senator has read, and I must confess that I see nothing in the letter to arouse the criticism of the Senator. It seems to be a perfectly understandable appeal.

Mr. HASTINGS. It is perfectly understandable, I agree, from Mr. Farley's point of view.

Mr. O'MAHONEY. It would seem to me to be understandable from any person's point of view. I can imagine, however, that the Senator from Delaware, who is accustomed to see the contributions pouring in to the Republican coffers from very different sources, would hardly find it understandable that the millions of Americans who have profited by the successful results of the present administration would rally to renominate the President who led that successful movement.

Mr. HASTINGS. Does not the Senator know that there are rules and regulations in the Post Office Department prohibiting postmasters from taking any interest in politics, and here is the Postmaster General——

Mr. O'MAHONEY. There is nothing to indicate that that letter was addressed to any postmaster.

Mr. HASTINGS. Oh, yes, that is the point; it was addressed to the postmaster. That is exactly it. Of course, there is nothing wrong with this other letter except that it was sent to a postmaster. The objection to it, of course, is that the Postmaster General is using his position as Postmaster General and as chairman of the Democratic National Committee and as chairman of the Democratic State Committee of New York to influence the people whom he has had so much to do with appointing.

Mr. CLARK. Mr. President——

The PRESIDING OFFICER (Mr. MOORE in the chair). Does the Senator from Delaware yield to the Senator from Missouri?

Mr. HASTINGS. I yield.

Mr. CLARK. Does the Senator mean to suggest that the action of the Democratic national committee in sending out

a letter to known Democratic workers, which might include some postmasters, is to be considered in the same category with the effort of Assistant Postmaster General Philp in 1932, evidently acting by official sanction, going out and giving word to postmasters in Missouri and other States that they must get busy or lose their jobs?

Mr. HASTINGS. I do not know just what the Senator has in mind. I told the Senator that I did not agree if this man Philip, or whatever his name was, did what the Senator says he did.

Mr. CLARK. The Senator has charged that the Democratic National Committee has sent out a letter which in some instances, or several instances, might have arrived in the hands of postmasters. It is not suggested that the letter was sent to a list of postmasters, but to a general list. Only the fact that Postmaster General Farley happened to be the chairman of the Democratic National Committee, and the recipient of this letter happened to be a postmaster, gives the basis to the Senator for the charge he is now making.

Let me ask the Senator another question, if I may, before I sit down. Does the Senator think it is better for the Democratic National Committee to send out a general letter to an inclusive list, which may possibly include postmasters, asking for small contributions, according to the means of the recipient of the letter, or do as the Republicans have been in the habit of doing, and as the American Liberty League is now doing, appealing to the Du Ponts and the Raskobs and the Morgans for tremendous contributions?

Mr. President, I am informed that there will be presented to the Senate within the next day or two a report from a committee of the Senate showing that the Du Ponts and the Morgans and the Raskobs have contributed to an anti-Roosevelt campaign in the last year a sum in excess of a million dollars.

Mr. HASTINGS. Mr. President, let me explain to the Senator the difficulty Mr. Farley is in, and it is a difficulty which he ought not to be in. He should not permit himself to be in any such positions as Postmaster General and chairman of the Democratic National Committee. No man ought to put himself in any such situation as that. There is nothing at all wrong about this letter, and I should not complain quite so much if the chairman of the Democratic National Committee were not Postmaster General sending letters to postmasters. But the terrible thing to my mind about this is that every man who receives this letter signed by James A. Farley as chairman of the Democratic National Committee knows at the same time that he is Postmaster General and as a postmaster he is under his direction and subject to his dismissal.

Mr. CLARK. Let me say to the Senator from Delaware that that letter was sent, I suppose, by accident.

Mr. HASTINGS. Oh, no; I do not think so.

Mr. CLARK. It was sent at least to several postmasters in the State of Missouri, and without exception, I believe, the postmasters immediately went into the newspapers to quote the Postal Regulations, and refused to act in any such capacity, assuming the letters had been sent by accident.

Mr. HASTINGS. My information is that these letters went out to postmasters pretty generally.

Mr. CLARK. Let me ask the Senator from Delaware whether he protested when Mr. Will Hays was Postmaster General and a member of the Republican National Committee, or when Walter Brown was chairman of the Republican National Committee and Postmaster General?

Mr. HASTINGS. Protested against what?

Mr. CLARK. Protested against the dual occupancy of office.

Mr. HASTINGS. So far as I recall, they never conducted active campaigns. They may not have resigned their positions, but they did not conduct active campaigns.

Mr. CLARK. Mr. President, those gentlemen immediately made realinements.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me on that point?

Mr. HASTINGS. I yield.

Mr. O'MAHONEY. I may say to the Senate that during the last Republican administration the Postmaster General, Mr. Walter Brown, was not content to send letters to anybody at all. The Postmaster General in the Hoover administration appeared at a convention of postmasters and himself told them in public that it was their duty to get into the political campaign and to support the President who had appointed them; and not only the Postmaster General, but the First Assistant Postmaster General did exactly the same thing.

Mr. HASTINGS. Did the Senator approve that?

Mr. O'MAHONEY. Now, the Senator from Delaware comes with a letter which, as the Senator from Missouri has so well indicated, was quite obviously sent broadcast and may casually have fallen into the hands of postmasters, and an attempt has been made to make a mountain out of that molehill compared with the condition which existed under the administration which he has so eloquently espoused.

Mr. NORRIS. Mr. President, I shall not occupy the floor more than a few minutes.

I am moved to make just a brief comment by reason of the fact that when I was coming over to the Capitol today from the Senate Office Building, a friend of mine, who desires to remain anonymous, for the present at least, gave me a little piece of paper upon which he had written an alleged song. I did not think very much of it until I heard the Senator from Missouri [Mr. CLARK] talking about "Twelve Long Years", and then again heard the Senator from Delaware [Mr. HASTINGS] talking about "Twelve Long Years" and "Ten Long Years", and I remembered that I had listened to the very able speech of my friend from Oregon [Mr. STEIWER] when he spoke of "Three Long Years"; and it just occurred to me that I ought to read this little song which my friend gave to me. So, with due apologies to my friend from Oregon, with due apologies to the author of "Three Blind Mice", with due apologies to the Senator from Missouri, and with due apologies to my friend from Delaware, I desire to read this song. [Laughter.] It is entitled "Four Long Years."

It starts out with the chorus, which must be repeated after every stanza, of course. The chorus is as follows:

For four long years,
For four long years,
For four long years.
They were the years when Hoover ruled,
The American people were totally fooled,
In suffering and misery all were schooled,
For four long years.

Then the chorus again:

He promised us bread and gave us a stone;
He fooled us completely and did it alone;
He ought to suffer and then atone,
For four long years.

[Laughter.]

And again the chorus comes in.

We hunted prosperity at his call,
Around the corners both great and small.
He fooled us completely every fall
For four long years.

He promised a chicken in every pot,
A double garage on every lot,
But he fed us a shadow not even hot
For four long years.

[Laughter.]

Mr. ROBINSON obtained the floor.

Mr. CLARK. Mr. President, will the Senator yield to me so that I may add a stanza to the beautiful song which has just been read by the Senator from Nebraska?

Mr. ROBINSON. I think the Senator from Missouri might take the floor tomorrow in order to do so.

Mr. CLARK. It will take but a moment. I wish to contribute to the song another verse which was sent to me by a constituent of mine. It is as follows:

Three blind mice—
Knox and Hoover and Landon.
They all ran after the farmer's vote;
If they get it, they'll cut his throat;
And after November he'll be the goat.
Three blind mice!

[Laughter.]

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBINSON. Mr. President, I shall submit another request at this juncture.

I ask unanimous consent that the Senate now take a recess until 11 o'clock a. m. today; that not later than 2:30 p. m. today the Senate proceed without further debate to vote upon the conference report on the tax bill; and that at not later than 3 o'clock p. m. today the Senate proceed to vote upon a motion to proceed to the consideration of the Guffey coal bill.

The PRESIDENT pro tempore. Is there objection?

Mr. McNARY. Mr. President, I think I clearly understand the Senator's request for unanimous consent. It is that with respect to the Guffey coal bill the vote to be taken at 3 o'clock is simply upon the motion to proceed to the consideration of the bill.

Mr. ROBINSON. Yes.

The PRESIDENT pro tempore. Without objection, the unanimous-consent request is agreed to; and the Senate will stand in recess until 11 a. m. today.

Thereupon (at 1 o'clock and 8 minutes a. m., Saturday, June 20, 1936) the Senate took a recess until 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 19 (legislative day of June 15), 1936

BOARD OF TAX APPEALS

Marian J. Harron, of California, to be a member of the Board of Tax Appeals for a term of 12 years from June 2, 1936, vice Annabel Matthews, term expired.

Richard L. Disney, of Oklahoma, to be a member of the Board of Tax Appeals for a term of 12 years from June 2, 1936, vice Herbert F. Seawell, term expired.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

First Lt. John Marion Moore, Field Artillery, with rank from June 1, 1933.

TO INFANTRY

First Lt. John Baird Shinberger, Cavalry, with rank from June 13, 1936.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONEL

Lt. Col. Ray Corson Hill, Infantry, from June 17, 1936.

TO BE LIEUTENANT COLONEL

Maj. Henry Benton Sayler, Ordnance Department, from June 17, 1936.

TO BE MAJORS

Capt. Henry Anson Barber, Jr., Infantry, from June 17, 1936.

Capt. Harold Allum Cooney, Field Artillery, from June 8, 1936.

POSTMASTERS

ALABAMA

William H. Gandy to be postmaster at Fairfield, Ala., in place of A. M. Burks, deceased.

James C. Jones to be postmaster at Sweet Water, Ala. Office becomes Presidential July 1, 1936.

Gladys W. Deramus to be postmaster at Verbena, Ala. Office became Presidential July 1, 1935.

ARIZONA

Minnie V. Van Deren to be postmaster at Tombstone, Ariz., in place of E. A. Macia. Incumbent's commission expired January 22, 1936.

CALIFORNIA

Fred J. Darby to be postmaster at Lemoncove, Calif. Office became Presidential July 1, 1935.

Walter I. Ricketts to be postmaster at Biggs, Calif., in place of L. P. Neff. Incumbent's commission expires June 28, 1936.

CONNECTICUT

Cornelius P. McGuinness to be postmaster at Stamford, Conn., in place of Lincoln Taylor, deceased.

FLORIDA

Esther M. Stewart to be postmaster at Graceville, Fla., in place of E. M. Stewart. Incumbent's commission expires June 23, 1936.

William T. Murrell to be postmaster at Miami Springs, Fla., in place of D. D. Pollard. Incumbent's commission expired March 28, 1936.

INDIANA

Bernard J. McCaffery to be postmaster at South Bend, Ind., in place of J. N. Hunter, transferred.

IOWA

Walter J. Leslie to be postmaster at Lakota, Iowa, in place of J. A. Bargar, removed.

James P. Dorothy to be postmaster at Ute, Iowa, in place of Tabitha Yelsma. Incumbent's commission expired January 12, 1936.

KANSAS

Jessie M. Grimes to be postmaster at Eudora, Kans., in place of W. H. Schehrer. Appointee declined.

Mary Marceline Gallagher to be postmaster at Jewell, Kans., in place of C. F. Schafer. Incumbent's commission expired April 27, 1936.

George F. Colwell to be postmaster at Glasco, Kans., in place of M. M. Fletcher. Incumbent's commission expired May 10, 1936.

Walter E. Moore to be postmaster at Manhattan, Kans., in place of G. J. Frank. Incumbent's commission expired March 10, 1936.

Edward Grauerholz to be postmaster at Esbon, Kans., in place of Delle Duncan. Incumbent's commission expired January 8, 1936.

MAINE

Oscar A. Kelley to be postmaster at Jonesport, Maine, in place of H. J. White. Incumbent's commission expired March 10, 1936.

Blanche W. Brown to be postmaster at Dover-Foxcroft, Maine, in place of A. A. Dinsmore. Incumbent's commission expired April 14, 1936.

Marguerite Cahill to be postmaster at Easton, Maine, in place of B. V. Thompson, resigned.

George L. Murray to be postmaster at Newport, Maine, in place of A. C. Bradbury. Incumbent's commission expired January 22, 1936.

MARYLAND

John T. Barrow to be postmaster at Perryville, Md., in place of E. H. Owens. Incumbent's commission expired April 27, 1936.

Margaret R. Greene to be postmaster at Fort Hoyle, Md., in place of S. B. Johnson. Incumbent's commission expired February 9, 1936.

MINNESOTA

Mary M. McGinty to be postmaster at Murdock, Minn., in place of E. C. Kiesling. Incumbent's commission expired June 20, 1936.

Lloyd W. Ohman to be postmaster at Deer Creek, Minn., in place of G. C. Hompe. Incumbent's commission expired April 5, 1936.

Harry C. Mertz to be postmaster at Shakopee, Minn., in place of E. K. Ries. Incumbent's commission expired April 27, 1936.

MISSOURI

John G. May to be postmaster at Jasper, Mo., in place of Anna Tabler. Incumbent's commission expired February 1, 1933.

Francese M. Lauer to be postmaster at Manchester, Mo., in place of H. E. Folluo. Incumbent's commission expired December 9, 1934.

Edward T. Rousselot to be postmaster at Noel, Mo., in place of J. F. Hamby. Incumbent's commission expired February 6, 1934.

Leo E. Ruscha to be postmaster at Pierce City, Mo., in place of A. T. Boothe, removed.

Raymond Carrick to be postmaster at Seymour, Mo., in place of G. W. Jones. Incumbent's commission expired January 9, 1936.

Walter J. Paschal to be postmaster at Verona, Mo., in place of Ernest Young. Incumbent's commission expired February 28, 1933.

MONTANA

Richard B. Vickers to be postmaster at Virginia City, Mont., in place of W. A. Francis, resigned.

NEBRASKA

Emma G. Grabenstein to be postmaster at Eustis, Nebr., in place of H. L. Mackey. Incumbent's commission expired May 23, 1936.

NEW JERSEY

William S. Nevins to be postmaster at Bergenfield, N. J., in place of J. G. Stoughton. Incumbent's commission expired February 9, 1936.

NEW MEXICO

Hazel F. Patton to be postmaster at Maxwell, N. Mex. Office becomes Presidential July 1, 1936.

NEW YORK

Timothy V. Sullivan to be postmaster at St. James, N. Y., in place of J. A. Maybee, resigned.

Alice A. Sherman to be postmaster at Shelter Island, N. Y. Office becomes Presidential July 1, 1936.

Bertha Sagendorph to be postmaster at Claverack, N. Y. Office becomes Presidential July 1, 1936.

Edward D. Connelly to be postmaster at Maybrook, N. Y., in place of S. W. Berry. Incumbent's commission expired February 4, 1935.

Oliver L. Sause to be postmaster at Mineola, N. Y., in place of E. U. McCarthy. Incumbent's commission expired March 23, 1936.

Edward V. McGrath to be postmaster at Seaford, N. Y., in place of A. E. McHugh. Incumbent's commission expired March 23, 1936.

Milly L. Hendershot to be postmaster at Sparrow Bush, N. Y. Office becomes Presidential July 1, 1936.

RHODE ISLAND

George A. Dolan to be postmaster at Westerly, R. I., in place of T. F. Lenihan. Incumbent's commission expired April 27, 1936.

TENNESSEE

John W. Simpson to be postmaster at Loudon, Tenn., in place of B. M. Roberson. Incumbent's commission expired March 18, 1936.

UTAH

Marvin P. Draper to be postmaster at Moroni, Utah, in place of W. S. Anderson. Incumbent's commission expired May 2, 1936.

Fletcher R. Peterson to be postmaster at Salina, Utah, in place of J. O. Anderson. Incumbent's commission expired May 2, 1936.

VERMONT

Charles J. Smith to be postmaster at Newbury, Vt., in place of L. E. Mason, deceased.

VIRGINIA

Henry H. Elswick to be postmaster at Jewell Ridge, Va. Office becomes Presidential July 1, 1936.

Mae R. Bostick to be postmaster at Burkeville, Va., in place of W. P. Bostick, deceased.

Garland W. Spratley to be postmaster at Dendron, Va., in place of W. S. Barrett. Incumbent's commission expired April 12, 1936.

WASHINGTON

Howard C. Roberts to be postmaster at Rosalia, Wash., in place of F. B. Goldsworthy. Incumbent's commission expired January 28, 1936.

WEST VIRGINIA

Jock L. Henderson to be postmaster at Williamstown, W. Va., in place of Benjamin Gorrell. Incumbent's commission expired April 12, 1936.

WISCONSIN

Harry L. Williams to be postmaster at Hazel Green, Wis., in place of F. W. Altenburg. Incumbent's commission expired June 1, 1936.

WYOMING

Althea E. Rollins to be postmaster at Lyman, Wyo. Office becomes Presidential July 1, 1936.

Mark N. Hanna to be postmaster at Lingle, Wyo., in place of G. C. Long. Incumbent's commission expired April 27, 1936.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 19 (legislative day of June 15), 1936

DIPLOMATIC AND FOREIGN SERVICE

Wainwright Abbott to be consul of the United States of America.

PUBLIC WORKS ADMINISTRATION

Frank M. Keller to be State engineer inspector for the Public Works Administration in Colorado, Utah, and Wyoming.

PUBLIC HEALTH SERVICE

Erval R. Coffey to be surgeon.

APPOINTMENTS TO TEMPORARY RANK IN THE AIR CORPS, IN THE REGULAR ARMY

TO BE MAJOR GENERAL, COMMANDING GENERAL, GENERAL HEADQUARTERS AIR FORCE

Frank Maxwell Andrews.

TO BE BRIGADIER GENERALS, WING COMMANDERS

Henry Conger Pratt
Gerald Clark Brant
Delos Carleton Emmons
Barton Kyle Yount
George Howard Brett

TO BE COLONELS

John Delbert Reardan
Henry Clinton Kress Muhlenberg
John Francis Curry
Alfred Harold Hobley
Albert Lee Sneed
Walter Reed Weaver
John Henry Pirie
John Norton Reynolds
Frank Melvin Kennedy
Robert Emmett Mason Goolrick
Jacob Herman Rudolph
Frederick LeRoy Martin

TO BE LIEUTENANT COLONELS

Joseph Taggart McNarney
Edwin Bowman Lyon
Hume Peabody
Earl Larue Naiden
Michael Frank Davis
Hubert Reilly Harmon
Henry Jervis Friese Miller
Thomas James Hanley, Jr.
Leo Andrew Walton
Ralph Pittman Cousins
Adlai Howard Gilkeson
George Edward Stratemeyer
Robert LeGrow Walsh
Junius Henry Houghton
Howard J. Houghland
Charles Belding Oldfield
William Hampton Crom
Gerald Evans Brower
Robert Chapin Candee
Oliver Patton Echols
Vincent Bargmant Dixon
Lloyd Neff Keesling
Laurence Fielding Stone
Willis Henry Hale
William E. Kepner
William Charles Ocker
William Frederick Volandt
Ernest Clark
Charles Thomas Phillips
Hubert Vincent Hopkins
Donald Patrick Muse
Asa North Duncan
William Elmer Lynd
Rosenham Beam
Harry Herman Young
Donald Wilson

TO BE MAJORS

Frederick Foster Christine
David Sidney Seaton
Oliver Stevenson Ferson
Charles Merrill Savage
George Churchill Kenney
Arthur Wellington Brock, Jr.
Chilion Farrar Wheeler
Earl Hamlin DeFord
Lowell Herbert Smith
Christopher William Ford
Albert William Stevens
Elmer Edward Adler
Edwin Jacob House
Ray Aloysious Dunn
Earl Spiker Schofield
Arthur Emel Simonin
Frank O'Driscoll Hunter
Harold Huston George
Walter Jay Reed
Saint Clair Streett
John Isham Moore
Samuel Charles Skemp
Robert Gale Breene
James Franklin Powell
Neal Creighton
Alonzo Maning Drake
Victor Herbert Strahm
Ira Robert Koenig
Philip Schneeberger
Karl Shaffner Axtater
William Joseph Flood
George Merrill Palmer
John Parr Temple
Byron Turner Burt, Jr.

Earle Gene Harper
Lotha August Smith
William Valery Andrews
Edwin Forrest Carey
Merrick Gay Estabrook, Jr.
Carl Franklin Greene
Perry Wainer
William Seymour Gravely
Harlan Ware Holden
Joseph Leonard Stromme
Rudolph William Propst
Frank Denis Hackett
Aaron Edward Jones
Robin Alexander Day
John Y. York, Jr.
Walter Hey Reid
John Bellinger Patrick
Claire Lee Chennault
Ralph Bamford Walker
Clarence Beaver Lober
John Kenneth Cannon
Arthur John Melanson
Theodore Joseph Koenig
Grandison Gardner
Alvan Cleveland Kincaid
Omer Osmer Niergarth
Roderick Norman Ott
Aubrey Hornsby
Charles Peter Prime
Auby Casey Strickland
John Martin Clark
Rowland Charles William Blessey
Arthur Thomas
Louis North Eller
Ulysses Grant Jones
John Paul Richter.
Michael Everett McHugo
James Lionell Grisham
Russell Lowell Maugham
Vincent James Meloy
Earl Seeley Hoag
Charles Egbert Branshaw
Edward Whiting Raley
Harvey Hodges Holland
Walter Miller
Oliver Perry Gothlin, Jr.
Edwin Randolph Page
Leo Fred Post
Dache McClain Reeves
John Carroll Kennedy
Eugene Benjamin Bayley
James Troy Hutchison
William Albert Hayward
Clayton Lawrence Bissell
Horace Simpson Kenyon, Jr
Leland Charles Hurd
Harvey William Prosser
Edmund Pendleton Gaines
Robert Victor Ignico
Leland Ross Hewitt
Clifford Cameron Nutt
Arthur William Vanaman
Isaiah Davies
Franklin Otis Carroll
Frederick William Evans
Harry Gage Montgomery
Fred Cyrus Nelson
James Andrew Healy
Charles Douglas
Burton Frederick Lewis
Elmer John Bowling
Orin Jay Bushey
Hugh Albert Bivins
Edward Moses Morris
Fred Sidney Borum
George Washington Polk, Jr.
Devereux Maitland Myers
Guy Harrison Gale
Alfred Warrington Marriner.
Muir Stephen Fairchild
James Gradon Taylor
Leland Wilbur Miller
Raphael Baez, Jr.
Robert Halbert Finley
Clarence Herbert Welch
Alfred Jefferson Lyon
Don Lee Hutchins
Ennis Clement Whitehead
Harold Lyman Clark
Sam Love Ellis
George Godfrey Lundberg
Eugene Lowry Eubank
Lawrence Augustus Lawson
Bayard Johnson
Paul Langdon Williams
Frank Martyn Paul
Samuel Martin Connell
John Edwin Upston
Reuben Curtis Moffat
Charles Burton DeShields
Clarence Peyton Kane
Harry Weddington
Samuel Custer Eaton, Jr.
Leonidas Lee Koontz
Edward Davis Jones
Merrill Deitz Mann
Albert Carl Foulk
Edward Vincent Harbeck, Jr.
Edward Ernest Hildreth
Samuel Gordon Frierson
Phillips Melville
Bernard Scott Thompson
Willis Ratcliffe Taylor
Robert Duane Knapp
John Gordon Williams
Albert Brown Bitts
William Colb Morris
James Thomas Curry, Jr.
William Bettencourt Souza
Alfred Lindeburg
Joseph Alexis Wilson
Clements McMullen
Ames Scribner Albro
Milo McCune
Charles McKinley Robinson
Benjamin Buckles Cassiday
Charles Yawkey Banfill
Myron Ray Wood
Robert Theodore Cronau
Isaac Jackman Williams
Lloyd Chartley Blackburn
John Henry Gardner
William Campbell Goldsborough
Walter Raymond Peck
Arthur Girard Hamilton
Emil Charles Kiel
Lewis Allegeo Dayton
Younger Arnold Pitts
Harold Lee George
Benjamin Franklin Griffin
Howard Zabriskie Bogert
Charles Hale Dowman
Harry Anton Johnson
Bernard Joseph Tooher
Claude Edward Duncan
Thomas Welch Blackburn
Barney McKinney Giles
Bob Edward Nowland
Albert Francis Hegenberger
Max Frank Schneider
Donald Gardner Stitt
Glenn Charles Salisbury
Harold Ralph Wells
Malcolm Stoney Lawton
Jasper Kemper McDuffie
Mark Rhey Woodward
Howard Knox Ramey
Lionel H. Dunlap
Harold Rentsch Rivers
Harold Daniel Smith
James Pratt Hodges
Earle J. Carpenter
Frank Lauderdale Cook
Oakley George Kelly
Bernard Tobias Castor
James Alexander Mollison
Harold Webster Beaton
Edgar Eugene Glenn
John William Monahan
Cortlandt Spencer Johnson

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

First Lt. John Marion Moore.

TO INFANTRY

First Lt. John Baird Shinberger.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONEL

Ray Corson Hill, Infantry.

TO BE LIEUTENANT COLONEL

Henry Benton Sayler, Ordnance Department.

TO BE MAJORS

Henry Anson Barber, Jr., Infantry.
Harold Allum Cooney, Field Artillery.

POSTMASTERS

ALABAMA

Albert C. Simmons, Deatsville.

ARIZONA

Fred B. Moore, Morenci.

ARKANSAS

Felix E. Stephenson, DeWitt.
Norine W. Thomas, Norman.

CALIFORNIA

Orin Franklin Mumy, Angel Island.
Reuben C. Yarger, Loleta.
Claude P. Roberts, Wilmington.

FLORIDA

Herbert L. Eiland, Baker.
George T. Lewis, Cedar Keys.
Eva E. Ward, Macclenny.
Bibb E. Jones, Port Orange.
Clarence L. Ware, St. Andrew.

GEORGIA

John R. Jones, Dahlonega.

IDAHO

Harry L. Clovis, Craigmont.
Sara H. Huff, Driggs.
Henry S. Detmer, Orofino.
Katherine A. Peters, Post Falls.

ILLINOIS

Richard M. Laux, Addison.
Charles E. Olds, Albany.
Arthur McKinney, Alto Pass.
Virginia F. Dodge, Arlington Heights.
Effie B. Mueller, De Soto.
Oral LaVan Dowse, Kempton.
Marshall P. Kuhne, McNabb.
Francis J. Keigher, Manteno.
Edith Brain, Orient.
John S. Kaler, Rantoul.
Edward P. Devine, Somonauk.
George Lyons, Tilden.
George M. Mader, Waverly.

INDIANA

Clyde B. Oberlin, Butler.
Albert L. Dobbs, Greencastle.
Guy Dunlap, Poseyville.
Andrew H. Henschen, Rising Sun.

IOWA

Anna K. Shane, Ames.
Alice E. Owens, Carlisle.
J. Gerald Christy, Coon Rapids.
J. Louis Buss, Dow City.
Anna T. Wieland, Gladbrook.
Audra R. Howe, Greenfield.
Oscar K. Dick, Iowa Falls.
Ina M. Crow, Norwalk.
Robert Edwin Liston, State Center.
Peter Peterson, Story City.

KENTUCKY

George Taylor Smith, Beattyville.
Ben G. Pollard, Eminence.
Hattie D. Wood, Millersburg.
Charles W. Mitchell, Wilmore.

LOUISIANA

Frank M. Caldwell, Robeline.

MINNESOTA

Walter F. Gregory, Backus.
Theodore H. Lohrke, Balaton.
William F. Priem, Bellingham.
John M. Gunter, Clara City.
William Spalinger, Clinton.
John R. Forsythe, Cohasset.
Kalervo O. Finnila, Floodwood.
Lawrence C. Blackmun, Hancock.
John E. Doyle, Lake Benton.
Roy Peterson, Litchfield.
Ross Andrews, Meadowlands.
Charles A. Allen, Milaca.
Marguerite Mealey, Monticello.
Andrew J. Tauer, Morgan.
Fred C. Keith, Princeton.
Arthur F. Hernlem, Red Wing.
Herman I. Nelson, Spicer.
Ida M. Chiabotti, Tower.
Alfred Anderson, Twin Valley.
Timothy A. Garvey, Wahkon.

MISSISSIPPI

John A. Gerard, Bude.
Clifford E. Ball, Tylertown.

MONTANA

Theodore R. Bergstrom, Baker.
Charles Gibson Monkman, Choteau.
Grace M. Ramsey, Denton.
Paul M. McLean, Ekalaka.
William G. Kelly, Kalispell.
George T. O'Brien, Sidney.
Reginald W. Spangler, Superior.

NEBRASKA

Irene L. Barrett, Greeley.
Frank Johnson, North Loup.

NEW HAMPSHIRE

Bernard F. Nixon, East Rochester.
Lisle O. Moulton, Ossipee.

NEW YORK

Antoinette Ducharme, Lyon Mountain.
Margaret E. Keating, Olean.

NORTH DAKOTA

Frank L. Swehla, Fordville.
Elmer Knorr, Hunter.
Herman E. Moyes, Oberon.
James F. Ford, Reeder.
Charles W. Gannon, Underwood.

OHIO

Emro J. Zetts, Campbell.
Robert B. Maddock, College Corner.
Ludwig Ries, Jr., Dennison.
Paul M. Hawn, Pleasant Hill.

OKLAHOMA

Virgil A. Little, Goodwell.

TENNESSEE

Nathan D. Guy, Bradford.
George Reed Canada, Dyer.
Joe F. Penn, Kenton.
Charles V. O'Neal, Manchester.
Harmon B. Fox, Obion.
Clarence G. Gull, Union City.

TEXAS

Curry H. Walker, Pampa.
John Morgan Hall, Stanton.
Allen H. Brandt, Wallis.
Elmer Rice, Wilson.

UTAH

Lyman Baker, Eureka.
Fred H. Jones, Gunnison.
Heber M. Rasband, Heber.
John C. Green, Park City.
William Warner Mitchell, Parowan.
Nellie M. Ballard, Woods Cross.

WEST VIRGINIA

Bartholomew D. Eagan, Ronceverte.

WISCONSIN

Adolph H. Meinert, Albany.
Lawrence C. Porter, Cambridge.
George Medley, Foxlake.
Charles S. Thayer, Palmyra.

WITHDRAWALS

Executive nominations withdrawn from the Senate June 19 (legislative day of June 15), 1936

BITUMINOUS COAL LABOR BOARD

John M. Paris, of Indiana, to be a member of the Bituminous Coal Labor Board.

POSTMASTERS

MARYLAND

Nina Amelia Calvert to be postmaster at Perryville, in the State of Maryland.

MASSACHUSETTS

Mary F. Cronan to be postmaster at Middleton, in the State of Massachusetts.

MICHIGAN

Harold H. Mickle to be postmaster at Homer, in the State of Michigan.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 19, 1936

The House met at 11 o'clock a. m.

The Reverend John Compton Ball, pastor, Metropolitan Baptist Church, Washington, D. C., offered the following prayer:

Our Father who art in Heaven and on earth, Thou Almighty One who art the God of individuals and of nations, we lift our hearts to Thee in praise and adoration. We are drawn to Thee by the evidences of Thy loving care, feeling sure that the Divine Being who is mindful of a falling sparrow and a flower of the field will not pass over unnoticed the needs of the greatest of all His created works. Therefore, with a boldness of faith and trust in one who is our dearest friend, we come to Thee to thank Thee for Thy goodness and to plead for Thy continued blessing. As we stand before Thee all political, denominational, social, and racial differences melt away. We are the children of one divine parent who loves us from cradle to grave, and who is anxious for one supreme thing in our lives, namely, the developing of all good and the crushing under foot of all

evil that the outcome may be beauty of character in the sight of God and men.

In the closing days and hours of this Congress we pray Thy blessing upon all good that has been done and Thy wise overruling of all mistakes that may have been made. Bless our President, we pray, and graciously let Thy benediction rest upon the Speaker of this House and every Member thereof. Be with our beloved Chaplain as he travels afar and with each one of us as we shall soon separate and journey to distant homes. Keep us from accident and harm. May we reach our homes in safety and with the conviction that we have done our best for our constituents, our country, and, above all, our God. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate had passed, without amendment bills and joint resolutions of the House of the following titles:

H. R. 255. An act to provide for the commemoration of the Battle of Eutaw Springs, in the State of South Carolina;

H. R. 1397. An act to withdraw certain public lands from settlement and entry;

H. R. 1962. An act for the relief of Albert H. Jacobson;

H. R. 2155. An act for the relief of Francisco M. Acayan;

H. R. 2932. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of the International-Great Northern Railroad Co. against the United States;

H. R. 4059. An act for the relief of Ella B. Kimball, daughter and only heir of Jeremiah Simonson;

H. R. 4707. An act validating certain applications for and entries of public lands, and for other purposes;

H. R. 4900. An act to amend the naturalization laws in respect of residence requirements, and for other purposes;

H. R. 5754. An act for the relief of Emma M. Pearson;

H. R. 5829. An act for the relief of Daniel J. Hagerty;

H. R. 6668. An act for the relief of S. John Hegstad.

H. R. 6951. An act for the relief of Thomas J. English;

H. R. 7256. An act for the relief of Perry H. Callahan and Malcolm W. Callahan;

H. R. 7463. An act for the relief of Lawrence R. Lennon;

H. R. 7727. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of George B. Marx, Inc.;

H. R. 7818. An act for the relief of Caroline M. Hyde;

H. R. 7839. An act for the relief of C. E. Rightor;

H. R. 7864. An act for the relief of Edward P. Oldham, Jr.;

H. R. 8321. An act for the relief of Julia Long;

H. R. 8322. For the relief of Merwin A. Kiel;

H. R. 8373. An act for the relief of James Fitzgerald;

H. R. 8502. An act for the relief of Theresa Link, Wencel Link, Edward Block, and John Meyers;

H. R. 8521. An act for the relief of Elsie O'Brine;

H. R. 8643. An act for the relief of Mr. and Mrs. Frank Daley;

H. R. 8688. An act for the relief of Grace Schultz;

H. R. 8720. An act for the relief of Louis Manzumin;

H. R. 8799. An act for the relief of John N. Hunter, Edmund M. Cook, Fred C. Putnam, Merchants National Bank of South Bend, Ind., and St. Joseph Loan & Trust Co., of South Bend, Ind.;

H. R. 8841. An act for the relief of Estelle Mary MacDonald and Marilyn MacDonald;

H. R. 8875. An act to clarify section 104 of the Revised Statutes (U. S. C., title II, sec. 194);

H. R. 9078. An act for the relief of Bertha W. Lamphear;

H. R. 9111. An act for the relief of Evanell Durrance;

H. R. 9313. An act for the relief of the estate of Hans Ditmanson, deceased;

H. R. 9314. An act for the relief of the estate of Henry Copple, deceased;

H. R. 9315. An act for the relief of the estate of Fred Wilkins, deceased;

H. R. 10044. An act for the relief of Lt. Col. Fernand H. Gouaux;

H. R. 10168. An act for the relief of Arch A. Gary;

H. R. 10279. An act for the relief of the Pocahontas Fuel Co., Inc.;

H. R. 10591. An act to authorize the Secretary of Agriculture to investigate and report on traffic conditions, with recommendations for corrective legislation;

H. R. 11022. An act for the relief of Ethel Armes;

H. R. 11123. An act for the relief of Edward A. Foote, Jr., and others;

H. R. 11176. An act increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark.;

H. R. 11180. An act to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes;

H. R. 11379. An act for the relief of William H. Milton;

H. R. 11538. An act for the relief of the Orland reclamation project, California;

H. R. 11597. An act for the relief of L. A. Peveler;

H. R. 11615. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

H. R. 11926. An act to provide for a term of court at Durham, N. C.;

H. R. 12002. An act to authorize a preliminary examination of the Lackawanna River with a view to the control of its floods;

H. R. 12007. An act to authorize a preliminary examination of the Penobscot River, Maine, and its tributaries, with a view to the control of their floods;

H. R. 12008. An act to authorize a preliminary examination of the Androscoggin River, in Maine and New Hampshire, and its tributaries, with a view to the control of their floods;

H. R. 12062. An act to authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona in exchange for certain other lands, and for other purposes;

H. R. 12144. An act for the relief of the Federal Enameling & Stamping Co.;

H. R. 12353. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925;

H. R. 12494. An act to provide for the establishment of a Coast Guard station on Lake St. Clair, Mich.;

H. R. 12758. An act to increase the pension to certain veterans of the Regular Establishment on the rolls March 19, 1933;

H. J. Res. 366. Providing for the establishment of a game management supply depot and laboratory, and for other purposes; and

H. J. Res. 606. Joint resolution amending section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1935.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 4364. An act for the relief of Andrew Johnson;

H. R. 5078. An act for the relief of Mrs. Charles F. Eikenberg;

H. R. 6719. An act to amend the Canal Zone Code;

H. R. 7293. An act to amend the act approved June 16, 1934, entitled "An act to provide relief to Government contractors whose costs of performance were increased as a result of compliance with the act approved June 16, 1933, and for other purposes";

H. R. 7642. An act for the relief of Katherine Trick;

H. R. 8107. An act to authorize the coinage of 50-cent pieces in connection with the celebration of the one hundredth anniversary of the opening of the tri-State Territory of east Texas, north Louisiana, and south Arkansas by Capt. Henry Miller Shreve, to be held in Shreveport, La., and surrounding territory, in 1935 and 1936;

H. R. 10439. An act for the relief of John B. Ricketts;

H. R. 11555. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission;

H. R. 11688. An act providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union; and

H. R. 12212. An act to quiet title and possession with respect to certain lands in Tuscumbia, Ala.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 390. An act for the relief of Orson Thomas;

S. 670. An act for the relief of Eliza Boykin;

S. 1339. An act to establish the Pipestone Indian Shrine in the State of Minnesota;

S. 1986. An act to authorize the acquisition of a certain building, furniture, and equipment in the Crater Lake National Park;

S. 2402. An act for the relief of Josephine M. Scott;

S. 2777. An act for the relief of Mildred Moore;

S. 2827. An act for the relief of Margaret Scott Bayley;

S. 3394. An act for the relief of Edmond G. Warren;

S. 3458. An act for the relief of George Smith and Ketha Smith;

S. 3606. An act for the relief of M. K. Fisher;

S. 4183. An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities, to charge for the use thereof, and for other purposes;

S. 4187. An act to amend the Reconstruction Finance Corporation Act for the purpose of making loans to shipowners for increasing safety of life at sea on existing vessels;

S. 4264. An act for the relief of Earl J. Thomas;

S. 4268. An act to authorize the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.;

S. 4518. An act for the relief of the dependents of W. R. Dyess;

S. 4633. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

S. 4634. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

S. 4642. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States;

S. 4684. An act for the relief of the First, Second, and Third National Steamship Companies;

S. 4712. An act for the relief of F. P. Delahanty;

S. 4727. An act to quiet title and possession with respect to certain lands in Lawrence County, Ala.;

S. 4773. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels;

S. J. Res. 213. Joint resolution defining the jurisdiction of the Court of Claims under the act approved April 25, 1932 (47 Stat. L. 137), and for other purposes;

S. J. Res. 255. Joint resolution to provide for the participation of the United States in the commemoration of the seventy-fifth anniversary of the Battle of Antietam; and

S. J. Res. 284. Joint resolution providing for the appointment of a National Unemployment and Relief Commission.

A 40-HOUR WEEK FOR FEDERAL EMPLOYEES

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein the 40-hour-week bill I introduced on December 3, 1930, and the remarks I made on that bill on December 10, 1930.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, I am heartily in favor of the bill now before the House. In my remarks of December 10, 1930, I stated I was not interested in which party would be successful in 1932 provided prosperity returned to our country. But I am interested in this coming election for the benefit of the American people, and it is very important that we keep in the White House our present and next President, Franklin D. Roosevelt. [Applause.]

The following is the 40-hour-week bill I introduced in the third session of the Seventy-first Congress on December 3, 1930:

[H. R. 14251, 71st Cong., 3d sess.]

A bill providing for a 40-hour week for Federal employees

Be it enacted, etc., That on and after 60 days after the effective date of this act 40 hours shall constitute a week's work throughout the year, without reduction of salary, for all laborers, helpers, skilled and semiskilled workmen and mechanics, civil employees of the Federal Government and the District of Columbia, whether on the hourly, per diem, per annum, piece-work, or other basis: *Provided*, That in all cases where for special public reasons, to be determined by the head of the department or establishment having supervision or control of such employees, the service of such employees cannot be spared, such employees shall be entitled to an equal shortening of the week at some other time: *Provided further*, That the provisions of this act shall not deprive employees of any leave or holidays with pay to which they may now be entitled under existing laws.

On December 10, 1930, I expressed my views on this subject, as follows:

Mr. FITZPATRICK. Mr. Chairman and members of the Committee, I am in favor of the bill now before the House. The splendid work of our postal employees, which has raised the service to its present high efficiency, entitled them to the 44-hour week. In all kinds of weather these loyal public servants pursue their daily tasks. They are the arteries of our social and business life. Any break-down would cripple our business and leave us impotent and dismayed. The Members of the House appreciate this devotion to duty, and that is why we are eager to vote this legislation, anxious to grant this boon to the men and women of our postal system. I shall always look back with satisfaction to the small part I was permitted to play in making the half-holiday bill the law of the land. Last week I introduced a 40-hour bill for all Federal employees, and, as I stated at the time, I believe that less hours and shorter weeks is the only solution of the present unemployment situation. It has been stated by a number of prominent public officials and businessmen throughout the country that they believe that less hours is the only solution. Just before election there was a statement published in the New York newspapers, alleged to have been made by President Hoover, in which he stated that the invention of machinery and our mass production were greatly responsible for the present unemployment situation in our country. Now, if that be true, the only solution is less hours and shorter weeks. The distinguished chairman of the Appropriations Committee only last week drew a beautiful picture of what President Hoover did a year ago when he called the men representing capital and labor to Washington and asked them to help out on the unemployment situation. The representatives of capital and labor promised the President to do everything to help improve the unemployment conditions in our country. Now, what really happened? The president of the New York Edison Co. returned to New York and discharged a large number of employees. The president of the New York, New Haven & Hartford Railroad, the Railway Express Co., the New Jersey Central Railroad, and Henry Ford did the very same thing. Did President Hoover send for those men and ask them why they had broken their promise or pledge to him? He did not. He could not well have called them back, because the very thing he would again ask them to do the Government was failing to do itself; on the contrary, the Federal Government deprived men of employment in the navy yards, issued an order in the Postal Service whereby they reduced deliveries of mail, that meant doing away with the services of a number of employees, and at the same time have refused to fill these vacancies that exist in the post office.

Today, throughout the United States, there are over 5,000 vacancies, and in the city of New York over 600. So you can readily see, Mr. Chairman, ladies and gentlemen of the House, that the President should not ask private capital to do what the Federal Government has failed to do. The President at the time he called this conference asking the businessmen not to reduce wages of their employees, at the same time asked the representatives of labor not to look for increases and cause any disturbance. The representatives of our working classes carried out their promise,

but what has the Federal Government done toward paying the prevailing rate of wages? In the Labor Committee, of which I am a member, we reported out a bill at the last session of Congress which provided that the Federal Government on all its public works should pay the prevailing rate of wages. That bill has been held in the Rules Committee; it never came before the House, and today throughout the United States there are buildings being constructed by contractors who are using cheap labor where those buildings are being constructed and are not paying the prevailing rate of wages. Was the President sincere when he asked private capital to keep up wages and stimulate employment when the Federal Government failed to authorize the prevailing rate of wages, and also failed, as I have pointed out, to keep the men employed in the navy yards and Postal Service? What Congress should do is pass a 40-hour-week bill, and the message would be sent across the country that Congress has at last taken action, and if the States will follow in our footsteps it will be only a few months when the large unemployment personnel will be helped. The working people of our country are not looking for charity; they would spurn it; they are not looking for a dole; they want justice and employment. We can bring this about by enacting the proper laws to make less hours and shorter weeks for Federal employees, and if that is followed by the States we will be able to compete with the machinery and mass production throughout the country. We are suffering from mass production and the invention of great machinery. You have appropriated millions of dollars only on yesterday for roadways. This will bring only temporary relief to certain sections of our country. If you would have permanent relief, then let us have less hours and shorter weeks. I am not concerned with who gets the credit for it or how the country votes in 1932, what I want is something to relieve this unemployment situation and bring prosperity back to our country. [Applause.]

EXTENSION OF REMARKS

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of my colleague the gentleman from Texas [Mr. MAVERICK], and to include certain editorials commenting on his service in the House.

Mr. RICH. Mr. Speaker, reserving the right to object, what kind of editorials, newspaper editorials?

Mr. SCOTT. Editorials from newspapers and magazines.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. RICH. Mr. Speaker, I object.

RURAL ELECTRIFICATION

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a broadcast made by Mr. Redmond M. Burr on the subject of rural electrification.

Mr. RICH. Mr. Speaker, reserving the right to object, who is the gentleman?

Mr. HOOK. A member of the Michigan House of Representatives, and, by the way, a Republican.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following broadcast made by Hon. Redmond M. Burr, June 12, 1936, on the subject of rural electrification:

Thank you, Mr. Ritter. Good afternoon, friends of the radio audience. It has been gratifying to me to have an opportunity to be of service to my fellow citizens of our great State. You will note that I have not specified rural residents, for I have in mind all residents of the State, because, while the accomplishment of assisting those in rural communities is a direct benefit to them, there is an indirect advantage to urban residents, too, in many ways.

You doubtless know that the Michigan Rural Electrification Association was instituted by farm organizations with the objective to form cooperative organizations in every county of the State as a unit, the State organization to assist in handling these matters in order that the best possible arrangements be made for each and every unit to secure the facilities necessary for electrification.

I have previously stated that reports from officers of the Michigan State College reveal there are more than 196,000 farms in Michigan, and also that there are less than 40,000 of those farms that now have electricity. Records also reveal that of those now having electricity they are, as a general thing, in the more thickly populated districts of the State.

Mr. Morris L. Cooke, Administrator of Rural Electrification, states in the May issue of Rural Electrification News that, "Rural electrification in the United States can never reach a satisfactory level until, first, the relationship between private utilities and electric cooperatives is complementary and friendly; and, second, private utilities extend their rural lines on an 'area' basis, whether financed by public or private funds.

"In the past year or two the public has been slowly realizing what the farmer has always known—that the private utilities by confining their lines to the choicest parts of a rural section have deprived most of the neighboring farmers of any opportunity of receiving electric service.

"There has been a growing demand for 'area electrification', as more and more people have recognized that with the grant of monopoly privileges to private utilities there is a corollary obligation on their part to provide service to the rural community as a whole, not only to a few especially profitable customers.

"The reluctance of many utilities to meet this social obligation gave birth to the present rural electric cooperative movement. The local cooperative is designed to solve the local problem, at least in rural areas where the private company is unable or unwilling to make electric service available to most of the inhabitants.

"For many years there have been some very successful small rural electric cooperatives. They have conducted their business so quietly that observers of the national scene have been unaware of their existence. Public attention, focused on the issues presented by municipal plants and the growth of holding companies, has overlooked the successful cooperative.

"It has been obvious for years that the two methods most commonly used by private companies in extending electric lines into rural areas would never electrify much of rural America. The first way has been to run electric lines from one town to another with little, if any, attention to the load that could be obtained by routing these lines and their branches so as to reach the greatest possible number of rural customers.

"Many of the new lines now being built or planned by the existing private utilities actually block area-electrification projects of local cooperatives. The blighting character of these new lines can best be illustrated by a number of reports from the field. Such policies tend to defeat the possibility of real rural electrification, because after a distributor is once serving the 'cream' of an area it is next to impossible to secure electric service for the balance of that area.

"In a southern State, for example, a farmer's cooperative developed a project that would fill the need of the small community for electric service. Twenty-six miles of line were to be built and 100 customers served. After months of developmental work, these farmers now find their whole project imperiled by the threat of a private electric utility to build 7½ miles of line covering just the middle portion of the proposed route and taking 35 of the best customers. Without these 35 customers the cooperative project would not be economically feasible. The private company is unwilling to extend its service to more than a compact third of the original group of 100, thus the other 65 will be deprived of service."

The Norris-Rayburn bill, which provides for around $425,000,000 in addition to the $100,000,000 allocated by President Roosevelt for rural electrification, passed the United States Senate March 5 and the House April 9. As there are differences in the bill as passed by the two Houses, a conference committee from each House has been appointed to meet and straighten out those differences. In the debate on this bill both Republicans and Democrats spoke in favor of it, yet unfortunately those opposing rural electrification most strenuously were Republican Congressmen MERRITT of Connecticut; WADSWORTH, of New York; HOLMES and GIFFORD, of Massachusetts. Representative MAVERICK, of Texas, summed up the philosophy of the situation thus: "So long as we look at the matter of rural electrification in the light of economic greed, private profit, and speculation, nothing will ever be done for the farmer. We cannot do this on the basis of immediate profits. We cannot rely on the private utility industry alone. We must look at the subject from the viewpoint of public service.

On pages 7 and 8 of the May 1936 issue of Rural Electrification News is an account relative to "R. E. A. Activities in Virginia Suspended." The suspension apparently covers for 20 projects, totaling about 3,300 miles, to serve some 16,000 rural residents in Virginia. The removal by order of the Virginia State Corporation Commission of one of the two most profitable sections of the Caroline County cooperative project after it had been given the "go ahead", made it desirable to make sure that Virginia projects are not in the future open to any such hazzard. Many rural residents of Michigan realize that progress and construction of lines in Michigan has been delayed because the commissioner of corporations has declined to grant a charter for the construction of rural lines unless approval of such lines were received from the Michigan Public Utilities Commission. Officers of the Michigan Rural Electrification Association have been informed by competent counsel that a rural cooperative association serving only its own members in a nonprofit association is not a public utility and need not come under the jurisdiction of the utilities commission. The above experience of rural residents of Virginia who did place themselves under the jurisdiction of the Virginia Public Service Commission ought to be evidence of the wisdom of Michigan Rural Electrification Association officers. We believe that matters are going to so shape themselves in the near future so that we will be able to make progress. It may be necessary, as suggested by the commissioner of corporations, for us to go into court in order to secure charters that the laws contemplate shall be granted to citizens of the State without discrimination; if so, we will inform the members throughout the State that they may participate in our efforts to secure electricity for rural residents of Michigan.

Information comes to us that one of the projects that we have put forth time and efforts on to develop is about to go to the

Utilities Commission upon advice of their Congressman. In the face of the experience of rural residents of Virginia who placed themselves under the authority of the State utilities commission, resulting in the suspension of all loans within that State, it would be well to be cautious in any such an undertaking. The matter is, however, entirely one which residents of any community must consider for themselves; if a utility commission sees fit to give the best miles in any district to a private power company and what is left to a cooperative, as was apparently done in Virginia, and also as previously mentioned in a southern State, it would seem that there are bound to be some rural residents who will not obtain electricity. The officers of the Michigan Rural Electrification Association have repeatedly advocated that every resident in a given area must be given consideration, and advised that rural residents must stick together for mutual protection. We regret that there are delays, but remember that Edison invented the filament of the electric light 54 years ago; you may not have electricity today, after these many years; is it not worth while to be patient after 54 years of waiting so that yourself and your neighbor may each be served rather than less than 25 percent, as is the case after a half century of electricity? Keeping in mind that the Rural Electrification Administration has been operating but a few months, it is unreasonable to expect immediate accomplishment through cooperatives in that which private corporations have done so little during the past half century.

In order that we may not be misunderstood, I want to again repeat, as I have stated many times in the past: "I am interested in rural residents securing electricity for their farms, whether it be through cooperatives or private utility corporations. We do insist that all of the residents of a community shall be given an opportunity to be served." Our efforts to date have been along the lines of cooperating with the private utility corporations; conferences have been held with officials of the Detroit Edison Co., the Consumers Power Co., and the Citizens Light & Power Co. of Adrian and efforts made to secure current from them at wholesale rates, to be purchased at a central point, and while we know that current can be produced at a profit under such conditions for 1 cent per kilowatt-hour, we have been willing to pay a little more than that amount in order that we be doing our part to deal fairly with all parties. We have insisted, however, in promoting and protecting the consumers' interests at all times.

It is interesting and, of course, very encouraging to all concerned to note the eager determination of rural residents to carry on their efforts to the end that electricity be obtained for farmers, but first and last that it shall be obtained under conditions that are reasonable and giving opportunity to all residents in a given locality.

There is another important matter that has been called to the attention of rural residents, but it is so important that I repeat it again. Be more than cautious of what you sign, because you may not understand that the provisions are what you expect them to be. To illustrate, if you sign a permit giving a right-of-way across your property without a date being named wherein the furnishing of current is specified, it will be difficult for you to obtain a release from such a document after you have signed it, whether you ever secure electricity from such an agreement or not.

There is another point in connection with signing such an agreement which is, those agreements giving to utility corporations rights-of-way are capitalized, although they may have cost the company nothing, and rates for current are made upon the basis of a value placed upon those rights-of-way, so that you have not only contributed to the capitalization of a utility corporation but are later called upon to pay a rate for current based upon what you have contributed to that corporation.

Many interested persons have urged a pilgrimage to Washington to place before President Roosevelt the seeming unnecessary delays in developing rural electrification in Michigan. We do not like to see such action taken. We will if necessary take the matter to our Michigan courts and then, if unsuccessful, the trip to Washington can be undertaken. I urge your continued patience and efforts for developing cooperative units be maintained. It is disappointing, of course, that we may have to go to court, with the attending expense, delay, and extending the day when electricity can be obtained by farmers under conditions that are right and proper, but if we must do that we will. There is always room for honest differences of opinion, and the courts are established to dispose of those differences; however, there must be doubts in the minds of many farmers as to the need or justice as far as they are concerned if they are forced to go to court to obtain that which is lawful and is being obtained daily by citizens in other business ventures. I urge your patience and efforts be continued to the end that matters be in such shape as are to the interest of rural residents in this undertaking. Thanking you and good afternoon.

PROGRESS OF THE COLORED RACE

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GRAY of Indiana. Mr. Speaker, following the example of my ancestors, I take just pride in repeating the history of the part taken by my ancestors in the early movement against slavery, how by grandfather, John G. Gray, Sr., braved a mob of a thousand in Indiana to address an audience of three persons, demanding the freedom of the colored race.

I take just pride in the courage of my father, John G. Gray, Jr., who stood between the attacking mob and my grandfather at the courthouse door, coming from the courtroom after the speaking and taking part of the blows and missiles directed and hurled at the speaker.

And I take further just pride in the course of my brother, George L. Gray, as judge of the Fayette Circuit Court of Indiana, in upholding the impartial consideration of the law in the trial of colored men before him and the respect they hold for his memory in his home town of Connersville even to this day.

MOBS AND LYNCHING A STIGMA UPON THE AMERICAN PEOPLE

With my ancestors and three generations looking down upon me in Congress I welcome the opportunity afforded to honor their memory as liberty leaders, to vindicate their courageous spirit and the cause for which they stood. This opportunity is the opportunity afforded to sign petition no. 32, to take from the Speaker's desk bill H. R. 5, filed by Representative GAVAGAN, to prohibit lynching and mob rule, and bring the bill before the House for consideration and enactment into law.

Mobs and the lynching of colored men have cast a stain and a stigma upon the American people and Nation, a reproach upon our laws and courts before the people of the civilized world.

BOTH WHITE AND COLORED CRIMINALS

Just as there are public enemies among the white people of our country, who commit robbery and murder and the heinous crime of kidnaping, so there are public enemies among the colored people, no more nor less than among the white people. We bring the white robbers and murderers, the white kidnapers of men and women to mete justice out to them in the deliberate proceedings of the courts under the law-and-order procedure. And the millions of our colored citizens will join with the white race in meting out equal justice to colored public enemies in the courts.

LOOKING BACK AT THE PROGRESS OF CIVILIZATION

Looking back at the course of humanity, coming up through the centuries of time, no race can show a record of greater and more rapid progress in civilization and the arts of peace and civil life than is shown by the colored race in America.

Only emigrating from the wilds of Africa a few brief hundred years ago, and only emerging from slavery and bondage less than 80 years ago, their progress has been a marvel and challenges favorable comparison with any race of people in the world. And when left free to work out their own salvation they have strenuously made their way up in the schools, colleges, and universities, and they have distinguished themselves as students, speakers, and orators wherever the opportunity has been open to them.

HONOR TO WHOM HONOR IS DUE

It is not generally known today that the history of the North Pole cannot be written without the name of a famous colored explorer who traversed the weary wastes of icy, frozen seas and snow and without whom the North Pole would have remained a mystery and unknown.

A COLORED MAN RAISED THE STARS AND STRIPES AT THE NORTH POLE

It is not generally known today—it has been withheld from history—that Matthew Henson, a colored man, accompanied Admiral Peary and stood at the top of the world and unfurled the Stars and Stripes to the winds of a far-away frozen land.

It is not generally known today that Matthew Henson, a colored man, drove the dog teams over the frozen world and made the discovery possible. And yet, while lauding Admiral Peary, Henson's name has been withheld and his valor and achievements suppressed from the pages of history.

This is even more marvelous in the light of the colored race coming from the heated Tropics, from the lands of the burning sun, and yet, overcoming this handicap of nature,

Henson pushed his way to the north and stopped only when no human could go farther.

During the course of the depression it was generally observed that, comparatively, a less number of colored people are supported on the relief rolls than the number drawing relief by the white people. In the sphere in which they live and move and have their being the colored people are industrious and thrifty, they meet their public obligations with more than equal promptness, and their loyalty and patriotism is always above question and apprehension.

The following is a copy of a letter received from Hon. JOSEPH A. GAVAGAN, Member of Congress from the Twenty-first District in New York, expressing his thanks and consideration of my signature to the petition and which I will treasure to show that I have kept the faith with my ancestors and their course before me:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 17, 1936.

Hon. FINLY H. GRAY,
House of Representatives, Washington, D. C.

MY DEAR MR. GRAY: I wish to take this opportunity to express my appreciation for your cooperation in procuring the discharge of the Judiciary Committee on my antilynching bill (H. R. 5). Without your signature to this petition it would not have been possible to discharge the committee, and I wish you to know that I am very grateful.

No matter what honors may come to you in the future, I am quite certain that you will look back to your signature on this petition, seeking justice instead of mob rule, as one of your finest contributions to your country.

Again assuring you of my appreciation and esteem, I remain,

Sincerely yours,

JOSEPH A. GAVAGAN, M. C.,
Twenty-first District, New York.

To the same effect is the following letter received from the National Association for the Advancement of Colored People:

NATIONAL ASSOCIATION FOR THE
ADVANCEMENT OF COLORED PEOPLE,
New York City, N. Y., June 12, 1936.

Hon. FINLY H. GRAY,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN GRAY: Thank you for your letter of June 3 informing us that you have already signed the discharge petition with regard to the antilynching bill.

Ever sincerely,

WALTER WHITE, *Secretary.*

SERMON OF THE BISHOP OF WASHINGTON

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a patriotic sermon by the Bishop of Washington to the veterans of all wars.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following sermon delivered by the Right Reverend James E. Freeman, D. D., LL. D., Bishop of Washington, at the annual massing of the colors service in the Washington Cathedral Amphitheater, May 24, 1936:

On an occasion such as this, an anniversary that brings to memory epochal events in our history as a people, where we recount the heroic service of our beloved dead, it is a consistent and normal practice for us to take stock of ourselves, to appraise our assets and weigh our liabilities; in fine, to reckon our position as we survey our advance or note our decline. It is an unworthy and dangerous habit, in the individual as in the Nation, to regard the events of life as governed by chance or determined by fortuitous circumstances. He is a careless mariner who is satisfied to sail always on dead reckoning. To such there can be no sense of security, no fixed haven or ultimate objective. "Favored nations" may be a proper term to employ in economic relations, there can be no nation so favored as to be immune to the penalties that inevitably follow upon an unregulated, unreasoned course; the improvident use of advantages and God-given opportunities, of the prodigal waste of the gifts that must be conserved, if security and prosperity are to be our portion in the days that lie ahead. It is characteristic of youth to be unreflective and careless in appraising values or in using them with a view to what they may secure of permanent advantage, and be it remembered America is a youthful Nation, notwithstanding its robust and virile character. Young as we are we have a record of achievement that gives us warrant for assuming reasonable maturity.

On such a day as this we proudly chronicle our glowing and glorious past and pay just tribute to the men and women who have made and preserved us a Nation. What we hold of wealth and estate is a legacy so rich that we dare not, except to our peril, hold it lightly or remove the safeguards that will secure it to the generations that are to follow. To each recurring age obligations and responsibilities are given, and we best honor our deed by holding to those ideals for which they strove and to which they contributed the last full measure of devotion. The stars in our flag were awarded their place in the field of blue by hands that gave without reserve that their station might be fixed and unchanging and that their union might be forever complete and indissoluble. "E pluribus unum" we inscribe on our national shield, and to it we are committed with unfailing fidelity and changeless devotion. True, we as a people have known days of shadow and long periods when we could but dimly see the path we were following. Even the stars in the blue were for the while obscured and their unity made uncertain, but happily, let us believe, such an exacting and anxious period is forever behind us.

On this day we remember with pride and affection all that the stars in our banner represent, 48 sovereign and related States, and we stand before the world a Nation whose unity is unchallenged and whose integrity and proud distinction are recognized by peoples the world over. Surely with gratitude and reverence we may point to our past and affirm: "He hath not dealt so with any nation." It may be our habit to be unduly boastful and to disclose self-pride when we appraise our record, but let it be assumed that this is but the characteristic of a people that is still in the process of growth and whose fuller and riper maturity is yet to be. The past is secure, the present is fraught with perils and possibilities, the future we will determine by the wisdom and accumulated experience we possess, and the determination we exhibit to follow ways that are consistent with our avowed ideals and our Christian heritage.

Standing as we do in an age that has witnessed mighty and far-reaching changes we are compelled to exercise both caution and restraint. Beyond anything we may do to stabilize our economic and political systems we must, if we would build securely and against evil days that may lie ahead, recognize with reverence and devotion those enduring fundamental moral and spiritual principles that cement and bind together our treasured interests and our dearest possessions. We have made much—too much—of our national wealth and we have been too arrogantly proud of our rapid advance as a nation. Once this advance was checked and our wealth diminished we lost our self-confidence and abandoned ourselves to fear and despair. When our free course was interrupted and our will to succeed rudely halted, our vaunted courage failed us and we suffered disillusionment and accepted defeat. We lacked the moral fiber to stand up against disappointment and disaster and cried bitterly over our restricted freedom to live our lives in pursuance of our selfish aims and our undisciplined ambitions. These past years have gained us no fresh laurels, nor have they witnessed to aught that we may remember with pride. We were bold and adventuresome in the days of prosperity, we lost hope and courage when adversity was our portion and our treasured possessions were imperilled. We have known periods when we presented to the world a better face and disclosed a finer temper. Despite all the shadows, despite our mental debility and depression, our broad acres have still yielded their bounty and our estate has lost none of its essential and real values. We possess the same excelling genius that has carried us to heights of incomparable achievement, but for the while its initiative has been paralyzed and its daring exploits have known no field of new endeavor. I repeat, we have little to cherish as we scan the record of these more recent years.

The men we seek to honor today, who endured stern hardships and made greater sacrifices than we have ever known, would hardly recognize the America they died to preserve. The years of our swift advance and unprecedented prosperity left us soft and flabby. The iron in our blood was thinned through intemperate indulgence and unrestrained follies; when the test was laid upon us we were unprepared to meet it. Selfish acquisition, freedom that grew into license, the setting up of artificial and unreal values, the abandonment of ways that stiffen and stabilize character, discarded disciplines, and above all else a forgotten God, these were the distinguishing marks of an age that sapped our vitality and rendered us the easy prey to evils that destroy confidence and impair and make impotent the will.

While we have grieved over our material losses we have been unrepentent for the follies that have worked to our disadvantage and moral laxity. It is on such a day as this and at such a time, that we are challenged to repent, to set our house in order, and to solemnly resolve, God helping us, that we will with freshened courage attack the forces that surround us, and come again to the day of reestablished hope and renewed faith. I do not lightly esteem the extent of our impaired wealth, nor do I regard with chilled emotions the misfortunes and sorrows that have come to defenseless and ill-equipped households the Nation over.

We mourn with those who mourn, we share the intolerable burdens that have bowed men, women, and little children to the earth, and made desolate and unwarmed their barren hearthstones. Let us hope and believe that a newer and more understanding sympathy is at hand than we have ever known; let us indulge the confident expectation that we are fronting an area in which the divisions and bitter rivalries in our social and industrial life are to be healed, and the spirit of brotherhood is to have a larger and finer interpretation than it has known in the days that are

past. There is something nobler and better than the wealth of which we boast; there is something finer and more enduring than the getting and the spending whereby we lay waste our powers. We yield all praise to those who have selflessly and sedulously sought to dissipate the shadows and to usher in the better day. We reckon with the endeavors of those who have sought to improve our economic conditions and to insure a more equitable and stable industrial situation. A just and consistent judgment we sorely need in this day of intemperate speech and unreasoned opinions. Above all else we need and must have a finer and clearer understanding of those eternal and unchanging values that undergird and secure the strong things of character, qualities that alone contribute to the strengthening of the will and the enfranchisement of the spirit. These we may not buy, no skillful craftsmen can produce them, and market display them.

The kind of character we have in mind is not affected by either adversity or prosperity; it yields not to changing moods nor does it shift its standards because of the clamorous cries of the unthinking mob. It is possessed of a courage that never quails, even when the race is to the swift and the battle to the strong. Its loyalties are fixed and unvarying, its principles are grounded in a faith that can move mountains.

It is men of this breed we need today. It is only men of such sterling qualities that can preserve to us the treasures we most covet and desire. We have had such men before; we shall have them again. Let us not delude ourselves by believing that cleverness and the capacity to adapt ourselves to changed and changing conditions; that political adroitness or cunning constitute the hallmarks of efficiency, the warrants for our continuing happiness and prosperity. It takes something other than the skill and deception of the magician to produce real and lasting values out of secret and obscure places. We may at our pleasure maintain or abrogate a gold standard, but if we leave out of our life the standard of the Golden Rule, the norm by which we determine right human relations, we shall find ourselves a Nation rich in material values, but lacking the moral stamina with which to maintain and protect them. There is a cheap and vulgar habit, all too common in our modern life, that treats with irreverence, if not contempt, those qualities that have had conspicuous expression in the lives of the good and the virtuous. We call these qualities spiritual, and in our better moods we define them as Christian. We would hold these virtues above reproach; we would keep them clean and strong in a world that is abandoning its time-honored traditions and its reverenced altars.

This is a task that calls for the noblest and strongest qualities in our nature. As we survey the survivals of nations and peoples, it is universally true that minorities, minorities representing and exemplifying great ideals, have been as preserving salt to save States and communities and society from corruption and decay.

We stress this on our memorial Sunday and in the presence of this representative assembly, for there are false prophets and blind guides in our national household who would have us part company with our ideals and forget the rock whence we are hewn. With arrogance and conceit they would have us change our chosen course, abandon our religious faith, and set at naught our traditions. To such, the flag must have a crimson hue and the form and character of our Republic give place to systems alien to our life, systems that deny God and moral concepts and make havoc of the most sacred and hallowed of our institutions.

An astute English observer says concerning our drifts and tendencies: "At the moment the American Nation seems to be suffering from a certain bewilderment consequent on its inability to discover a working philosophy of life." He pertinently adds: "There are only two such philosophies in the world today, Christianity and communism." Of these two we of America must presently make our definite and deliberate choice. We shall go on in our own strength and according to our own selfish wills, or we shall freshly affirm and obediently follow Him who came to reveal God's will and purpose to His children. Christians, we avow ourselves, but His percepts and principles are hardly conspicuous in our social or economic life. What our choice is to be is as yet obscured to our vision.

We are not unsympathetic or unresponsive to well-devised plans that seek to usher in a better and more equitable social and industrial order; we steadfastly refuse to yield to theories and nostrums that are foreign to our avowed Christian ideals and practices. It is not alone the citizen of foreign birth who would with inflamed zeal and passion tear down the structure so long and laboriously reared by self-sacrificing patriots but the elect and privileged within our own household who would take from us, and especially from the youth, loyalty and devotion to all that we hold as indispensable to the maintenance of life, liberty, and the pursuit of happiness. Moral degeneration and irreverence, issuing in marital infidelity, broken homes, undisciplined lives, disregarded obligations, and a Godless society, these, unrebuked and unrestrained must ultimately work our ruin.

It is to the defense of our institutions we are called today. It is from those who gave their all, "poured out the sweet, red wine of youth", the summons comes to us, their sons, to be strong and of a good courage, that this rich and far-stretching land may be preserved and its strong principles stoutly maintained. We make no boast of our virtues, nor do we assume infallibility of judgment. We zealously commit ourselves to the righting of wrongs and the abatement of abuses; but we will effect these salutary changes by the Christian standards to which we adhere, and with a courage that is sustained by faith in God and our accepted American ideals. It is to a renewal of faith we are bidden today. By the graves of our dead we keep our tryst and with firm resolve rededicate ourselves that the heritage so generously and selflessly committed to our hands may be forever preserved.

PERMISSION TO ADDRESS THE HOUSE

Mr. GUYER. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GUYER. Mr. Speaker, my friend, Governor Alfred M. Landon, has been honored by the national Republican convention with the nomination for the Presidency. [Applause.] To have captured the imagination of the American people and the Republican nomination within the space of less than a year has never been equaled in the political history of the United States. Kansas is very proud of this honor and deeply appreciates the distinction conferred upon her through her Governor.

Mr. Speaker, I ask unanimous consent to extend my remarks.

The SPEAKER. Is there objection to the request of the gentlemen from Kansas?

There was no objection.

Mr. GUYER. Mr. Speaker, we are on the threshold of a great quadrennial election in which the people will choose a President and a Congress to guide the destinies of our country for the next 4 years. Under our system of government, as it has evolved, we have a two-party political system under which two powerful political organizations contend for mastery. These political parties differ along rather definite ideas of policies and principles which in a broad sense divided, in our earlier political history, upon the question of a strong and energetic central government as opposed to what was known as State rights.

TANGLED POLITICAL PEDIGREE

This political alinement dates back to the administration of President Washington, in whose Cabinet Hamilton and Jefferson contended in a titanic struggle out of which was born our first political parties. The followers of these giant political and social philosophers have not always followed strictly the ideas of their respective idols, and certainly not at this time. The alleged followers of Jefferson depended upon Hamilton's theory of implied powers to justify the A. A. A., which is an intriguing romance of political genealogy. The centralization of power in Washington at this time certainly would have satisfied Hamilton in his most ardent desire for a strong centralized government.

No government is ever any stronger than it is in a crisis; and in every great crisis, regardless of party, we have immediately taken refuge in Hamilton's theory of a strong government with sufficient power to maintain itself in a great emergency. In the War between the States unprecedented power was lodged in Lincoln's hands. The same thing occurred in the World War, and President Wilson was given the same unusual powers. Likewise in the emergency of the depression President Roosevelt requested and was given such extraordinary powers as were never before lodged in the hands of any President—certainly not in time of peace. However, notwithstanding these lapses of political memory, the two great parties adhere, in a loose and general way, to their traditional policies and principles.

NATIONAL CONVENTIONS

At this time these two political parties are in their quadrennial performance of choosing a standard bearer or candidate for President with all the pomp and circumstance that they can manufacture for that occasion. The Republican Party meeting in convention at Cleveland, Ohio, has already chosen its standard bearers, and next week the Democratic Party will renominate President Roosevelt and Vice President Garner at Philadelphia.

The Republican Party on June 11 nominated Alfred M. Landon, now Governor of Kansas, for President, and Col. Frank Knox, of Illinois, for Vice President. It is of my friend, Governor Landon, that I wish to speak in the brief time at my disposal.

ALFRED M. LANDON

I could describe Governor Landon, known familiarly to his legion of friends as Alf Landon, as an extraordinary ordinary man. [Applause.] He has so far never been charged with being a genius or superman. He does most things, with the exception of making friends, with main strength and awkwardness. He possesses no tricks of elocution or accent that would betray his local origin, education, or ancestry. He is as genuinely American as the rich, common soil from which he sprang. He boasts of no blue-blooded lineage from wealth or social untouchables. His ancestry bears only the stigmata of the pioneer prairies and the rich red blood of the old frontiers. At the time of the American Revolution the Landon family resided in New Jersey, and Governor Landon's great-great-grandfather fought by the side of Washington and his great-grandfather was a soldier in the War of 1812. Governor Landon is himself a veteran of the World War. His grandfather joined the western caravan which swept toward the western sea and settled in western Pennsylvania. His father continued the westward migration to Ohio and finally landed in the last paradise of the pilgrim—Kansas.

"A PLAIN BLUNT MAN"

Governor Landon is no boy orator of the Neosho, the Kaw, or the Platte, or of any other shallow stream. No "orator as Brutus is" but just a "plain blunt man." When he is elected Rudy Vallee will have no competition in the White House. However, when he speaks no one ever complains of not understanding just what he means. He does not believe that the chief function of words is to conceal and obscure thought.

NO ARCHITECT OF ENEMIES

I cannot say of him what General Bragg said of Grover Cleveland when he nominated him at Chicago: "We love him for the enemies he has made." Governor Landon has never achieved a reputation from his accumulation of enemies. If he has an enemy, I do not know who it is. He is, however, an expert in making and keeping friends. Like all creative and constructive characters, he is not greatly interested in the fine art of making enemies. In the business of life he has not found enemies indispensable; they just do not fit into his scheme of life. On the other hand, he has the happy faculty of getting along with people and in that way accomplishing his ends. He had no deadlocks or stubborn controversies with two legislatures which were both very evenly divided between Democrats and Republicans. He did this without dictating and without fawning.

A NATURAL EXECUTIVE

Governor Landon has the natural elements of a great executive without the arbitrary characteristics that so often accompany such talents. He possesses the courage and stamina to make decisions and the tact to say "no" without giving offense. With high ideals and progressive ideas he keeps his feet squarely on the solid earth. He has developed discriminating judgment of men and issues. He acts with directness and celerity without bluster and with the wholehearted cooperation and sympathy of his associates. Modest and unassuming he has no vaulting egotism to bridle, and his keen sympathy and understanding kindles confidence and fealty wherever he goes. Having political integrity he believes platforms are covenants with the people and honors them by performing their pledges. These qualities have made him a good Governor of Kansas, and the same qualifications have made good Presidents.

People all over the country have marveled at the sudden popularity of Governor Landon, which they say they do not yet understand. There is always a reason for such things. They do not just happen without rhyme or reason. The fact is, Governor Landon dramatized a vital idea, which became an issue. Napoleon said that "ideas rule the world." That idea was economy in the conduct of public business. Taxes were becoming intolerable. We had spent money for over a quarter of a century like drunken sailors. Every State, city, and municipality, along with the Federal Government, had been wasting public money for a long procession of years. Real estate in many cities is a liability. It seemed the chief business of every officer of the law was to see how many places could be found to spend the people's money. Then, all at once, the people began to realize the chill which comes in "the cold gray dawn of the morning after" when they are called upon to pay the fiddler.

STAGGERING DEBTS

By leaps and bounds the public debts kept rising since about 30 years ago. From the latest Government statistics I produce these appalling figures: All public debts, national, State, county, city, town, and so forth, total, 1902, $2,838,896,000; 1912, $4,850,460,000; 1922, $30,845,626,000; 1932, $39,424,080,000. The per-capita debt for the same years: 1902, $35.93; 1912, $49.97; 1922, $283.70; 1932, $316.83.

GENESIS OF THE LANDON BOOM

With this appalling public debt staring the people in the face came Governor Landon balancing the budget in Kansas and reducing taxes at the same time. Is it any wonder that with these debts confronting the people and the unprecedented spending of the New Deal, with its waste of public money, that Governor Landon captured the imagination of the Nation?

HOW LANDON BALANCED THE BUDGET

I have no time to go into minute details, but I want to give you in a few words the story of the Kansas balanced budget and lowered taxes at the same time. Since the peak in 1929 general property tax in Kansas has been reduced 32 percent. The cost of State government for 1933–34, the first biennium of Landon's service as Governor, was 22 percent under the cost for 1931–32. Kansas counties and municipalities liquidated $22,000,000 of bonded indebtedness from 1932 to 1934, during which time $5,000,000 of new bonds, about half for relief, were issued—a net reduction of $17,000,000 in the bonded debt of Kansas counties and municipalities. The per-capita cost of State and local government in 1929 was $71; in 1935, $52, a reduction of about $19 per capita, or more than 26 percent.

In 1932, the year preceding Governor Landon's first year in office, the total revenue was $127,000,000. In 1934 it had shrunk to $97,000,000—a decrease of 23 percent.

Kansas bore her share for relief and ranked fifteenth in the United States in percentage of non-Federal funds contributed. Her percentage was 30.6. There were 27 States which contributed less than 25 percent.

This gives you a bird's-eye view of the work of Governor Landon and of the people of Kansas in their determination to economize in cost of government. This was accomplished by a searching policy of economy, by consolidating numerous State regulatory activities, and eliminating needless agencies and agents. And by no means least in the Governor's program was the enactment of the cash-basis law, under which counties and municipalities were prohibited the old privilege of issuing interest-bearing tax warrants and spending in excess of the actual cash on hand or collectible to meet obligations. This was done without crippling a single State institution, a record unparalleled in the history of this country at this time.

LANDON GENEROUS AND FAIR

Governor Landon gives due credit to all, including his Democratic predecessor; but without his grim determination to balance the budget, as his platform promised, this could not have been accomplished. It is in sharp contrast to the debts and deficits piled up by this Democratic administration after all the rosy promises of Franklin D. Roosevelt about reducing taxes and cost of government at least 25 percent.

Landon believes, like the Democratic platform eloquently declared, that a platform is a covenant with the people to be sacredly kept. Unlike the head of the Democratic Party, Landon performs these contracts and considers them sacredly binding. That is why he has captured the imagination of the American people in this age of broken Democratic promises and colossal debts and deficits. The people want an Executive who possesses political integrity and the fortitude and grim executive resolution to make good his plighted word.

HONEST RELIEF ADMINISTRATION

At Lincoln, Nebr., on February 28 last, Governor Landon declared:

Recently the impression has been spread that a change in administration would jeopardize the relief intended for the deserving. The time has come to call a halt on such politically inspired fear. Let us, as Republicans, make it clear to the needy everywhere that the changes we pledge will bring order out of chaos by purging the Federal Relief Administration of partisanship, of waste, and of incompetence.

The people demand that the hunger and misery of the Nation shall not be used as political capital at the expense of the Public Treasury; that their money shall not be shamefully wasted to buy a return ticket to public office in the manner of the largess in the palmy days of the old Roman Empire. No blacker stain could besmirch the record of any party or administration than the infamy of preying upon the hunger and destitution of the people for political advantage at the expense of the Public Treasury.

ISSUES INCARNATED

Governor Landon is the incarnation of the issues of 1936.

The people are clamoring for sanity under the light and guidance of experience. That was Landon's policy in the government of Kansas.

The people are appealing for economy and common horse sense in governmental expenditures; for an honest, nonpolitical administration of relief like Landon gave Kansas. They were the keys to Landon's success in balancing the budget and reducing taxes in Kansas.

The people plead for sincerity and honesty in the fulfillment of campaign promises. Landon kept faith with the people of Kansas, and he will keep faith with 130,000,000 American people. [Applause.]

COMMENCEMENT EXERCISES AT ST. JOHN'S UNIVERSITY

Mr. SMITH of Connecticut. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a speech delivered by Senator MALONEY at the commencement exercises at St. John's University.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SMITH of Connecticut. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered by Senator MALONEY at the commencement exercises at St. John's University, Brooklyn, N. Y., June 3, 1936.

I should tell you at the outset that I am here without a feeling of satisfaction and with no degree of comfort. This assignment is deserving of a more gifted man, and you are entitled, after the strenuous, fruitful, and happy years which are about to close on your college careers at St. John's University, to something more scholarly than I can offer, and to a commencement address in keeping with what you have acquired at your great institution of learning.

But I am here. I came because Father Walsh asked me to come. It seemed like a summons. Father Walsh had just delivered an inspiring and completely captivating address in my State, and I was so impressed with his talk that I should have agreed in anything he asked. Because I have never heard a commencement address, nor read one, I have had no opportunity for guidance. I have only the inspiration that comes with the great compliment of the invitation, and your presence, and the important presence of members of your faculty, who have imparted to you the benefits of their learning. The inspiration is great, and, while I am filled with feeling, there is lacking the great gift of language and expression.

Several times in the last few weeks I have asked myself what I might say here. I determined that I could best measure up to the honor that is mine by saying some of the things I should like to have said to my children if they were in this graduating group. It will be simple language. It will humbly be a little of what I think I see before the average young college graduate setting forth to meet the vicissitudes of an uncertain era.

I have not referred to books. For me there is too much confusion there. Certainly I could find a speech in books. Surely from that source it would be simple to take somewhat satisfactory language already molded by other men. That would, to all outward purposes, keep up with the part one is expected to play upon so exalted a stage as this. But it would be a kind of fake, and we have had too much of that.

If I started by paying tribute to the efforts of the college founders, and the accomplishments of their followers, I could make effective language, I am sure, because St. John's is not without its glory and romance. Its history would afford the chance for me to play upon the heartstrings of this audience. The college came into being just after the great struggle between the States. The Republic was about to settle down to the business of a new era, after the shock and the cruelties and the horror and misery of war. I have enough imagination to visualize the coloring for a verbal painting that could be found in those years. Some soldiers, perhaps, out of the armies of Lee and Grant, or the sons of soldiers, coming from the paganism of war to the field of learning and education—Catholic education. Your imagination has been extended, or magnified, during these past few years, and you can perhaps dimly see the picture I outline. There might be put into it the glories of the faith of which we are so proud and so confident, with its converts and its comforts, and the alluring beauty of eternity that is engraved in the Catholic heart.

As I endeavored to outline this feeble contribution, which comes at the end of your college adventure, these thoughts came to me. Each in turn was nearly satisfying to my vanity, for several years in political life have taught me we get applause in speech by what appeals to the emotions of men. But also these years of experience have taught me that emotion is a fleeting thing, and, instead of wanting you to remember me as a person who stirred your feelings for a half hour on an eventful afternoon, I should prefer to attempt to leave a thought, or an impression, that might be helpful in those after years, which I hope will be happy ones, and I know can be useful ones.

The final thought came out of the faith that created your school and which from this day forward you have a chance to honor. You came here with that faith, and you go from here with a better understanding of its philosophy.

All I will say could probably be put into a sentence, and easily into a few paragraphs, but I do want to get, as best I can, a touch of coloring in the picture.

As I began, I told you how it happened that I agreed to come here. Father Walsh had made a speech at a gathering of Catholic people in Connecticut. During the course of his address he drew a word picture of a saddened person of our faith, standing at the casket of a member of his family. Fasher Walsh saw him there with a heavy and bleeding heart, but entirely unwilling—even if it were possible—to call back the one who was dead, because that one was with God. None of our faith would dispute that. Many of us know the feeling and can recall the sorrow and bitterness of such an occasion; not a bitterness toward the all-wise God of infinite goodness, but bitterness in another sense—the bitterness of an almost impossible medicine. How we reconcile our mixed emotions of such a time is impossible of explanation. We love God all the more at that period and we turn entirely to Him for comfort and consolation. Why? Because there is no place else to turn. Then do we realize, all too well, that nothing much matters without Him.

After today some of you will go into business—and find positions of worldly importance in the market places, and others of you will practice before the courts and the bar of justice. If we had the perfection at which the church aims; if there were carried out the teachings of her selected children of the cloth, there would be little business for the latter group—but it will not be that way. For some secret reason, the Lord has determined that we will work things out ourselves. He has, however, supplied us with the rules and regulations.

In the business places to which you will go, or the legal places, and it will be even more a fact if you go to the places of public office, you will be disturbed by the problems of life, just as men have been since the very beginning. You may or may not know the vexation and torment of what is good or what might be bad in the A. A. A. or the S. E. C. or the N. R. A. or the R. F. C., but be confident that if these things do not exist for you that you will not escape the problems and trials and responsibilities of your generation any more than it was possible for your folks to avoid their trials and responsibilities. Yours should be of another kind, however, because in many instances you are afforded opportunities denied to them.

You are too young to know the difficulties with which they fought, or at least to fully appreciate how hard a fight it was. Oh, if you could see the sadness and the gladness of a part of the generation that came before yours. It was the period of oil lamps for most people, although a few had gas, and there were electric lights for the seemingly more fortunate. No radio, no airplanes, no electric refrigeration, few automobiles, few telephones, and little of the development that came to us so fast by way of the inventive genius which was accelerated by the great World War.

In those long-ago days the great masses went "almost nowhere", excepting to work and to church. Sometimes those blessed with continuous good health in their families were able to go perhaps a hundred miles away on an annual visit. It took them months to plan and pack, and before the parting they shook hands with the neighbors and kissed the relatives good-bye at the railroad station. Now the bolder ones go that far almost every Sunday before or after dinner. In those days most of the evenings were spent around a red tablecloth, and at least a small part of the evening was devoted to prayer. In the country, in the warmer weather, there was the treat of the shade of a grape arbor, and in neighborhoods like this, the shelter of maples and elms in the parks. That was their recreation. They asked no more.

Men and women placed their faith in God and made certain of their eternal salvation, and they gave all of their physical effort to make possible the economic salvation of their large families. They did their best to keep up with God, but, if ever they gave a thought to it, they knew it was impossible to keep up with the "Joneses."

That generation, as I saw it, grew old with a fair measure of happiness and satisfaction. The folks grew old with a smile because they were going to God. That generation had not the affliction of the vanity we know, and it was indifferent to man-made opinion. Mr. Dooley, and a comparatively few other men, talked about the Constitution, and the good people of the period I have in mind were less excited about the Constitution than men are now, although there was just as much "regimentation." They did, however, know God's constitution, and it was sacred to them. They knew that living by the Commandments was living according to God, and they seemed possessed of the understanding that the divine law was the basic law.

The changes that came in the following generation, with the greater education opportunities, should have been a blessing, and there can be no doubt that it was so intended. Men seemed to forget, however, and the Jones family held sway. The self-effacement and humility faded, and vespers gave way to movies. Folks failed to remember that inventive genius was given to some men in order that they might spread the goodness and the blessings of the Creator. There was not enough of a recognition of the fact that we are "our brother's keeper", and that the men who came late to work in the vineyard, as well as Caesar, were entitled to what was "theirs." All in spite of the teachings of 2,000 years.

At this point I find myself trespassing upon a field that is really beyond my privlege, and I am doubtful that I have gone the right way in my address. But it is the feeling that came to me, and I shall not undo it now. You know the story, and in some respects you know it better than I do, but if my feeling and opinion is worth anything it is a story that cannot be told too often. If you can conceive that my little experience is worth anything, I warn you that you can find success in what you have had a chance to absorb here in Brooklyn.

God had a more beautiful language than men can find, but He seems to me to have said that the true test of a nation is its care of the weak, and that every man will find the guidance he needs in the laws written on Mount Sinai. I think He was with Jefferson when he penned the Declaration of Independence, and later when he wrote the Bill of Rights. I am certain He is always present when good is accomplished.

Good men are sometimes wrong, and oftentimes on the wrong side, and there can be no sound explanation for that here, anymore than we can explain why the Lord did not cure all of the lepers or relieve all of those who were afflicted with palsy. But history does record that He did cure those who had the faith and went to Him. It does not record that He ever turned His back upon a solitary soul in the 33 years He lived as a man upon this earth, or since that time.

Your school years have constantly reminded you of the intellectual qualities of the men of history from Plato's period to the day when the veil was lifted to give the world the land in which we live. Jefferson and Washington and Henry are now pictured as intellectual stalwarts, the like of which we may not see again. It may be so.

I have felt the quietude of Monticello—it is quiet and peaceful there even now—they have kept it so, and I have been at Mount Vernon, and where Patrick Henry lived. I want to take nothing from them, and no man can, but they received their greatness from God, and their memory is great because they tried to spread the gifts of their greatness among their fellow men.

Responsibility does not go around and around. It increases with every passing day, and it cannot be handled without God's help. You go out of here today equipped, by way of education, to work out your economic and eternal salvation. You will find your religion assaulted sometimes and your opinion more often. You will find yourself trying to keep pace with Jones. You will not know that vanity is with you, but it will be. God offers you His counsel and His friendship and even His companionship.

I caution against those men who will ridicule your opinion on matters political. That is one of the oldest and heretofore most effective of the political weapons, and too often has denied a relief for distressed people for too long a period of time.

You will find men with a superabundance of self-confidence laughing off the suggestion that government owes a protection to the less fortunate of its citizens, seemingly unmindful of the ultimate consequences of neglect. "The survival of the fittest" works more ways than one—the good way and the bad way. If those blessed with a greater share of the earthly blessings of God will assume a responsibility that belongs to them, there is no occasion for fear. If they refuse it too long, Heaven help us.

I have met men who know the classics and could discuss the arts and sciences as I might the primer, but they were left staggering blindly in the wilderness when the plague of hard times came upon our country. Men who seemed to have no more care for the Constitution than a fish has for a shower bath have worried about its destruction because public officials, sworn to protect the general welfare of their fellows, were voting for substantial wage payments.

The admonition to accept its teachings is not because I am of the household of the Catholic Church, but because the church has come down through the troubles of hundreds of years with the torch of eternal light.

Fight for the preservation of the Constitution, with your lives if need be, but remember that it is a meaningless thing without the Ten Commandments. Be very much alarmed with the "share-the-wealth" advocate if he is talking about dollars, but give him your full support if he is talking about opportunity and happiness. Have little time for the demagogue who would give men a greater pension for retirement than they could earn if occupied at work, but never rest while there is a chance to give material comfort to men and women who come to the wintertime of their lives, threatened with the stigma of pauperism, in spite of a lifetime of economic usefulness and good citizenship.

Do not too quickly fall in line with the person who screams "Persecution" when the Government takes legal steps toward regulation of the affairs of men. That is one of the solemn purposes of government, perfected through the years by the clearer-thinking people of every nation.

We need traffic lights partially to protect pedestrians against motorists, and traffic laws partially to protect motorists against each other. We need stock-exchange laws to protect the innocent from the unscrupulous, and labor laws to safeguard the needy from those blindly afflicted with greed, and to protect honest manufacturers from conscienceless competitors. We need pure food and health laws, and other regulatory measures of great number, to insure the protection of our people and make for our country's progress.

The Government must interfere with business just so long as even a small part of business trespasses upon the rights of man. So long as some men are spiritually sluggish, there must be the stimulant of man-made laws. Moral bankruptcy can only end in economic chaos.

As you hear men talk of stabilization, try to think of it a little in the light of spiritual stabilization.

Here at St. John's you have been taken to the top of one of the mountains. You have had more than a brief look into the dwelling place of light and understanding. You have been prepared for the battle of life with an armor denied many of your kinsfolk, and you are expected to keep it bright.

It is not my pleasure to know whence you came, but I assume that most of you have been brought up in this neighborhood—the so-called conservative Northeast. You have an understanding of your neighbors and their needs. But be mindful that this is a great and far-flung Nation. As a part of it you cannot turn your back on the man who lives in the shadow of the Rockies or the farm folk of a dimly lighted humble home on the plains. A part of the Nation's problem—and your problem—is a full measure of justice for the underprivileged sharecropper of the Gulf States, as you will expect it for the slum dwellers of New York and Brooklyn.

It is not the fault of these people that they are denied the opportunity you have had, and the blessings I hope you will enjoy. I see it as the will of God—one of the mysteries of life—perhaps so ordained to give other men a chance to work out their salvation. Wealth, health, and vision are God's gifts. Remember that well. For your own sake, for the sake of your neighbor, and for the sake of your country, keep the faith.

ILLINOIS DAY ADDRESS

Mr. PARSONS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. MASON] may extend his remarks and include an address delivered by him at Valley Forge last Sunday, June 14.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. MASON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address I made at the Thirteenth Annual Illinois State Sunday at Valley Forge, under the auspices of the Illinois State Society, held in the Washington Memorial Chapel, Sunday, June 14, 1936:

My friends, the high and deeply appreciated privilege of meeting this appointment falls to me as the representative of His Excellency the Honorable Henry Horner, Governor of Illinois.

It is a particularly agreeable assignment for me to bring to you the greetings of this illustrious son and first official of the Prairie State. Governor Horner is a truly great chief executive; a jurist of brilliant attainments and conspicuous achievement, whose high eminence in the sphere of humanitarianism is nationally familiar.

Disappointment is yours this afternoon because of the Governor's inability to be present. He is a rarely gifted speaker, whose marked personal magnetism and charm of manner fascinate impressively, and I share your regret that we are denied one of his characteristically graceful and illuminating addresses today. It is my fervent hope that he may be with you on a similar future occasion.

Illinois can claim but scant, if any, association with events directly connected with the tragic story that immortalized the name of these hallowed precincts surrounding us this afternoon. It is entirely probable, however, that some of the heroic men who endured deprivation and suffering here, later found themselves pioneering in what is now our State. There the same resolute spirit, patience, and courage that buoyed them in earlier years doubtless contributed in large measure toward creating a foundation of solid granite for the great Commonwealth now in such splendid state of development and figuring so prominently and influentially in our national life.

This brief seems amply justified by revelations of research that locate in Illinois the burial places of more than 600 men who rendered military service with the Revolutionary forces. Of this number, 53 are in the congressional district which I have the

honor to represent; 31 in my home county. Several are found within a radius of only a few miles of our residence. These graves are marked with meticulous care, and it is a source of local pride to give you assurance that they are habitually given proper attention annually on Memorial Day.

On October 19, 1911—the one hundred thirtieth anniversary of the surrender of Lord Cornwallis—the Sons and Daughters of the American Revolution dedicated a bronze tablet upon which are the names of these Revolutionary heroes of their country. This tablet may be seen on an outer wall of the present Sangamon County courthouse, a former State Capitol building, in the city of Springfield.

In further substantiation of Illinois' connection with the revolution movement, it is recorded in authentic history that General Lafayette, then well advanced in life and frail of physique, paid a visit to at least two settlements in the new Illinois country, encountering there numbers of patriots who served under him in earlier life.

The narrative of prehistoric Illinois is held in conjecture, as it in all probability shall ever remain. Nevertheless, it is definitely established that in some period far remote in the pre-Columbian age the country was occupied by a race representing at least some degree of primitive civilization.

This is revealed by means of extensive excavation operations in huge and obviously artificial mounds at various locations throughout the State. Such procedure has yielded not only collective burials indicating tribal and family organization, but copper utensils, grotesquely carved pipes, and endless other items.

One excavation with which I am especially familiar discloses a spacious temple with several apartments, including one with surroundings that designate it as the burial place of an exalted personage. A complete altar chamber adjacent provides conviction of religious worship in that age.

The extinction of these inhabitants antedates Indian tradition and oblivion will doubtless forever retain its secret. Scientists who have studied the subject through years, variously estimate the period of this occupancy at from a few hundred to several thousand years ago.

In retrospect, development of the Territory and statehood of Illinois affords subject for a narrative in which there are noted five principal events that have proven influential factors in determining the Nation's history. Had the consequence of these been different, so should have been our national story. Of such transcendent importance are these events that the years in which they are chronicled may be considered decisive dates. These are the years 1759, 1778, 1818, 1824, and 1856. They are included within the hundred years between the middle of the eighteenth and nineteenth centuries. Permit me to point out as briefly as possible their significance in connection with our national story.

In 1759 the Indians of the Illinois country agreed to a compact that had existed for many years between the Iroquois Tribes and the English. This pact had been inherited by the English from the Dutch. In their enduring and poetic language the Indians called this the "silver covenant chain" which bound them to the interest of their white brothers. It was consummated on the banks of a small stream which flows into the Hudson River a short distance south of Albany, N. Y. Here was forged the chain that was destined to determine the fate of nations and supremacy of the Anglo-Saxon in the New World.

To appreciate the farflung significance of this treaty it is necessary to direct brief thought to conditions prevailing in Europe and this country in the early part of the seventeenth century. Four major European powers were engaged in intensive colonization of America more than a half century before the Illinois country was known. England was securing a foothold on the Atlantic coast. New France was established in Quebec, Montreal, and other locations along the St. Lawrence River, reaching into the wilderness of Canada's broad expanse and along the northern shores of the Great Lakes. Holland was planning New Netherlands along the Hudson, while Spain had established flourishing strongholds in South America, Mexico, New Mexico, and continuing toward the Pacific coast. These nations, claiming the land by right of discovery, gave to individuals and groups grants that overlapped and conflicted in a manner that brought about perplexing complications.

The American Indians, real owners of the soil, were divested of their possessions by varying and devious methods. The English generally compelled relinquishment of the Indian claims by force. The French brought it about by sharing their life with the natives and agreeing to an equal division. The Dutch gained their end by purchase, giving equivalent value, while the Spanish resorted to force or trade as their whim dictated.

Two great families of the Indian race, the Algonquins and Iroquois, were located east of the Mississippi River. The latter, on home domain in central New York, frequently invaded the lands of other tribes with the purpose of making war upon their neighbors. The usual result of such raids was subjugation of the attacked tribe, with heavy tribute levied by the Iroquois conquerors.

The Indians found in the Illinois country by Joliet and Marquette were all tribes of the Algonquins. Their principal confederacy was that of the Illini, including five tribes, the Peorias, Kaskaskias, Cahokias, Tamorias, and the Michiganians. The names of these tribes have been given to streams and cities in the State, hence their habitat is easily determined, while the name of the confederacy is that of the State and its principal river.

The Illini were not a warlike people, promptly becoming firm friends of the French explorers and missionaries. As the Iroquois made war upon them they steadily retired farther and farther southward until their only remaining territory was a small section of country on the Illinois side of the Mississippi River, near East St. Louis. These particular tribes were never guilty of disloyalty to the French, but other tribes of the Algonquins were more easily influenced toward hostility.

Sir William Johnson was made Commissioner of Indian Affairs in America by Great Britain in 1750. This selection proved a fortunate decision, since the appointee quickly gained the confidence of the Indians, over whom he exerted pronounced influence, managing them with consummate skill. Upon his urgency the Iroquois extended their treaty to the western tribes. Likewise it was through his efforts that in the spring of 1759, during the 7 years of war between France and England, there was called a convocation in which 10 or more nations participated. At that time the Indians as far west as Illinois agreed to become bounden by the "silver covenant chain", and to transfer their allegiance from the French to the English. Following shortly thereafter came a decisive battle before Fort Niagara. The French, with a force of 1,600 men, 1,000 of whom were Indians under leadership of Aubey, commander of Fort Chartres in the Illinois country, were opposed by the English under Sir William Johnson, who met them on their advancement between Niagara Falls and the fort. As the French approached, they were noted marching in narrow column, in close order, out of formation, but in readiness for combat.

Selected Indians of the English Army advanced to speak with those of the French force. Following this conference the Indians of the French column declined their support, under pretext that they were at peace with the Iroquois; thus were the French abandoned by their chief element of strength. Utter defeat and massacre ensued, practically all French officers being either killed, wounded, or taken prisoners. Due to this treachery of their savage allies the French were compelled to concede victory to their British opponents. Had the western Indians remained loyal, turning a deaf ear to Sir William Johnson, the war, in all probability, would have concluded with different result. The passing of New France from America would have at least been delayed, if not averted.

France, being badly worsted in this war, was required to pay dearly for her defeat. All of her possessions east of the Mississippi River, including Canada, were ceded to the British. Laboring under stinging vexation, she consummated a secret treaty whereby her entire possessions west of the Mississippi River, including New Orleans, were given to Spain.

The French colonies in Illinois were the last to be transferred to Great Britain. This was due to fear of Pontiac, chief of the Ottawa Indians. This dominant and far-seeing leader disliked the English, who, he perceived, desired to establish permanent settlements in this country, rather than pursue the fur trade, as had the French. English settlements meant the usurpation of the land and the deprivation of his race. For 2 years this prophetic leader held the King's soldiers at distance, but after successive defeats he retreated, he and his people taking up abode in the villages of Illinois.

Fort Chartres, principal French possession, surrendered to the British. Civil government was administered by governors appointed by the English Crown until the memorable year of 1778 changed the history of this section and likewise the story of the Nation.

Echoes of the Revolutionary War had reached the ears of settlers in the Territories of Tennessee and Kentucky. George Rogers Clark, a Virginian, was one of those early pioneers who had retraced the intervening trails many times. He knew that all of the vast expanse of the Northwest country, from the Ohio River to the Great Lakes and extending to the Mississippi River, was held by only a small number of British troops, stationed at Detroit, in addition to small forces, chiefly French militia, stationed at Kaskaskia and Vincennes.

Patrick Henry was at that time governor of Virginia, and to him the intrepid young Clark went to propose a plan to capture the Illinois country from the British. Governor Henry was found in accord with him as to desirability of such an enterprise, but his State was too poor to provide supplies and, moreover, his men were greatly needed for Washington's Army. After weeks of persuasion, Clark finally secured from the Governor an order for 500 pounds of powder with permission to recruit a company of men from territory west of the Blue Ridge Mountains. Although confronted by a discouraging outlook, Clark was not readily disheartened, but finally found himself at Fort Washington, present site of Cincinnati, with a small and untrained body of recruits.

Continuing down the Ohio River, he came to deserted Fort Massac, about 3 miles below the present city of Metropolis, Ill. Having less than 200 men, the success of his undertaking depended upon his questionable success in surprising the garrison at Fort Kaskaskia, which, with the surrounding settlement, numbered about 2,000 souls.

Leaving his flatboats on the Ohio, he began his tortuous journey through wilderness and over prairies with an objective 90 miles distant. Reaching the Kaskaskia River, a short distance above the point of his chief aim, about 4 o'clock in the afternoon of July 4, 1778, Clark concealed his forces in the underbrush until dark. Then, acquiring some canoes his men ferried across the stream. Thereupon he divided his command into three groups; two were ordered to enter the town from opposite directions while the third was given instruction concerning and charged with capture of the garrison.

The two were strictly charged to remain concealed until their commander announced that the fort had been captured. The commandant of the garrison was found abed. When he awoke,

the redoubtable Clark was at his side, and he was prisoner in the hands of the Americans.

The other two detachments then entered the town shouting warning to inhabitants to remain in their homes under threat of being shot. Reputation of Kentucky frontiersmen, familiarly known as "Long Knives", was such that the admonition was strictly obeyed.

Next morning when church bells were sounded the villagers assembled with alacrity and with their faithful priest took the oath of allegiance to the Government of Virginia. The vanquished commander of the fort, defiant and insulant, was put in chains and sent as a prisoner to Virginia. His slaves were confiscated and sold for $2,500, the money being divided among Clark's men.

Clark next dispatched a detachment, including a number of French recruits, to Cahokia and thence to Fort Vincennes, both posts surrendering without opposition, their inhabitants without reluctance taking the required oath of allegiance. Thus the settlement which the French had spent so much money and sacrificed so heavily to establish, and which the British had won by treaty, passed without the firing of a shot or slightest loss into the hands of the Virginians, never to again be held by a foreign government.

But, contrary to high hopes of the people, the war had not ended. General Hamilton at Detroit eventually learned of Clark's amazing successes and promptly dispatched a force of Indians to retake Vincennes, his plans including recovery of the other forts in the following spring. Captain Helm, whom Clark had placed in command of the conquered post, was deserted at the approach of the British by his entire command, with exception of one man, whose name history fails to mention. By a clever ruse, however, he capitulated with honors of war.

Clark, at Kaskaskia, did not learn of the surrender of Vincennes until the following January. Having permitted about half of his men to return to their homes, he was placed in a perilous position. Realizing the superior force to be sent against him, he dared lose no time in hesitation if his territory was to be retained. With young Frenchmen he promptly recruited his ranks to rather formidable strength. In addition, Colonel Vigo, a Spanish merchant, returning to St. Louis from a trading trip northward, consented to lend him $20,000. With the sum thus acquired he met the expenses of his expedition, and on February 7, with a command of 140 men, embarked on his adventurous advance. These men were without tents. Streams were swollen by early spring freshets. Much of the distance they were required to wade in water waist deep. Not infrequently, in crossing streams, they were submerged to their shoulders, carrying guns and powder containers above their heads. Their destination was reached on the 22d day of February. The French inhabitants welcomed them, providing readily food and ammunition. Attack was promptly opened. General Hamilton held out for 3 days, when the fort was formally turned over to Clark and his victorious followers.

Fifty thousand dollars' worth of stores were captured, together with a boatload of supplies from Detroit worth some $40,000. This substance was divided among members of the little band who by this time had become almost destitute of clothing after their fearful march through the swamps of the Wabash River bottom lands. Few, if any, advances in our history are more calculated to stir our patriotic blood than details of this final move in the conquest of the Mississippi Valley.

The importance of the campaign just referred to cannot be overestimated. Had the country between the Ohio and Mississippi Rivers been in possession of the British when the treaty at the close of the Revolutionary War was concluded it undoubtedly would have remained theirs, as did Canada. The fact that the Americans had conquered was sufficient to swing the scales in favor of permanent possession. At once the title of Virginia to the Illinois country was revived, with ensuing organization as a county of Virginia. John Todd, one of Clark's colonels, was appointed Governor, with the capital at Kaskaskia.

It is a noteworthy coincidence that today there is being dedicated at Vincennes, Ind., almost upon the exact location of the ancient fort, an elaborate memorial to perpetuate the name of the intrepid Commander Clark. President Franklin D. Roosevelt delivered the dedicatory address there at an earlier hour this date.

The next epoch in Illinois history was punctuated by its admission as a State in the Union in 1818. The Territorial Representative in Congress at that time was Nathaniel Pope, under whose prophetic vision, incomparable wisdom, and statesmanlike management statehood became an accomplished status.

This far-seeing man succeeded in having incorporated in the articles of admission a clause providing that the northern boundary be moved north from a line extending directly west from the southernmost shore of Lake Michigan to parallel 42°30′ north. This fortunate shifting of boundaries gave to Illinois 60 miles of Lake shore line, securing to it the port of Chicago with its harbor instead of permitting these to be incorporated within Wisconsin.

Fourteen counties were later created in the territory thus gained. These, with the city of Chicago, have since dominated State policies, even to the extent of deciding national problems. By their combined vote in the middle of the nineteenth century they retained Illinois to the Union and made Abraham Lincoln President.

In 1824 there arose the question whether Illinois should remain a free State, as she had been admitted under her original constitution, or become a slave State was decided for all time. Settlers in southern Illinois had come mostly from the slave-holding States of Virginia, Kentucky, Tennessee, and the Carolinas. Some brought with them their slaves, likewise their uncompromising belief in the custom of slave holding. A considerable number were neither slave-owning aristocrats nor poor white trash, but comprised in the main that middle group of farmers, so frequently forgotten but whom nevertheless have won their point in the matter of political recognition.

The northern section of the new State was settled in the main by pioneers from Pennsylvania and New England, who were industrially minded. Coming from a section where slavery was not tolerated or even known, their sentiment was uncompromisingly in opposition to the institution. Consequently, there developed constant and sharp agitation over this question between citizens of the northern and southern divisions of the new State. There was in the offing a bitter struggle to determine whether the Constitution should be changed in order to permit slavery.

In 1822 the contest for Governor hinged upon that issue. Edward Coles, antislavery candidate, was elected, while the legislature chosen was overwhelmingly proslavery. Governor Coles immediately forced the issue by recommending to the legislature immediate emancipation of slaves. The opposition, in anger, determined to have a constitutional amendment legalizing slavery.

In 1824 the issue was whether the people would agree by ballot to such an amendment. This brought about perhaps the most bitter political battle ever waged within the confines of the State, with men, women, and even children taking active part in the discussion and agitation. Every possible voter was sought and practically compelled to go to the polls.

This election resulted in a decided victory for the antislavery group; and never again was there made an effort to legalize slavery in Illinois.

But directly across the Ohio River lay Kentucky, a slave State; and immediately on the opposite side of the Mississippi River was Missouri, another slave-holding jurisdiction, both within fairly easy swimming distances of free territory in Illinois. Thousands of slaves escaping across these rivers found in the new State a haven, champions, and aid. White settlers finally succeeded in organizing a system of strictly secret societies, providing essential pass words and means of transportation, thus assisting the fugitives on their wearisome itinerary to the Canadian border, where complete fredom awaited them.

Many and bitter were controversies over fugitive slaves. Men who spoke or wrote in opposition to slavery placed in peril their lives and property. Countless graves were opened to close over advocates of slavery long before the lines of blue and grey faced each other upon the field of destructive conflict.

In 1858 the Lincoln and Douglas debates marked an epoch in the history of the Nation. The Missouri compromise bill was enacted largely through the instrumentality of Illinois Congressmen, with the help of Senator Stephen A. Douglas. At the time it seemed acceptable to the people of the State, but soon thereafter when the Kansas-Nebraska bill was pushed through Congress, sponsored chiefly by Senator Douglas, a veritable storm of protest arose.

This controversy eventually divided the Democratic Party, which had until that time dominated Illinois. Conventions held in Decatur and Bloomington brought about birth of the Republican Party with Abraham Lincoln as its leader.

These disputations were closely followed by the people. In every household from Maine to California, from Minnesota to Louisiana, every tongue expressed the names of the Prairie State's "Little Giant" and its "Honest Old Rail Splitter." These debates of far-flung interest terminated in a drawn decision. Lincoln was defeated for the Senate, only to be brought forward 2 years later as a candidate for a higher office—that of the Presidency. In the ensuing election he carried every free State, with one exception.

Although rivals in preceding clashes, Douglas and Lincoln joined hands for the Union when its stability was threatened. The former now sleeps beneath a towering shaft overlooking Lake Michigan at Thirty-sixth Street, Chicago. The other, Lincoln, the immortal, rests almost within the shadow of the home of his young manhood in the capital city of his native State, Springfield, Ill.

In the War between the States, 259,000 of the heroic sons of Illinois rushed, swarmed to the colors, closing the complement of 156 regiments; a record of patriotism surpassed only by the States of New York and Ohio. Then we add the names of Grant, Logan, Palmer, and McClernand to the register of immortals whose achievements have contributed to the fame of Illinois. These men, with their followers, heard the call of the President from their own State and obediently followed the leadership of their silent man of destiny.

In the more recent World War, Illinois sent to foreign battlefields and homeland preparation camps 273,500 men, together with 1,580 nurses trained for their strenuous and merciful duties.

But after all, the greatness and glory of Illinois are represented not alone in vast expanse of fertile farm land; not in its wealth of mines and minerals; not in its banks and invested capital; nor in its thousands of miles of railways with terminal facilities for great trunk lines radiating to every section of our vast country; not in its huge stores of grain, nor in its accumulated millions of manufacturing capital. Not in its broad rivers or harnessed natural power, but in its loyal, patriotic citizenship, ready now as in the past to do, to dare, to struggle, and to sacrifice, that burdens may be lifted from weary shoulders of men, women, and children; that all may have greater contentment and share in greater measure the more abundant life.

To this end, we venerate Illinois Day at Valley Forge, on June 14, 1936, and proclaim the hopeful future of a proud Commonwealth.

PRESIDENT ROOSEVELT A FRIEND OF THE WAR VETERANS AND THEIR DEPENDENTS—HOOVER MASSACRE OR ROOSEVELT HOSPITALITY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to insert in connection therewith and in explanation thereof certain statements and excerpts, including one or two telegrams.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, in June 1932 the Honorable Franklin D. Roosevelt was nominated for the Presidency by the Democratic Party and the Honorable Herbert Hoover was nominated for the Presidency by the Republican Party. Shortly thereafter each candidate committed himself and the party to a reduction of $450,000,000 annually in expenditures for relief of veterans of all wars and their dependents.

"LAME DUCK" SESSION, 1932

In 1932 Congress met on the first Monday in December. That was before the "lame duck" amendment to the Constitution was adopted. President Hoover, who had been defeated the preceding month, and Members of Congress who were reelected and those who were defeated remained in office until March 4 following. At this "lame duck" session of Congress the Democrats had control in both the House and the Senate. A bill was passed making appropriations for veterans which did not make the reductions asked by the National Economy League, and which both Mr. Roosevelt and Mr. Hoover had agreed to endorse. When the bill was presented to President Hoover he vetoed it and submitted in his veto message certain recommendations in regard to appropriations for veterans of all wars. These recommendations were very much in accord with the National Economy League recommendations. The veto came shortly before President Hoover's term of office expired in 1933, March 4, and it paved the way for the passage of the so-called Economy Act in March 1933, which reduced expenditures for the benefit of all veterans by more than $450,000,000 a year.

PRESIDENT ROOSEVELT MADE MANY CHANGES FOR VETERANS

President Roosevelt took the oath of office on March 4, 1933. The so-called Economy Act was passed shortly thereafter, having his approval and also the approval of more than 60 percent of both Democrats and Republicans in both the House and the Senate. It was in accordance with the views of President Hoover. President Roosevelt, however, stated at various times that if the reduction went too far he would gladly issue regulations restoring all deserving, worthy, and meritorious cases to the pension and compensation rolls when he was convinced that they should be restored. In compliance with this policy of tempering the law with mercy, by issuing Presidential proclamations President Roosevelt, on June 6, 1933, before the law became effective, approved a law restoring to such veterans and their dependents $96,000,000 of additional benefits. He continued to issue regulations and approve laws placing back on the compensation and pension rolls and restoring benefits to veterans and their dependents until practically all the benefits that had been taken away from the deserving and meritorious cases had been restored.

A GROUP OF VETERANS BITTER AGAINST PRESIDENT

There is a large number of one group of veterans who are very bitter toward President Roosevelt; they are the retired emergency officers. During a Republican administration a law was passed giving these officers special consideration over enlisted men in a way that the Government actually paid them an enormous amount in the form of compensation based not altogether upon service or disability but upon the rank they held while in the service during the World War. For instance, two brothers were in the service at the same time and injured in the same way and have the same disability, one an enlisted man and the other a major; this law gives the major $200 a month for life, because he was a major, but gives the enlisted man who was injured the same way, suffering from the same disability, only $40 a month. A law which grants compensation for war service based upon rank is not fair; President Roosevelt had it amended. Many of the severest critics of the President among the veterans are doctors and other professional men who were receiving these huge compensation awards. They have no right, except a greedy, selfish right to complain. They were not entitled to receive more than enlisted men under the same conditions. Their usual approach is a statement that they have a service-connected disability and Mr. Roosevelt had them cut off. They usually fail to give all the facts, which are that they have not been cut off at all but that they have had their compensation reduced to the extent that they now only receive the same amount that an enlisted man receives under the same conditions. Many of these officers received $3,000 annually from the Government and earned more than $10,000 a year in private practice.

I will admit that many of these officers have such splendid records I should be glad to see them receive the amounts they received under the retirement law, but at the same time I would want every enlisted man who was just as deserving to receive the same amount.

ONLY OPPOSITION TO SPANISH-AMERICAN WAR VETERANS FROM REPUBLICANS

In 1935 all benefits were restored to Spanish-American War veterans by the President's attaching to a bill which had passed both Houses of Congress his signature. This bill, which restored all former benefits to Spanish-American War veterans, was unanimously supported by Democratic Members of Congress and the Democratic President, Mr. Roosevelt, and the only oposition to such law came from the Republican Party.

PRESIDENT ROOSEVELT SYMPATHETIC AND GENEROUS TOWARD VETERANS

No President has been more sympathetic, kind, and considerate toward veterans and their dependents than has President Franklin D. Roosevelt. After passage of the Economy Act in March 1933 a committee of seven was appointed by the Democratic caucus of House Members to confer with President Roosevelt in an effort to get regulations issued that would restore to pension rolls cases considered by many as deserving and meritorious. This committee spent several days, and many times worked until late at night to acquaint the President and his advisers with what were considered hardships and abuses caused by the enactment of the so-called Economy Act. The President gave freely of his time and strength in an effort to make sure that every veteran was given a fair and square deal in every way. As a result of the information furnished the President and his natural sympathetic attitude toward war veterans, hundreds of thousands of veterans and their dependents were restored to the rolls before the law became effective. At no time has the President taken an arbitrary stand against or indicated the least feeling of any kind against veterans of any war or their loved ones. On the contrary, he has been exceedingly sympathetic and generous.

SPANISH-AMERICAN SERVICE-CONNECTED CASES HELPED

The so-called Economy Act substantially helped the service-connected cases of the Spanish-American War veterans. After the benefits were restored to all Spanish-American War veterans, these substantial gains for the service-connected cases have been and will be carried forward in the form of increased monthly checks from the Government.

ADJUSTED-SERVICE CERTIFICATES

Although President Roosevelt opposed paying the adjusted-service certificates, his views were not unlike the views of President Hoover, President Coolidge, and President Harding. The fact is that Democratic Members of the House and Senate are entitled to greater credit than members of the Republican Party for the passage of this law. Democratic Members of the House carried on the fight for years in favor of the payment of these certificates during Republican administrations. When the Democratic Party came into power under President Roosevelt these efforts were continued and resulted in the passage of law in January of this year providing for payment of the certificates. While Democratic Members of Congress are not entitled to all the credit, they did render the greatest amount of service to the cause. These Democratic Members of Congress are entitled to the

greatest amount of credit for the war veterans' receiving their money this year—1936—instead of permitting compound interest to consume the remaining half of the certificates between now and 1945.

The Republicans, while in power during the Harding administration, opposed the original so-called "bonus" bill, and when it finally was passed, Harding vetoed it. President Coolidge likewise vetoed the bill, and it was passed over his veto. President Hoover vetoed the 50-percent loan in 1931, and it had to be passed over his veto. In the House every Democrat voted to override; in the Senate every Democrat except one voted to override. The large number in each House voting against the veterans were all Republicans. These acts of opposition to the World War veterans all came during the times of the country's greatest prosperity.

President Roosevelt was called upon to pay the remainder of the certificates when the Nation was in the midst of its greatest economic crisis.

Since the payment was authorized last January reports have been circulated generally throughout the country that the Democratic administration intended to play politics with the payment—to hold up payment until shortly before the election in order to show a tremendous business gain as the result of this wide circulation of some $2,000,000,000.

In face of these accusations the gigantic task of preparing the bonds and checks was rushed day and night, many of the jobless given work, and the bonds and checks delivered just as expeditiously as it was possible for them to be delivered. There were no unnecessary delays. The President ordered that everything be done that could be done to accommodate the veterans in connection with these payments. The President even went so far as to write a letter to every bank in the United States urging their cooperation in which he states "It is essential that our banks throughout the country extend all possible assistance by cashing these checks at par." It was rumored that the checks would have to be discounted and that a fee would be deducted for cashing the checks, so the President made it plain that he wanted the veterans to get their money 100 cents on the dollar.

The fact is this debt has been paid during a Democratic administration. The law was passed because the country demanded it, and Democratic Members of Congress rendered the greatest and most outstanding service in connection with the campaign to sell the cause to the people of the entire country.

DEMOCRATS' ATTITUDE TOWARD VETERANS

Democratic Members of both the House and the Senate have dealt generously with veterans of all wars and their dependents, and this is expected to be their attitude in the future. Hospitalization has been easier to obtain the last 3 years than ever before. It is true that a few veterans believe they are entitled to benefits that they are not receiving. Their cases, however, have been adjudicated in a fair and impartial way, and, while these veterans are disappointed in the results, they are in a similar position to other citizens who believe that they have the best side of a controversy in a court of law or equity but who receive adverse verdicts. President Roosevelt has at all times manifested the feeling and advocated the policy in the case of veterans' affairs and distribution of Federal relief that a mistake should not be made if possible to prevent it, but if a mistake is to be made, make it on the side of mercy.

HOOVER MASSACRE OR ROOSEVELT HOSPITALITY

In 1932 hundreds of veterans of the World War assembled in Washington. They wanted their adjusted-service certificates paid. Although the methods of these veterans were not conducive of the best results, these men were good, law-abiding citizens and had just as much right to visit Washington as any other group. They behaved themselves well; their conduct was at all times while assembled here exceedingly good and commendable. Some of them were using an old Government building on Pennsylvania Avenue for living quarters. All at once President Hoover decided this building must be torn down; that the land occupied by it must be used immediately as a place to construct a new Government building that was badly needed and to be quickly constructed. Incidentally the ground in question was not needed and has never been used for that purpose. It was 1935 before the debris was removed. The Army was called out to drive these veterans from this building, which was occupied as their home and the only home they had. One of these men, who a few years before had bared his breast to enemies' bullets and offered to give his last drop of blood for his country in time of war, was shot down like a dog. Others were injured and killed. Gas was turned on these poor, helpless, defenseless men; machine guns were aimed at them; bayonets, bullets, and war tanks were used; they were run over by horses ridden by soldiers of the Regular Army. President Hoover never made an appeal to these men or their leaders. After this cold, cruel, barbarous conduct, President Hoover's wrecking crew continued in pursuit of all veterans of the World War assembled in or near Washington. A quiet, peaceful little city near Anacostia River, which was laid out by the veterans and built with their own labor, their own hands, where many of them lived with their wives and children in the only shelter they had in the world, was visited by this bloodthirsty, cruel gang under the direction of President Hoover. Their homes were burned, and these poor, unfortunate people, including many small children and women, were forced to accept the damp ground as their only bed and resting place and the heavens above as their only shelter. These homeless, hungry, weary veterans were evicted and the gateways to the Nation's Capital were ordered slammed against them. On the grassy embankments of the highways near Washington the next morning many of these good mothers, their patriotic husbands, and their helpless, defenseless, ragged, hungry children were writhing in pain and suffering humiliation and distress. President Hoover offered them not a bite to eat; not even a glass of water; not a comfort, convenience, nor necessity was placed at their disposal. The men who had offered their lives in time of war to defend this great country of ours, including its wealth and its Capital City, were treated as though they were brutes. If dogs had been treated so cruelly, humane societies would have demanded an apology from President Hoover. The Republican Party condoned this outrageous conduct and defended President Hoover. The use of the Army against the unemployed was thereby encouraged.

In 1933 hundreds of World War veterans came to Washington for the same purpose and under the same conditions. They were not treated cruelly. Our country had a new President—President Franklin D. Roosevelt. He is a humane person. Although he did not agree with these men, he ordered them treated kindly and sympathetically. They were properly fed, furnished a good place to stay while here, a hall with loud-speaking equipment in which to meet, transportation facilities, and other conveniences.

The best estimate of the number of veterans encamped in Washington during 1932, while Mr. Hoover was President, representing the so-called "bonus" army, was around 9,000. Since March 4, 1933, while Mr. Roosevelt was President, more than 18,500 veterans that the Veterans' Administration has a check on, not counting the unchecked ones, have visited Washington.

President Roosevelt, in order to properly and sympathetically deal with the veterans, changed the regulations of the Civilian Conservation Corps so as to permit them to be enrolled; he created Federal Emergency Relief projects for the sole and only purpose of taking care of them; others were housed, fed, and clothed.

From these large groups of veterans, representing twice the number that visited Washington during Mr. Hoover's time, not one have I ever known to say or even intimate that President Roosevelt did not in every possible way deal with him in a sympathetic, gentle, and generous manner.

President Hoover manifested a feeling against veterans and their dependents, even to the extent of using the Army to drive poor, helpless, defenseless, unemployed veterans from the Nation's Capital and barring all entrances against

them. This feeling and action on Mr. Hoover's part has received the endorsement of the Republican Party.

President Roosevelt has manifested a kindly, sympathetic, generous feeling toward veterans and their dependents, even to the extent of changing laws, rules, and regulations in their behalf and properly taking care of them and dealing with them when they visited Washington under conditions similar to those at the time they visited Washington in 1932 under Mr. Hoover. This feeling and action on Mr. Roosevelt's part has the approval of the Democratic Party.

It is by reason of these undisputed facts that the veterans of this Nation realize that in President Franklin D. Roosevelt they have a real friend in the White House.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, on day before yesterday my colleague from Ohio said to the membership here that in 1932 Mr. Roosevelt had carried Ohio by 70,000, but that in 1936 he would lose it by more than 100,000.

I trust the gentleman from Ohio is as bad a prophet as he is my good personal friend. Coming from the neighboring State of West Virginia, I want to draw a comparison.

Mr. Roosevelt carried West Virginia by approximately 74,000 in 1932, and instead of losing my State by over 100,000, as has been predicted would be his fate in the State of Ohio, President Roosevelt will increase his majority, in my honest opinion, from 74,393 in 1932 to more than 100,000 in 1936. [Applause.]

WHAT WILL THE TOWNSEND PLAN DO?

Mr. BUCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain excerpts from the testimony before the Special Committee to Investigate Old-Age Pension Organizations and Plans.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BUCK. Mr. Speaker, somewhat over a year ago, on April 16, 1935, the Social Security Act was under consideration by the House of Representatives. Hearings upon it had previously consumed 4 weeks, and the Ways and Means Committee had been in executive session on it for 7 additional weeks. Earnest and serious consideration had been given to every suggestion that had been made. No matter how far-fetched the proposal was, the proponent had been given his day in court. One of the proposals which the committee had been asked to include was the suggestion presented by Townsend, proposing to pension the aged at the rate of $200 per month, to be spent within 30 days. It is true that Townsend did not represent his program as solely an old-age pension plan; he said that it was more than that—"it is a recovery plan." One of his then loyal followers, A. C. Pearson, of Sacramento, Calif., had publicly stated in my own home town "if the Townsend plan were a pension plan, it would be ridiculous. It is a recovery plan." Nevertheless, its proponents had appeared before the Ways and Means Committee and suggested the adoption of the first McGroarty bill (H. R. 3977) instead of title I of the Social Security Act. Title I is the part that provides for grants in aid to States for old-age-pension purposes.

So many defects in the first McGroarty bill were uncovered at the public hearings before the Ways and Means Committee that it was rewritten, and on the very day that the Ways and Means Committee voted the Social Security Act a favorable report, the revised McGroarty bill (H. R. 7154), was introduced in the House.

The gentlemen behind this bill—Representative MCGROARTY disclaimed its authorship—announced that they proposed to offer it on the floor as a substitute for title I of the Social Security Act. No public hearings had ever been held on this proposal and none had ever been asked. As a matter of fact, there would not have been time to hold them before the Social Security Act was to be debated and voted upon. Proponents of the bill refused to discuss its provisions or speak of it except by way of appeal to the emotions that all of us entertain in our desire to care for the aged. With information on the details of the bill totally lacking, and refused after public questioning on the House floor, I made an effort personally to analyze it in an honest, straightforward manner. On April 16, 1935, on the floor of the House I delivered a speech which took apart H. R. 7154 from a legislative standpoint and showed the Members of the House at least a few of its legislative and economic defects.

That speech has called down upon my head the curses of Townsend and his motley crew. According to Margett, one of the present proprietors of the Townsend system, he and Townsend have sharpened their ax for my head and that of Representative LEA at the coming election. Honest criticism of any bill proposed is the duty of a legislator. Submission to dictatorship, whether in a good or a bad cause, would be the final sign of a decaying republic.

Those who have labored with me in the House of Representatives need no assurance that I have always made my own analysis of bills offered for consideration and that my decisions upon them have been my own. Margett, who has taken over the Townsend schemes, however, has decreed that, because I took the clock apart to show why it would not run and the clockmakers had no way to put it back so that it would run, I must be called to account.

Very well; let us see how eager those proponents were to have others learn the details of their plan through their often-quoted statement, "full and public hearings and debate." Let us see what happened legislatively. On the day after my speech, April 17, 1935, the gentleman from Oregon [Mr. MOTT] introduced another revision of the McGroarty bill. It bears no House serial number for it was not introduced as a bill, but printed as a proposed amendment or substitute for title I of the Social Security Act on page 5888 of the CONGRESSIONAL RECORD of April 17, 1935. This proposal contains some 15 changes from H. R. 7154. All of them were made in an effort to meet the valid criticisms which I had made of that bill. Representative MOTT admitted that. Although the amendment was not germane, no point of order was raised against it by the Ways and Means Committee. Debate was freely allowed and thereafter the amendment was rejected.

In the year and 3 months ensuing did the proponents of the Townsend plan ever introduce this amendment as a bill in the House? They did not. Did they ask the Ways and Means Committee for a hearing on H. R. 7154 itself? They did not. Did they ever make an answer on the floor of the House in the second session of the Seventy-fourth Congress to the careful analysis and criticism of H. R. 7154 that was made by Congressmen such as CLARENCE F. LEA, of California; ALBERT J. ENGEL, of Michigan; and CHARLES L. GIFFORD, of Massachusetts? They did not. Did they, through the Townsend Weekly, ever publish the fact that they had abandoned as imperfect H. R. 7154 when the test came? They did not. Did they ever acknowledge that H. R. 7154 had been debated fully on the floor of the House? They did not.

What did they do? Outside of Congress noisy protestations of devotion to the cause of a $200-per-month pension were made. This bait was still held out to members of clubs continuing to be organized throughout the Nation, though the sum had been abandoned in proposed legislation. Speakers went from place to place raking in new members and new dollars, but where the effort would have counted, in the Halls of Congress, never a voice was raised on behalf of such a pension proposition.

I do not know why it was so. My colleague from California, Representative MCGROARTY, has suggested in a recent speech that the proponents of this measure were less interested in securing its enactment than they were in securing funds for themselves. That is as it may be.

What I do know is that the aged and the poor who have been deluded into becoming members of these clubs have been told that the Ways and Means Committee refused to permit

a vote upon the McGroarty bill or upon the Townsend plan, while the facts are that no request has ever been made of the Ways and Means Committee to hold a hearing upon H. R. 7154 either in its original or revised form. I cannot emphasize this too strongly. I am a member of the Ways and Means Committee. No request has ever been made of us. Remember, full hearings had been given on the original McGroarty bill and that bill was debated freely on the floor of the House. But almost every issue of the Townsend Weekly has given a contrary impression.

Misrepresentations such as these must be answered. It is for this purpose that I am taking the time and space necessary to let the sincere Townsend club member know how he has been duped and deluded by leaders who were professing to present his cause to Congress.

Today it is impossible to say what is the Townsend plan The next Congress may have before it some proposal along the lines of the McGroarty bill. That bill does not guarantee a $200-per-month pension to anyone, but only proposes to share proportionately among the annuitants the amount that may be raised by a 2-percent tax on all transactions and by certain additional minor taxes. The best authenticated figures place this at around $33.75 per month. Then we have a recent proposal by one of Townsend's latest confidants, a continual office seeker on changing monetary and economic platforms, that there be a $200-per-month pension financed by a $10,000,000,000 tax-exempt bond issue. Of this latter proposal I think it hardly necessary to say much. The temper of the American people is such that it will not stand for that kind of a bond issue, even if the bonds could be sold. I am satisfied that few citizens imagine they could be sold. If they cannot, resort must be had to printing paper money—pure inflation—which would have the most dire effect upon every workman in the United States.

But inflation is what all our monetary meddlers want. If they cannot use the farmers or the veterans as their excuse, why not the aged? "This is not a pension plan", we are assured. Certainly not, for the Social Security Act has attended to the pension part. The pension picture is just a great big false face for erratic economics.

But I do think it proper to say a few words about the 2-percent transaction tax proposals. I note that according to press reports the eminent counsel for the Townsend-Margett movement admits that a 2-percent tax will not finance the $200-a-month proposal; that the tax must be much larger. If higher rates are selected, of course, what I have to say has just so much more force.

A tax of 2 percent does not seem like a large amount. Many States now have retail sales taxes equal, or nearly equal, to this percentage, and little effect has been noticed upon trade and commerce. Manufacturers' sales taxes on certain articles have been levied by the United States Government. This proposed tax is not a retail or manufacturers' sales tax. It differs from all others in that it is a tax upon every transaction entering into a finished manufactured product; a tax upon every transfer, barter, or exchange of either real or personal property; a tax upon interest, rent, commissions, fees, or anything derived from any rental, lease, pledge, or other use of money or property. It includes a tax upon the rendering of any service, including all personal service for monetary or other valuable consideration. It taxes transportation, telephone, telegraph, radio, advertising, education, art, amusement, and recreation.

The first effect of a 2-percent tax on a great many of the transactions which enter into the gross figures that proponents of this measure like to quote would be to result in the absolute disappearance of such transactions. It has been stated that there were in 1929 national financial transactions of the amount of $1,230,000,000,000. Of course, the equivalent 1935 figures were less than one-half of this, but, outside of that, these figures are greatly in excess of the total payments in our country for goods and services.

A great part represents loans and their renewals, which are exempt from the proposed transaction tax of H. R. 7154. A very great part represents transfers by banks for individuals and corporations, which are merely bookkeeping technicalities. A huge part represents speculation in stocks and bonds where the net profit or turnover is less than the 2-percent tax.

Today a great portion of the national indebtedness outstanding bears interest at a rate of less than 2 percent. Of course, the Government would not tax its own bonds and notes, and that amount would have to be excluded as a source of income; nor could it tax—constitutionally—the sales and transfers of bonds of States and municipal corporations. In the case of stocks and bonds of private corporations, few, if any, of these are paying more than 4 percent on par, and many less than that. The effect of this tax would be to dry up almost immediately all dealings on the stock exchanges of the country. Who could afford to buy and sell stocks that only paid their owner 3 or 4 or even 5 percent at the end of a year if in advance of that, at the time of sale, he would have to pay the Government 2-percent tax on the purchase or sale price, or both? Whatever the amount of the stock transactions is in that one trillion two hundred and thirty billion, or any other figure, it will speedily disappear.

This same principle would apply to commodities. No speculator would buy wheat at $1 unless he felt convinced that he could sell it at $1.04. The market would go down; buyers would be driven away, a collapse in both security and commodity would follow the imposition of this tax.

Some time ago a statement was put into the CONGRESSIONAL RECORD by one of the proponents of this plan purporting to show that the ultimate tax on a loaf of bread would be a relatively small figure. He had forgotten that the tax is not upon the wheat alone, or upon the ensuing processes of manufacturing flour and finally of bread, but that there is a tax upon every collateral and contributing transaction as well, upon wages involved, even on the paper used to wrap the bread, all of which enters into the final cost of the finished loaf of bread.

At this point I insert part of the testimony of Mr. Robert R. Doane, once called as an economic adviser to testify before the Ways and Means Committee in support of the Townsend plan, showing just what the effect of these transaction taxes would be on the consumer and what an army of enforcing officials would be necessary:

Mr. DITTER. Now, Doctor, your statement was it (the 2-percent tax) would produce aproximately a gross of seven billion; that is correct, is it not?

Dr. DOANE. Yes.

Mr. DITTER. Can you estimate or have you approximated in any way what the cost would be of administering the program of taxation that is contemplated here?

Dr. DOANE. I could make an estimate, but I do not have the figures with me right now.

Mr. DITTER. Could you, for the benefit of the committee, give us an estimate of what you think the cost might be?

Dr. DOANE. Not right now, I could not, no; not at this time.

Mr. DITTER. Would you be prepared in the course of the next few days to give the committee an estimate?

Dr. DOANE. Yes.

Mr. DITTER. That cost of administering would include not only the actual administrative operations, but the collection items, would it not?

Dr. DOANE. Yes.

Mr. DITTER. It would also have to take care of those who would try to avoid payment of the tax, would it not?

Dr. DOANE. Yes.

Mr. DITTER. And so the enforcement agency, the collection agencies, and the administrative agencies would all be part of the costs that would be enhanced as a result of the imposition of this tax. Is that correct?

Dr. DOANE. Yes.

Mr. DITTER. And that would amount to a very considerable sum, would it not?

Dr. DOANE. I think it would. The experts of the Internal Revenue Bureau and others, in the past two decades, having to do with the collection of income taxes, have worked out a fairly adequate ratio as to the approximate amount of evasions, legal and illegal.

Mr. LUCAS. And would not this tax, because of its very nature, be more difficult to collect than any tax which is on the statute books of America today?

Dr. DOANE. There is no question about that.

Mr. LUCAS. In other words, the farmer is to pay upon every transaction, as was testified before the Ways and Means Committee?

Dr. DOANE. Yes.

Mr. LUCAS. And if a man sells a horse and gets a dog in trade for it, there are two transactions. Now, who is going to look after all the transactions?

Dr. DOANE. It would take the largest administrative staff to collect that tax that we have ever had.

Mr. LUCAS. The fact of the matter is we could put about 4,000,000 of the unemployed at the present time to work collecting the tax, could we not?

Dr. DOANE. We could, and then it might be doubtful whether you would actually collect the tax.

Mr. LUCAS. Then, with your trouble collecting a tax with 4,000,000 employed doing it——

Dr. DOANE. Yes.

Mr. LUCAS. That administrative work Congressman DITTER is talking about also includes the intricate system of bookkeeping from one end of America to the other. It also envisages the previous experience we have had with tax evasions in this country under the Prohibition Act and under the Revenue Act. Isn't it a fact that under this movement this Nation would ultimately become one of lawbreakers and liars?

Dr. DOANE. Of course, in my opinion, it would be an insurmountable task.

Mr. LUCAS. What was your answer?

Dr. DOANE. It would be an insurmountable task.

Mr. LUCAS. It would be an insurmountable task of administration of the tax?

Dr. DOANE. The transactions on the produce exchanges alone would be almost impossible to follow.

Mr. DITTER. Doctor, I should like just to discuss with you for a moment, or have you discuss with the committee, the matter of this transactions tax, and I take a rather simple illustration, the matter of a loaf of bread. I am interested, and I think the people of the country are interested, in knowing just what effect the transactions tax would have upon a loaf of bread.

I understand the Townsendites are holding out to the country the thought that the only commodities that go into the matter of bread is the matter of wheat, and they try to show that wheat, in its several transactions, would alone affect the tax or ultimate cost of a loaf of bread. Are you prepared to give us in any way those factors which, if the tax were imposed, as contemplated by the Townsend group, would affect, in your opinion, the ultimate cost of a loaf of bread?

Dr. DOANE. Of course, the chief characteristic in that form of analysis is confined, in the cost of this commodity, the loaf of bread, to the one ingredient that goes into the loaf of bread—wheat.

Mr. DITTER. Now, will you start with wheat and give as you understand them to be, from the standpoint of an economist, the successive steps that ultimately would result in a tax on that loaf of bread, so far as wheat is concerned?

Dr. DOANE. Well, their statistician, the Townsend-plan statistician, Mr. Hudson, I think——

Mr. DITTER. Is that Glen Hudson?

Dr. DOANE. I do not recall his first name.

Mr. DITTER. Is that Glen Hudson who is presently reputed to be at odds with the Townsend new regime?

Dr. DOANE. I cannot say; I have not followed that.

Mr. DITTER. Of Townsend et al.?

Dr. DOANE. I do not know.

Mr. LUCAS. He is the same fellow who testified before the Senate Finance Committee and the Ways and Means Committee?

Dr. DOANE. Yes, sir.

Mr. DITTER. Excuse the interruption, Doctor. Proceed, please.

Dr. DOANE. In that testimony Mr. Hudson brought out that wheat, of course, is sold, is marketed by the farmer to the middleman, the shipper, and there is, first off, 2 percent on the bushel of wheat; that is, when the farmer sells his wheat. Then the middleman, the shipper, the processor, or miller, then the jobber, and so on down the line—I think there are four or five successive stages, and the testimony is a little confusing. In one place it shows a mark-up of 10 percent from the original cost of the wheat, and in another place Mr. Hudson has admitted 1.2 cents on a bushel. That would be 12.2 percent, taking the illustration of a bushel selling at $1.

Mr. DITTER. Now, that is only wheat; is there anything else that goes into the loaf of bread besides wheat?

Mr. DOANE. There are some 23 other ingredients that go into the loaf of bread.

Mr. DITTER. What are some of those?

Mr. DOANE. In looking over the Bureau of Census figures, the census of manufacturers, I find it takes, on an average, 2 pounds of coal and fuel for every pound of flour.

Mr. DITTER. Two pounds of coal for every pound of flour?

Dr. DOANE. That is right. Now, we poured some 1,000,000,000 pounds of fluid milk into our baking processes in 1929.

Mr. DITTER. Can you give us any successive steps that the milk would pass through until it ultimately got to the baker?

Dr. DOANE. Of course, that goes through similar steps as the wheat from the farmer.

Mr. DITTER. From the dairymaid on down to the bakers; is that it?

Dr. DOANE. That is right. Then sugar—the element of sugar comes in there, 900,000,000 pounds of sugar utilized in the baking industry; over 50,000,000 pounds of butter; another half billion pounds of lard; another half billion pounds of lard and other shortening substitutes; and about 100,000,000 pounds of yeast. There are other elements, such as rent. American bakers, the baking industry, paid out something like $350,000,000 in rent; another hundred million dollars insurance, with the employees' liability insurance, and other forms of surety insurance and fire insurance, all of which involved transactions of payments that have to be taxed.

Mr. DITTER. And all of which would bear the tax that is contemplated by this Townsend group?

Dr. DOANE. They were then paying some $18,000,000 in other forms of taxes. Now, when you realize——

Mr. DITTER. What about the matter of the cost of paper containers, for instance, that are used?

Dr. DOANE. About 100,000,000 pounds of wrapping paper to wrap the bread. Now, we have been talking about nothing so far but the bread that is baked by the baking industry, not the bread baked by the housewife.

In 1929 we consumed at retail valuation a little better than $2,000,000,000 worth of bread and bakery products. In 1929 the turn-over of wheat alone, according to the report of the Grain Futures Administration, amounted to some 50 times, with a total valuation of $240,000,000,000. If you put the 2-percent tax on that total volume of transactions which it apparently took in this exchange economy finally to get the 375,000,000 bushels of wheat down into the consumers' hands, a 2-percent tax on that would amount to about $4,800,000,000, very close to $5,000,000,000, which is more than two times the retail cost of all the bakery products consumed in America in the peak year of 1929.

Mr. DITTER. That would simply mean a drying up?

Dr. DOANE. If you take into consideration the cumulative effect, as I have since done, of these 24 major ingredients going into the production of a loaf of bread, and leaving out of account the fact that we bought and sold 240,000,000,000 bushels of wheat, with that turn-over of 50 times—leaving that out of account, you could expect a mark-up of the cost of bread, per loaf, per pound of baked weight, of about 40 cents.

Mr. DITTER. In other words, you mean by that that the bread that the housewife in America might today buy for 10 cents, the staple bread of the workingman, would cost 50 cents a loaf?

Dr. DOANE. Yes; quite easily.

Mr. DITTER. Now, that approximation or that statement is based on a careful analysis by you as a recognized economist?

Dr. DOANE. Taking into consideration all of the ingredients required for the production of the loaf of bread.

Mr. DITTER. Taking into consideration all ingredients and all transactions?

Dr. DOANE. That is right.

Mr. DITTER. We can tell the American housewife, then, that if the Townsend plan program were introduced, her bread would cost 50 cents a loaf, instead of 10 cents a loaf; is that correct?

Dr. DOANE. Far nearer 50 cents than 10 cents; it being somewhere within the range of 10 and 50 cents. I would like to say this: When Dr. Jordan and myself made the American consumer-market study, published by McGraw-Hill Co. in 1932, it was the largest single study of its kind ever made by a private organization in this country or any other country, and we found there over 325,000 individual commodities produced for consumption in the United States per capita.

Mr. DITTER. How many?

Dr. DOANE. More than 325,000 individual physical commodities. As a matter of fact, R. H. Macy, in New York City, in the study that they made, which substantiated our own study, reported some 315,000 different individual items in their own store a year ago. Now, that is leaving out style, as, you know, two pairs of shoes of different sizes. Now, if you would go ahead and carry out the cumulative effect of the 2-percent transactions tax on the 325,000 other individual items, other than the loaf of bread, you can see the astronomical figures you are getting into.

* * * * * * *

The CHAIRMAN. To get down to something that fellows like some of the rest of us can understand, Doctor, you say the loaf of bread that now sells for 10 cents would probably sell for about 50 cents?

Dr. DOANE. Yes; that is right.

The CHAIRMAN. A pair of shoes that sells for $5 would bring about how much before the workingman could buy a pair of shoes?

Dr. DOANE. The mark-up, of course, would be a little different in some of our commodities. I would say on the average that the mark-up would be three or four hundred percent and not two- or three-tenths of 1 percent.

The CHAIRMAN. Four hundred percent added to the cost of a pair of shoes would be around $25, would it not?

Dr. DOANE. Oh, yes.

The CHAIRMAN. And if you buy a suit for $12.50, would the same general situation obtain as to clothes?

Dr. DOANE. Yes. You have all of those other factors there; you have insurance transactions on the buying and selling of the commodities.

* * * * * * *

The CHAIRMAN. But is it not a fact that up and down every walk of life every necessity of life would be many times increased in price; is not that true?

Dr. DOANE. It would be prohibitive for a great many reasons. That is why I say we would have to have a rationed economy as against a free market that we now possess to carry it out.

Mr. Dwight K. Grady, secretary of the Dried Fruit Association of California, was asked by me to calculate the increased cost to the ultimate consumer of canned and dried fruit and vegetables, based on a 2-percent tax on each transaction entering into the finished product. He reports that—

Townsend tax varies from 13 to 15 percent by the time goods reach consumer, depending on the character of the transaction—average would be 14 percent.

He further states that dependent as California fruits are upon foreign markets, any such increased cost would wreck all foreign sales activity:

Added costs in the form of pyramiding taxes would contribute to the loss of other markets. The sales price of these same articles is in such delicate adjustment that even minor maladjustments have the effect of seriously disturbing distributive machinery and depressing consumer demand.

What Margett and Townsend choose to forget is that no matter what form of tax they select, it must come out of the incomes of those who work. If they must raise $20,000,000,000 to pay the aged $200 per month and the income of the people of the United States is $50,000,000,000, everyone who has an income must surrender 40 percent of it in order to raise the old-age tax. If the gross income this year of the American people happens to be $60,000,000,000, they must surrender one-third of it. Now, it is not going to help the case for Townsendites to increase their estimate of the total volume of taxable business transactions to some skyrocket figure. Even if the total amount were one thousand two hundred and thirty billions of dollars a year, each of us would still have to pay this 2-percent tax so often on each article we buy that our cost of living would be raised on the average by 50 percent.

Now, that is what I am not wanting to do. My platform has always been and will continue to be to aim to provide as large a pension or annuity for the aged who cannot take care of themselves as is possible without penalizing others. The workman, the farmer, the mother, and the child will be the sufferers under any such proposal as Margett and Townsend propose to force on America. After taxing the farmer 2 percent for selling his hog, or 4 percent for trading it, you tax him again 2 percent for the supplies that he must buy. On Saturday night the worker will have 2 percent deducted from his pay check and go down the street to buy his week's supplies, paying a 2-percent tax on goods and commodities that have risen in their cost anywhere from 12 to 24 percent as a result of this pyramided sales tax. Yes; the proponents of the plan say it will effect an economic revolution. The revolution will occur about the third week after the wage earner knows what increased costs he must pay.

Speakers for this plan often claim that it will create purchasing power. This sounds well, but it is the least defensible of the arguments for it. The plan, whatever it may be, or however financed, will create no purchasing power whatever. At best it would simply transfer $20,000,000,000 worth of purchasing power from one part of the population to another. Those who paid for the pensions would lose exactly as much as those who receive the money would gain.

It is also claimed that by requiring this money to be spent within a month business would be speeded up. It is difficult to follow this thought. A man can spend his income only once. If he spends it in 12 equal installments, he will have spent no more at the end of the year than if he had spent the same amount irregularly, buying more at Christmas and less in April. It is said otherwise the money will not be spent. Where is this money coming from? These sales taxes are coming out of the pockets of the consumer. They are not coming out of the pocket of the man who has a surplus income which he is putting away in reinvestments. You are cutting off the amount that John Jones, the railroad worker, can spend so that Henry Smith, the pensioner, may spend it. Does any sane man think that John Jones receives today such a large wage that he does not spend practically all of it as it comes to him? Certainly not. There cannot be any increase in spending or turn-over of money.

It has also been suggested that this plan will create jobs because those over 60 would retire. In the first place, the figures used by the Townsend proponents include women over 60, practically none of whom are now in gainful employment. So Townsend estimates may be cut 50 percent or more to start. But, in any event, no new jobs will be created. It would be merely the substitution of a young man for an old man, perhaps, if fully availed of, to the extent of 4,000,000 jobs, and the young man would be taxed on his salary and on all his expenses in order to secure the position.

The proposals are uncertain in their character, unsound in their economics, unworkable in their operation, and would be unwholesome in their paralyzing effect on American commerce. The ax should be used not on those of us who have honestly looked into the suggestions, but upon those who have the nerve to collect money from the very people whom they would ruin if their plans were permitted to become effective.

CONSTRUCTION OF CAUSEWAY AND HIGHWAYS ON YERBA BUENA ISLAND IN SAN FRANCISCO BAY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 251, granting the consent of Congress to the city and county of San Francisco to construct a causeway and highways on Yerba Buena Island in San Francisco Bay, and for other purposes.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the immediate consideration of the resolution?

Mr. RICH. Mr. Speaker, reserving the right to object, what is this going to cost?

Mr. VINSON of Georgia. Not one penny.

Mr. RICH. What is that?

Mr. VINSON of Georgia. It is not going to cost anything.

Mr. RICH. The construction of a causeway is not going to cost the Government anything?

Mr. VINSON of Georgia. The city of San Francisco will bear the cost.

Mr. RICH. The gentleman is the first magician we have had in the House for some time.

The SPEAKER. Is there objection to the immediate consideration of the resolution?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Resolved, etc., That the consent of Congress is hereby given to the construction and maintenance by the city and county of San Francisco, Calif., of (1) a causeway between Yerba Buena Island in San Francisco Bay and a public airport to be constructed by said city and county on lands reclaimed in said bay; (2) roads or highways on said Yerba Buena Island connecting such causeway with the State highway on said island provided by the San Francisco-Oakland Bay Bridge crossing; (3) such fresh-water supply reservoirs, tanks, conduits, and pipe lines as may be necessary or proper to enable said city and county to supply said Yerba Buena Island and said public airport with an adequate supply of fresh water; and (4) all usual, necessary, and reasonable incidents and appurtenances to such causeway, roads, highways, reservoirs, tanks, conduits, and pipe lines. The Secretary of the Navy is hereby authorized to grant permits for such construction and maintenance, together with all usual, necessary, and reasonable incidents and appurtenances thereto, and to grant to said city and county perpetual easements for rights-of-way therefor, subject to such restrictions as he may in his discretion prescribe to avoid injury to the military, naval, or defense uses of said island and inconvenience to the military or naval forces thereon: *Provided*, That said causeway and any such connecting roads and highways hereby authorized shall be forever toll free: *And provided further*, That the location and plans of such causeway, roads, highways, reservoirs, tanks, conduits, and pipe lines, with the incidents and appurtenances thereto, shall be first approved by the Secretary of the Navy: *And provided further*, That nothing in this resolution or consent shall preclude the erection and maintenance of tollgates and tollhouses upon any of said roads or highways connecting said causeway with said San Francisco-Oakland Bay Bridge crossing for the purpose of collecting tolls for the use of such bridge.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRESENTATION OF MEDAL OF HONOR TO J. HAROLD ARNOLD

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Joint Resolution 179, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the resolution.

The Clerk read the Senate amendment, as follows:

Amend the title so as to read: "Joint resolution authorizing the President to present the Navy Cross to J. Harold Arnold."

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Senate amendment was concurred in.

GLACIER BAY NATIONAL MONUMENT

Mr. DIMOND. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4784) to permit mining within the Glacier Bay National Monument.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the area within the Glacier Bay National Monument in Alaska, or as it may hereafter be extended, all mineral deposits of the classes and kinds now subject to location, entry, and patent under the mining laws of the United States shall be, exclusive of the land containing them, subject to disposal under such laws, with right of occupation and use of so much of the surface of the land as may be required for all purposes reasonably incident to the mining or removal of the minerals and under such general regulations as may be prescribed by the Secretary of the Interior.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL CLERICAL SERVICES IN ENROLLING ROOM

Mr. WARREN. Mr. Speaker, I present a privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 556

Resolved, That there shall be paid out of the contingent fund of the House of Representatives during the remainder of the present session not exceeding $200 for additional clerical services in the enrolling room.

The resolution was agreed to.

CONSTRUCTION OF BRIDGE ACROSS MISSISSIPPI RIVER BETWEEN NEW ORLEANS AND GRETNA, LA.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 11103) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 12, after "hereof", insert "*Provided*, That the State of Louisiana, or any agency or authority created by it, may construct the bridge herein authorized."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AMERICAN CLAIMANTS UNDER SETTLEMENT OF WAR CLAIMS ACT OF 1928

Mr. COOPER of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 608, extending for 2 years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1938, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter, which has the unanimous support of the Committee on Ways and Means.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the House joint resolution, as follows:

Resolved, etc., That subsection (g) of section 2 and subsection (f) of section 5 of the Settlement of War Claims Act of 1928, as amended by Public Resolution No. 38, Seventy-third Congress, approved June 18, 1934, are further amended, respectively, by striking out the words "8 years" wherever such words appear therein and inserting in lieu thereof the words "10 years".

SEC. 2. The first sentence of subsection (h) of section 6 of the Settlement of War Claims Act of 1928, as amended by Public Resolution No. 38, Seventy-third Congress, approved June 18, 1934, is further amended to read as follows:

"No payment shall be made under this section unless application therefor is made by March 10, 1938, in accordance with such regulations as the Secretary of the Treasury may prescribe."

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIMINATION OF UNNECESSARY EXPENSE IN THE ADMINISTRATION OF ESTATES OF DECEASED AND INCOMPETENT VETERANS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 13001) to eliminate unnecessary expense in the administration of estates of deceased and incompetent veterans, and for other purposes, which has the unanimous report of the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the immediate consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the Adjusted Compensation Payment Act, 1936, as amended, is hereby further amended by striking out the last sentence of the first paragraph thereof and inserting in lieu thereof the following sentences: "In cases of deceased or incompetent veterans, the payments provided by this paragraph, whether of the amount certified, by issuance of bonds and by checks payable out of the fund created by section 505 of the World War Adjusted Compensation Act, as amended, or whether of such bonds on redemption thereof, shall be made to the person or persons determined by the Secretary of the Treasury to be lawfully entitled thereto, without the necessity of the appointment by judicial proceedings or otherwise of a legal representative of the estate of any veteran or of any other persons, or of compliance with State law in respect of the administration of estates. Such checks may be endorsed on behalf of the Secretary of the Treasury in the name of the veteran, if that is determined by the Secretary to be appropriate for the effectuation hereof. All determinations by the Secretary of the Treasury under this paragraph shall be final and conclusive and neither any other official of the United States nor, except in the case of prior judicial determination, any State or Federal court, shall have jurisdiction to review any such determination. The provisions of this paragraph shall be carried out subject to regulations of the Secretary of the Treasury to be issued from time to time to effectuate the purposes of this act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING ATTORNEY GENERAL OF CALIFORNIA TO BRING SUIT IN COURT OF CLAIMS

Mr. LEA of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1793) to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. SNELL. Mr. Speaker, will the gentleman tell us just what this means?

Mr. LEA of California. This is an amendment to the Court of Claims Act in behalf of the California Indians. It was on the Consent Calendar Monday, but continued without prejudice. Objections then made have now been ironed out, and the Members interested have been satisfied with certain amendments which I purpose to offer.

Mr. SNELL. What is the amount of the claims that are opened up?

Mr. LEA of California. It would be impossible to say exactly what is the amount, but this is to cover probably 3,000 Indians who were not included in the original law. There is already a law authorizing the matter to be presented to the Court of Claims in behalf of the California Indians. This is an amendment to the original law, permitting a claim to be presented to cover lands occupied and used by such Indians, and of which they were wrongfully deprived. The additional claim is for lands not included in the original act and occupied by Indians not parties

to the original treaties. The act sought to be amended is based on the treaty lands only.

Mr. COSTELLO. Mr. Speaker, will the gentleman yield?

Mr. LEA of California. I yield.

Mr. COSTELLO. This matter is in the courts, as I understand it, at the present time, and the only objection I had to it on Monday night was with regard to the proposal to eliminate section 4, which would have opened it up and allowed the Indians of California to bring in their own private attorneys, instead of having the attorney general of the State carry on the action which has already been started. The proposal now is to eliminate section 4 and the bill will be considered as it was passed by the Senate.

Mr. SNELL. Then this opens up about 3,000 additional claims?

Mr. LEA of California. No; there will be about 3,000 Indians in behalf of whom claims will be asserted. About one-sixth of the Indians of the State would be included in the suit in addition to those on account of whom the original act was passed.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield for a question?

Mr. LEA of California. I yield.

Mr. JENKINS of Ohio. As I understand, this is the bill that was on the Consent Calendar and was passed by everybody on this side, and the only objection that was made was by the gentleman from California [Mr. COSTELLO] and the gentleman from Missouri [Mr. COCHRAN].

Mr. LEA of California. That is true, and we have now agreed on acceding to the gentleman's objections and also to the objection of the gentleman from Missouri [Mr. COCHRAN]. We propose to eliminate from the bill the language to which the gentleman from Missouri objected—a provision as to offsets.

Mr. JENKINS of Ohio. As I understand, what you propose to do now is simply to amend the bill with reference to the lawyers and with respect to fixing the power of the Attorney General in respect of the claims under the law as already passed.

Mr. LEA of California. We propose to eliminate the provision about attorneys, section 4, and also make a concession to the gentleman from Missouri [Mr. COCHRAN], as I have just stated.

Mr. RICH. Mr. Speaker, reserving the right to object, has the gentleman discussed this matter with the gentleman from Missouri [Mr. COCHRAN]?

Mr. LEA of California. Yes, I have; and the gentleman has agreed to the plan we are proposing this morning.

Mr. RICH. Mr. Speaker, I am pleased to hear the gentleman state he has agreed to the amendment suggested by the gentleman from Missouri [Mr. COCHRAN], because if that had not been done I would object to the consideration of the bill.

The House should know just what that amendment means. It strikes out the following language on page 4:

> But no such payment or appropriation shall be treated as a set-off unless it shall appear that the same was received by said Indians or that such expenditure was actually beneficial to said Indians.

No one has disputed the assertion of Mr. COCHRAN that those words, if allowed to remain in the bill, would cost the Treasury over $12,000,000. The Government is prepared to show as an offset this amount under existing law, but if the Government was required to prove that the individual Indians received the benefits it could not be done, because when the Indian Bureau spends the money for clothing, supplies, and so forth, and sends them to the Indian agent to be distributed among the Indians, the record ends there. Under the language which the gentleman from Missouri insists must be stricken out, the Government would have to prove an Indian or Indians actually received the clothes, supplies, and so forth, and it just could not be done. This demonstrates how careful we should be in passing legislation amending laws where cases have been referred to the Court of Claims, because when they come back here asking us to make changes in the original laws it is safe to wager that the changes desired are going to prove beneficial to the claimants and adverse to the taxpayers, for in the end it is the people that must foot the bill when judgments are rendered against the Government by the Court of Claims.

The Committee on Expenditures held a hearing on Indian claims pending before the Court of Claims in the last session, and it was shown the total amount claimed under suits instituted as a result of the passage of 114 resolutions setting aside the statute of limitations by the Congress was four and a half billion dollars. This figure was given to the committee by the Assistant Attorney General in charge of such matters. As a result of that hearing the chairman of our committee called the situation to the attention of the Committee on Appropriations, and that committee added an amendment to a deficiency bill that became law whereby the Government is permitted to offset the claims by showing gratuities and advances made to the Indians. As a result the Government has been protected and now bills are brought in that would take this right away from the Government. The committee authorized its chairman, Mr. COCHRAN, to present this matter to the Appropriations Committee, and the committee has stood by Mr. COCHRAN in preventing the submission of dozens of additional cases to the Court of Claims at this and the last session. I have joined Mr. COCHRAN in his objections time and again, and by defeating these bills we have saved the taxpayers untold millions.

It should be distinctly understood that this amendment to be adopted must be agreed to by the Senate or the bill will not be allowed to become a law.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of May 18, 1928 (45 Stat. 602), entitled "An act authorizing the Attorney General of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", as amended by the act of April 29, 1930 (46 Stat. 259), be, and the same is hereby, amended as follows:

SEC. 2. That section 1 of the act of May 18, 1928 (45 Stat. 602), be amended to read as follows:

"SECTION 1. That for the purposes of this act the Indians of California shall be defined to be all Indians who were residing in the State of California on June 1, 1852, and their descendents living on May 18, 1928, who are now on the census roll of the Indians of California under the act of May 18, 1928 (45 Stat. 602), and who may be enrolled in addition thereto under the provisions of this act."

SEC. 3. That sections 2 and 3 of the act of May 18, 1928 (45 Stat. 602), be amended to read as follows:

"SEC. 2. That all claims of whatsoever nature the Indians of California as defined in section 1 of this act may have against the United States by reason of lands taken from them in the State of California by the United States without just compensation or for the failure or refusal of the United States to protect their interests in lands in said State and for the loss of the use of the same, may be submitted to the United States Court of Claims by the Attorney General of the State of California or attorneys acting for and on behalf of said Indians, and it is hereby declared that the loss to the said Indians on account of their failure to secure the lands and compensation provided for in the 18 unratified treaties entered into with certain bands of said Indians in 1851 and 1852, and the loss to such Indians who were not parties to said unratified treaties of their lands to which they had title rising from occupancy and use, without just compensation therefor, is sufficient ground for equitable relief, and jurisdiction is hereby conferred upon the said court, with the right of either party to appeal to the Supreme Court of the United States, to hear, consider, and determine all such claims submitted to them and the said courts shall settle the equitable rights therein and decree just compensation therefor, notwithstanding the lapse of time or statutes of limitation or the fact that the same claim or claims have or have not been presented to any other tribunal, including the commission created by the act of March 3, 1851 (9 Stat. L. 631): *Provided*, That the courts shall determine, as near as may be, the acreage of the lands described in said unratified treaties as lands set apart forever for the occupancy and use of the tribes or bands of Indians parties to the said unratified treaties and shall determine, as near as may be, the acreage of the lands to which such tribes or bands of said Indians not parties to the said unratified treaties had title by reason of occupancy and use and shall compute the value of said acreage at $1.25 per acre and shall render judgment for such value: *And provided further*, That the courts shall consider and determine, as near as may be, the value of the personal property, rights, services, facilities, and improvements set out and described in the aforesaid 18 unratified treaties and include just compensation for the value and loss of the benefit of the same in any decree rendered hereunder. Any

payment which may have been made by the United States or moneys heretofore expended for the benefit of the Indians of California made under specific appropriations for the support, education, health, and civilization of Indians of California, including purchases of land, shall not be pleaded as an estoppel but may be pleaded by way of set-off; but no such payment or appropriation shall be treated as a set-off unless it shall appear that the same was received by said Indians or that such expenditure was actually beneficial to said Indians."

SEC. 4. That section 7 of the act of May 18, 1928 (45 Stat. 602), as amended by the act of April 29, 1930 (46 Stat. 259), is further amended by adding the following proviso: "*Provided further*, That the Secretary of the Interior is authorized and directed to allow 2 years from the date of the approval of this act in which to receive applications for enrollment of Indians residing in the State of California on June 1, 1852, and their descendants living on May 18, 1928, not now on the census roll of the Indians of California under the act of May 18, 1928 (45 Stat. 602), and the Secretary of the Interior shall have 6 months thereafter to approve such supplemental roll, at the expiration of which time the roll shall be forever closed and thereafter no additional names shall be added thereto.

"The time for filing amendments to the petition is hereby continued and extended to any time prior to the entry of judgment."

SEC. 5. That the act of May 18, 1928 (45 Stat. 602), be amended by adding a new section as follows:

"SEC. 8. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amount as may be necessary to defray the expenses of enrollment herein authorized."

With the following committee amendments:

Page 4, after line 10, insert the following:

"SEC. 4. That the act of May 18, 1928 (45 Stat. 602), be amended by adding a new section, as follows:

" 'SEC. 3. That the Indians of California shall have the right to be represented by an attorney or attorneys of their own selection under contract or contracts approved by the Secretary of the Interior, and the courts are directed to recognize such attorneys as attorneys of record: *Provided*, That for the purposes of this act the Indians enrolled as Indians of California under the provisions of the act approved May 18, 1928, the Secretary of the Interior shall classify said Indians by counties and determine the number of units therein of 100 each or fraction thereof, and under such regulations as he may prescribe shall provide for the election of Indian delegates to be held at one or more convenient places in each county in the State of California within 90 days after the approval of this act, provided each county shall be entitled to one vote for each unit or fraction thereof, and any Indian enrolled under said act shall be eligible for election as a delegate, and said Indians of each county may elect a delegate to represent each vote or one delegate to represent all its votes, and any delegate may be elected by more than one county, and said Secretary shall provide for two conventions of such delegates to select and retain attorneys to represent the Indians of California; one convention to convene at Riverside and include all delegates in counties south of the southern boundaries of San Luis Obispo and Kern Counties and the northern boundary of San Bernardino County and the other convention at San Francisco to include all delegates north of said boundaries. Said conventions shall be held within 30 days after said election and shall be conducted in accordance with such rules as are usual for a convention: *Provided further*, That due and proper notice shall be given of the time, place, and purpose of said election and conventions; and upon final determination of such suit said court is authorized and directed to fix and determine a reasonable fee for such attorney or attorneys, the aggregate amount of such fees not to exceed 5 percent of the amount recovered on a quantum-meruit basis for services actually rendered, and in addition thereto all necessary and proper expenses incurred in the preparation and prosecution of the suit and such fees and expenses shall be paid by the Secretary of the Treasury out of the appropriation made by Congress in payment of any decree rendered when such decree has been submitted to, and approved by, Congress, and the balance of such appropriation shall be placed in the Treasury as provided in section 6 of the enabling act.' "

Page 6, line 8, strike out "Sec. 4" and insert "Sec. 5."

Page 7, line 1, strike out "Sec. 5" and insert "Sec. 6."

Mr. LEA of California. Mr. Speaker, I ask unanimous consent to withdraw from consideration all the committee amendments.

Mr. RICH. Mr. Speaker, reserving the right to object, is that in accordance with the agreement the gentleman had with the gentleman from Missouri [Mr. COCHRAN]?

Mr. LEA of California. Yes.

Mr. COSTELLO. This eliminates section 4.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEA of California. I also ask unanimous consent on page 4, line 7, to strike out the semicolon, insert a period and strike out the remainder of the section.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LEA of California: Page 4, line 7, strike out the semicolon after the word "setoff" and insert a period and strike out the remainder of the sentence.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FARMERS' STORAGE & FERTILIZER CO. OF AIKEN, S. C.

Mr. FULMER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 254) for the relief of the Farmers' Storage & Fertilizer Co., of Aiken, S. C., with a Senate amendment, and concur in the Senate amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That the statutes of limitation, so far as they bar the linters' claim of the Farmers' Storage & Fertilizer Co., of Aiken, S. C., now owned by Wesley Johnson, against the United States of America, arising out of contract had with the Government, expiring January 1, 1918, be, and the same are hereby, waived and revoked.

With the following Senate amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Farmers' Storage & Fertilizer Co., of Aiken, S. C., out of any money in the Treasury not otherwise appropriated, the sum of $3,725.98, in full settlement of all claims against the Government for the balance due and unpaid on 123 bales of linters purchased under contract by the United States Government through its agents on December 31, 1918: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. SNELL. What was the amount in the bill as passed by the House?

Mr. FULMER. The amendment carries three-fourths of the original claim as indicated by the Government contract with the company, which amounted to about $5,000.

Mr. SNELL. Three-fourths of the amount in the bill as passed by the House?

Mr. FULMER. Yes; that is, of the original claim that brought about the introduction of the bill.

Mr. SNELL. And the Senate amendment cut it to $3,000?

Mr. FULMER. Yes; the Senate amended the bill by providing for three-fourths of the original claim, or the actual amount of $3,725.98.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ROWESVILLE OIL CO.

Mr. FULMER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 237) for the relief of the Rowesville Oil Co., with a Senate amendment, and concur in the Senate amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That the statutes of limitation so far as they bar the linters claim of the Rowesville Oil Co., now owned by the estate of W. C. Fairey, against the United States of America, arising out of contract had with the Government, expiring July 31, 1919, be, and the same are hereby, waived and revoked.

SEC. 2. That said claimant is hereby authorized to file and have said claim adjudicated by the Court of Claims of the United States.

With the following Senate amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Rowesville Oil Co., of Rowesville, S. C., out of any money in the Treasury not otherwise appropriated, the sum of $4,991.74, in full settlement of all claims against the Government for the balance due and unpaid on 300 bales of linters purchased under contract by the United States Government through its agents on or about September 28, 1918: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold,

or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, what changes were made in the Senate?

Mr. FULMER. The original claim on the part of these people was $6,655, and the Senate amended the bill authorizing three-fourths of the actual claim, making the exact amount of $4,991.74 payable under the bill as amended.

Mr. JENKINS of Ohio. That was the action of the Senate?

Mr. FULMER. Yes; and we are concurring in the Senate amendment.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LEE AND THE DEPRESSION OF 1865

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an address delivered before the Virginia Society.

The SPEAKER. Is there objection?

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, under leave to extend my remarks in the RECORD I include the following address delivered by me before the Virginia Society of the District of Columbia at a meeting held on February 19, 1935, at the Willard Hotel:

Depressions come and depressions go. But from whence they come and whither they go I know not.

Neither do I know why they come. Probably to level us down. Probably to bring us closer together. Probably to bring us back to a realization that the efforts of boastful man can never bring security and that there is a higher power directing the destinies of nations who can, at will, either bring security or confusion.

Nor do I know all the contributing causes leading to their demises; but I do know that leadership plays an important part.

We of the South are not unfamiliar with depressions. We have had our full share, and back in 1865 and from thence on for what seemed interminable years we went through—if what we are going through today is a depression—a deluge, which left its scars, discernible even to this day, to remind us of the throes of those dark years.

Let me remind you of our condition:

Nearly one-half million men of our slim Caucasian population—the very flower of the South—were dead or disabled in their prime; our commerce ruined; our factories destroyed; our money not worth the paper upon which it was written; our credit crippled to the point of destruction; our farm lands washed and gullied and grown up in briars and weeds and underbrush; our livestock either consumed or carried off; our food supply nearly exhausted and the only hope another crop; our clothing threadbare and no raw material out of which to make cloth; our very homes, many of them, decayed or burned; and several million men, women, and children of an alien race, who, through no fault of their own, were helpless to provide for themselves, were turned loose upon us. And to add further to our burdens the reconstruction governments weighed down the South with debts until untold millions were robbed from the present and future.

And amid it all we had no strong, sympathetic Federal Government to go to for relief. The battle was ours and under a great leader we fought and conquered.

But, oh, what a leader we had! Poverty was his lot when he could have lived in comfort. Once before he had laid down high office and the offer of further preferment and cast his lot with his people. And when the depression—the deluge—came, he again remained true, preferring to share the privation of his people rather than end the depression, so far as he was concerned, by selling his name for gold.

And our leader was an uncommissioned leader. The franchises of men did not put him in command, neither did some governmental agency or power commission him. By unanimous consent, by the agreed verdict of the men, women, and children of the South, he was recognized, looked up to and followed as their leader and commander.

This is not the first time the people, by common consent, have recognized leadership. Years ago an uncrowned King reigned over on the shores of Galilee; and although he had not been crowned the people knew that he was their King. And so during the great depression in the South an uncommissioned leader led; and although he had not been commissioned the people knew that he was their leader.

And, you ask, how did he lead?

Not by trumpet calls and bugle sounds did he lead. Not by fiery words calculated to incite the passions of men did he lead. Not by issuing edicts, decrees, and commands did he lead. He led by following the teachings of the uncrowned King.

Teaching a little, praying much, a few friendly hand clasps, a few words of cheer and comfort scattered here and there, a few messages of advice given in a fatherly way, ministering to those in distress, sympathizing with the unfortunate, and just living, among all the confusion, in such a way that men knew that he still had faith, that he still had hope, that he still had courage.

Yes, the southern depression was won by the leader radiating faith, hope, and courage until it permeated into the hearts and minds of every man, woman, and child in the Southland.

A miracle you say. Yes; probably so; a miracle wrought by a follower of the uncrowned King.

Next to the mental picture of the uncrowned King, to southern people, the most inspiring man picture of the ages is the great southern leader, unruffled among confusion, quietly going about teaching men by precept and example that God has planted in man the weapons of the Conqueror—faith, hope, courage!

It may be out of place to say it, but I make the confession that I, too, am a great believer in the uncrowned King, though, I am afraid, an unworthy believer; and, believing as I do, somehow, even today, I had rather put faith in a man's breast than to put money in his pocket. I had rather put hope in his mind than to put food in his pantry; and I had rather put courage in his heart than to put raiment on his back.

Give man these divine things—faith, hope, courage—and he, by his own efforts, will add the material blessings.

Oh, no doubt, some of you will say that the reason our leader used the weapons he did was because the Southern States and their political subdivisions were all prostrate and unable to furnish material help. I will not argue the point with you; you who entertain such an opinion are entitled to your belief. As for me, I had rather believe that he used the weapons he did because he was familiar with them and believed in their efficacy. But, whatever the cause, we should all rejoice in the fact that he used the weapons he did. Why? Because they are the weapons men fight with. Only men, real men, can use them; and I like to think that our forebears, having been instructed in the use of those weapons by a masterful leader, came out of the depression strengthened in mind, body, and spirit; and my prayer is that we, their progeny, will never discard the weapons that made our ancestors great.

What we need today, Virginians, are more men who are willing to use the weapons of Robert E. Lee.

PAY OF RETIRED ENLISTED MEN WHO SERVED AS COMMISSIONED OFFICERS

Mr. ROGERS of New Hampshire. Mr. Speaker, I ask unanimous consent for the present consideration of S. 2460, to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes."

The SPEAKER. Is there objection.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, what does the bill do?

Mr. ROGERS of New Hampshire. Briefly, the bill amends section 8 of the act of June 6, 1924, by providing that enlisted men of the Regular Navy and Marine Corps heretofore or hereafter retired, who served honorably as commissioned officers during the World War and at the time of their retirement were members of the Regular Navy and Marine Corps shall be entitled to receive the pay of retired warrant officers.

Mr. JENKINS of Ohio. And the House committee considered it fully?

Mr. ROGERS of New Hampshire. Absolutely, fully, and it is reported favorably by the War Department and the Navy Department.

Mr. JENKINS of Ohio. And what the gentleman proposes to do is what the Senate has done?

Mr. ROGERS of New Hampshire. In effect, except that the only thing we do is to add to that "commissioned officers, Regular, temporary, or Reserve, of the Navy or Marine Corps."

Mr. JENKINS of Ohio. And the gentleman's committee acted on that—I mean, has the committee acted on the changes proposed?

Mr. ROGERS of New Hampshire. Yes.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill and the committee amendment.

The Clerk read as follows:

Be it enacted, etc., That section 8 of the act of June 6, 1924 (43 Stat. 472, U. S. C., title 10, sec. 981, and title 34, sec. 999) be, and it is hereby, amended by inserting after the words "in the", in line 8, the words "military or", so that said section as thus amended will read as follows:

"SEC. 8. That retired enlisted men of the Army heretofore or hereafter retired who served honorably as commissioned officers of

the Army of the United States at some time between April 6, 1917, and November 11, 1918, shall be entitled to receive the pay of retired warrant officers of the Army; and retired enlisted men of the Regular Navy and Marine Corps heretofore or hereafter retired who served honorably as commissioned officers, regular, temporary, or reserve, in the military or naval service at some time between the aforesaid dates, and who at the time of their retirement were members of the Regular Navy or Marine Corps, shall be entitled to receive the pay of retired warrant officers of the Navy and Marine Corps, respectively: *Provided*, That such enlisted man retired prior to July 1, 1922, shall be entitled to receive the pay provided by law for retired warrant officers of equal length of service retired prior to that date, and that any such enlisted man retired subsequent to June 30, 1922, shall be entitled to receive the pay provided by law for retired warrant officers of equal length of service retired subsequent to that date: *Provided further*, That nothing in this act shall operate to prevent any person from receiving the pay and allowances of his grade, rank, or rating on the retired list when such pay and allowances exceed the pay to which he would be entitled under this act by virtue of his commissioned service."

With the following committee amendment:

Page 2, line 3, after the words "United States", insert "or as commissioned officers of the Regular, temporary, or Reserve of the Navy or Marine Corps.

The committee amendment was agreed to, and the bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

HON. JOHN A. MARTIN

Mr. LEWIS of Colorado. Mr. Speaker, on behalf of the dean of our delegation, the gentleman from Colorado [Mr. TAYLOR], I ask unanimous consent that he be permitted to extend his remarks in the RECORD, including certain excerpts in a speech about our colleague the gentleman from Colorado [Mr. MARTIN].

The SPEAKER. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker, the Kiwanis Club of Pueblo, Colo., recently held a discussion on the history of relief legislation in our State and one of our prominent newspaper correspondents, Mr. Alva A. Swain, of Denver, recalled some of the early-day efforts of my colleague, Congressman JOHN A. MARTIN, to enact liberal and humane legislation when he was a member of the Colorado Legislature 35 years ago.

I was a member of our legislature in those days, and I know that the tributes paid to my colleague are so preeminently just and so richly merited that I feel they deserve more than a fleeting mention.

I have known JOHN MARTIN almost from his boyhood days. He and I have both been signally honored by our beloved Centennial State, "the summer playground of the Nation."

He and I served together 4 years in our Colorado General Assembly, and then we were both elected to Congress in 1908 and served together here 4 years, when he voluntarily retired and practiced law in Pueblo for 20 years, and in 1932 and 1934 was again elected to Congress—a very unique and probably unparalleled experience.

Having represented Colorado for the past 40 years consecutively, 12 years in the State senate and 28 years in Congress, a record unequaled during the history of our Government—and having known all the United States Senators and Congressmen Colorado has ever sent to Washington, I can speak from some information when I say that Colorado has never had a more loyal son or a more conscientious and hard-working Representative than JOHN A. MARTIN. He has spent practically his whole life in a constant, genuinely sincere, courageous, and effective fight for unfortunate humanity and for the welfare of Colorado. No one is entitled to more credit than he for starting and persistently following up the development of humane and social legislation in Colorado, until today it includes agencies and provisions to aid practically every form of human distress from infancy to age, and Colorado is now in the vanguard of States in the national movement for social security in all forms.

The extracts from the address of Mr. Swain to which I refer are as follows:

During the legislative session of 1901, JOHN A. MARTIN, who is now in Congress, but who was then a member of the house of representatives, introduced a bill that was intended to put the medical fraternity under the laws of Colorado. It was his intention to combine all types of physicians under one board, with each type having a representation on that board.

In that bill he tried to incorporate certain features which would give the counties or the towns and cities the right to take care of certain people who were not able to take care of themselves in sickness. His idea was to keep these people away from poorhouses during their illness. It included the authority to take care of tuberculars by the towns, cities, and counties, a small mother's compensation provision, partial care of the blind, and partial care of sick children.

In his plea before the house for this measure he drew a picture of the animals following a certain path to a water hole. This path was enlarged by humans who also followed it to the water hole; then it was turned into a road that was used for buggy and wagon transportation, and nearby ran the railroad, carrying the transportation of a nation; and through this picture he described the building of America. He wanted the human life of America to keep pace with her commercial activities, and he asked that we abandon poorhouses and start along the path of human kindness toward greater achievements.

MARTIN LOST OUT IN EARLY DAYS

Each of the human thoughts in that bill was defeated, but JOHN MARTIN planted the seed of consideration of those matters and he has lived to see that path grow just as extensively as the path that was trod by the animals grew. That human path has passed even the field of the railroad and, like the animal path, it has entered the advance stages of the airplane.

Today not only have we practically abandoned many of our poorhouses, but we are extending this humane thought into all departments of government. We have the mother's compensation; our blind are cared for; our aged need no longer fear tomorrow's foodless sunup; until our people as a whole, despite the depression, are enjoying a better existence than they have ever enjoyed before. Even a majority of our unemployed, on the whole, are living better than they lived during what might be termed our prosperous years.

RECOMMENDATIONS WERE ADOPTED LATER

Two years after JOHN MARTIN made his losing fight to put laws on our statute books that would cover humane matters the legislature made the bureau of child and animal protection a State department. It gave that department the power to look after the physical welfare of children, animals, and helpless people. It carried in the house by one vote.

Two years later the legislature enacted the first mental-defective law for the care of children whose brains were below normal. The next legislature gave counties the right to collect funds for mothers' compensation to a very limited degree. The next gave counties the right to collect funds to pay for the education of blind adults in special schools. We already had our home for the deaf and blind, but it only cared for children. In that same legislature was a bill that provided for the care of the aged by contract rather than in the poorhouses. That bill was enacted into law 4 years later. Thus it will be seen that the seeds that were sown by JOHN MARTIN were taking root in many directions.

EXPENSES OF PUBLIC RELIEF GREATLY INCREASED

When JOHN MARTIN first introduced that humane-welfare bill in 1901, less than $50,000 a year was being spent in this State outside of the county poor farms and our State charitable institutions. Today we are spending as a State government approximately a half-million dollars a month for the welfare of our unfortunate citizens.

The animal trail that JOHN MARTIN described has grown to be a great four-track highway with roaring trains on either side and whirling airplane motors above. The human side of Colorado's life has outgrown the commercial side. To me this is the greatest change in State government that has been effected since I have been reporting its progress.

INTEREST PAYMENTS ON AMERICAN EMBASSY DRAFTS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1896) to provide for interest payments on American Embassy drafts.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Mr. Speaker, I reserve the right to object. I think the gentleman from New York should explain the bill.

Mr. BLOOM. Mr. Speaker, the facts are that during the war between 1915 and 1917, the American Embassy in Turkey drew drafts upon the Secretary of State for needed funds to the extent of $314,695.93 and sold them to bankers for cash. When the drafts were presented in Washington for payment, the applicable appropriation was no longer available. A delay of over 4 years occurred before the principal sum could be paid by the United States Government. Meanwhile the banks which had honored the United States drafts lost interest on their money from the time of presentation until the date of payment, a period of over 4 years. The interest lost at 4¾ percent, the prevailing rate, amounts to $44,403.15. By the act of March 3, 1927, the Congress authorized the

payment of interest upon other sums due purchasers of United States drafts in circumstances exactly similar to those involved in the pending bill.

Mr. SNELL. Why was not this included with the others at that time?

Mr. BLOOM. That I do not know.

Mr. SNELL. When they authorized the payment of interest on the others, why not this?

Mr. BLOOM. This was a separate bill in the House at that time. The bill has passed the Senate several times but has been lost in the House.

Mr. SNELL. And these are private bankers?

Mr. BLOOM. Private bankers.

Mr. SNELL. And it is a debt of the United States?

Mr. BLOOM. Yes. The State Department says that the failure of the United States Government to discharge obligations arising out of the sale of the drafts of its representatives in time of stress is likely to make less marketable the drafts of American representatives at some future time when it is of the utmost importance that money should be promptly obtainable by them.

Mr. SNELL. I do not worry about that part of it, because I think they will take the drafts, but I guess this is all right.

Mr. RICH. What is the rate of interest?

Mr. BLOOM. Four and three-quarters percent.

Mr. RICH. Is there any way to offset this against the debt owing by Turkey.

Mr. BLOOM. No. These are private individuals that own these drafts.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the sum of $44,403.15 is hereby authorized to be appropriated for payment to the individuals and corporations, or their attorneys in fact in the United States, listed in the report of December 10, 1931, of the Secretary of State to the President, as set forth in Senate Document No. 18, Seventy-second Congress, first session, the amounts specified therein, representing an interest at 4¾ percent on certain drafts drawn on the Secretary of State by the American Embassies in Russia and Turkey and transfers which the Embassy in Turkey undertook to make by cable communications to the Secretary of State during the period from 1915 to 1920, payment of which was deferred, and amounting to a total sum of $44,403.15: *Provided*, That no payment hereunder shall be made by the Secretary of the Treasury, except at the direction of the Secretary of State: *Provided further*, That full authority is hereby vested in the Secretary of State to determine, in his discretion, whether payment in whole or in part should be made, withheld, or deferred.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXHIBITS OF ART, SCIENCE, AND INDUSTRY

The SPEAKER laid before the House the following communication from the Senate:

IN THE SENATE OF THE UNITED STATES,
June 15 (calendar day, June 18), 1936.

Resolved, That the Secretary be directed to return to the House of Representatives, in compliance with its request, the engrossed bill (S. 3843) to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the proceedings by which the bill (S. 3843) to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes, was passed, be vacated.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Reserving the right to object, what was this bill?

Mr. CELLER. When we considered the Consent Calendar on last Monday, June 15, there was called up H. R. 11767, to provide for the entry under bond of certain exhibits to be exhibited at the Port of New York Authority in New York. Under a misapprehension that the Senate bill was identical with the House bill, a request was made that the Senate bill be substituted for the House bill. That was done, and the Senate bill was passed. Subsequently we discovered there were discrepancies between the language of the House bill and the Senate bill. I am requesting that the proceedings by which we passed the Senate bill be vacated, and that we consider the House bill, because the Ways and Means Committee reported a bill with certain amendments and, in justice to the Ways and Means Committee, we have to take this action.

Mr. SNELL. The Ways and Means Committee desires that we now consider the Senate bill?

Mr. CELLER. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3843) to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes, with an amendment.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That as used in this act—

(a) The term "exhibition" means any permanent exhibition or exhibitions, expositions, fairs, or any temporary exhibition or exhibitions, expositions, or fairs of the arts, sciences, and industries, or of the products of the soil, mine, and sea, or of any hobby, or other like pursuits.

(b) The "Port Authority" means the Port of New York Authority, a municipal corporate instrumentality organized pursuant to a compact entered into on April 30, 1921, between the States of New York and New Jersey, and consented to by the Congress of the United States (ch. 77, U. S. Stat. L., vol. 42, pt. I, p. 174), and designated as the municipal corporate instrumentality of the said States for the purpose of effectuating said compact.

SEC. 2. All articles which shall be imported from foreign countries for the purpose of exhibit or display at an exhibition to be held at any time and from time to time by the Port Authority or by its tenants or licensees in the building known as the Port Authority Commerce Building, located on the block bounded by Eighth and Ninth Avenues, Fifteenth and Sixteenth Streets, Borough of Manhattan, city and State of New York, upon which articles there shall be a tariff, or customs duty, shall be admitted free of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful, at any time during or at the close of any exhibition, exposition, or fair held pursuant to this act to sell for delivery at the close thereof any goods or property imported for and actually displayed at such exhibition, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when sold or withdrawn for consumption or use in the United States, shall be subject to the duty, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal and to the requirements of the tariff laws in effect at such date: *Provided further*, That the Port Authority shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this act, and that the actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officers and employees in connection with the supervision, custody of, and accounting for, articles imported under the provisions of this act, shall be reimbursed by the Port Authority to the Government of the United States under regulations to be prescribed by the Secretary of the Treasury, and that receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid, in the manner provided for in section 524, Tariff Act of 1930: *Provided further*, That all such articles shall, at the expiration of 2 years, be subject to the import duty then in force, unless the same shall have been sold or exported from this country prior to that time: *And provided further*, That nothing in this act contained shall be construed as an invitation, express or implied, from the Government of the United States to any foreign government, state, municipality, corporation, partnership, or individual to import any articles for the purpose of exhibition at the said exhibitions.

With the following amendment:

Strike out all after the enacting clause and insert:

"That all articles which shall be imported from foreign countries for the sole purpose of exhibition or display at a permanent exhibition or exhibitions and/or at a temporary exhibition or exhibitions of the arts, sciences, and industries, and products of the soil, mine, and sea, to be held at any time and from time to time by the Port of New York Authority, a municipal corporate instrumentality organized pursuant to a compact entered into on April 30, 1921,

between the States of New York and New Jersey and consented to by the Congress of the United States (ch. 77, U. S. Stat. L., vol. 42, pt. I, p. 174), and/or by its tenants or licensees in the building known as the Port Authority Commerce Building, located on the block bounded by Eighth and Ninth Avenues, Fifteenth and Sixteenth Streets, Borough of Manhattan, city and State of New York, upon which articles there shall be a tariff or customs duty, shall be admitted free of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful, at any time during or at the close of any exhibition held pursuant to this act, to sell for delivery at the close thereof any goods or property imported for and actually displayed at such exhibition, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when sold or withdrawn for consumption or use in the United States, shall be subject to the duty, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal and to the requirements of the tariff laws in effect at such date: *Provided further*, That the Port of New York Authority shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this act, and that all necessary governmental expenses incurred as a result of exhibitions authorized under this act, including salaries of customs officials in charge of imported articles, shall be paid to the Treasury of the United States by the Port of New York Authority under regulations to be prescribed by the Secretary of the Treasury: *Provided further*, That all such articles shall, at the expiration of 2 years, be subject to the impost duty then in force, unless the same shall have been sold or exported from this country prior to that period of time: *And provided further*, That nothing in this act contained shall be construed as an invitation, express or implied, from the Government of the United States to any foreign government, state, municipality, corporation, partnership, or individual to import any articles for the purpose of exhibition at the said exhibitions."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ONE HUNDREDTH ANNIVERSARY OF ARRIVAL OF MARCUS AND NARCISSA WHITMAN IN WALLA WALLA, WASH.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11555) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and of the founding of the Waiilatpu Mission, there shall be struck at a mint of the United States to be designated by the Director of the Mint 25,000 commemorative medals of a special appropriate single design, size, weight, and composition to be fixed by the Director of the Mint with the approval of the Secretary of the Treasury.

"SEC. 2. Such commemorative medals shall be delivered to the duly authorized officers of the Whitman Centennial, Inc., upon payment to the Director of the Mint of an amount to be fixed by the Director of the Mint not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such cost.

"SEC. 3. Whoever shall falsely make, forge, or counterfeit or cause or procure to be falsely made, forged, or counterfeited or shall aid in falsely making, forging, or counterfeiting any medal issued under the provisions of this act, or whoever shall sell or bring into the United States or any place subject to the jurisdiction thereof from any foreign place, or have in his possession any such false, forged, or counterfeited medal, shall be fined not more than $1,000 or imprisoned not more than 2 years, or both."

Amend the title so as to read: "An act to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission."

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

Mr. RICH. Reserving the right to object, Mr. Speaker, what does this bill provide?

Mr. WHITE. It is nothing but to strike medals instead of coins.

Mr. RICH. Now you have gone into striking medals instead of coins. Is that inflation? [Laughter.]

Mr. WHITE. No. But it is to commemorate the great Marcus Whitman.

Mr. RICH. Are they going to be used as coins?

Mr. WHITE. No; just as souvenirs.

Mr. RICH. Why do you want the Government to furnish these souvenirs?

Mr. WHITE. They are going to pay for them. They will cost the Government nothing.

Mr. RICH. Who is going to pay for them?

Mr. WHITE. The memorial association.

Mr. RICH. And it will cost the Government nothing to put these medals out?

Mr. WHITE. No.

Mr. RICH. Are they Democratic medals?

Mr. WHITE. They are good old inflationary medals. [Laughter.]

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

RETIREMENT OF EMPLOYEES OF ALASKA RAILROAD

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2293) for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. SNELL. Mr. Speaker, reserving the right to object, as I understand, this simply puts the employees of the Alaska Railroad in exactly the same status as employees of the Panama Canal Railway?

Mr. RAMSPECK. That is correct as to the operating employees. All other employees, for instance the clerical employees, are put under the regular civil-service retirement.

Mr. SNELL. But these people have never been covered before and, as a matter of fact, they are paying their retirement-fund payments?

Mr. RAMSPECK. That is correct.

Mr. RICH. Reserving the right to object, you are interested in trying to put employees under the civil service when you retire them, but you are not so interested in putting employees under civil service when you make appointments.

Mr. RAMSPECK. We will give the gentleman a chance to vote for a bill like that directly.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That all employees of the Alaska Railroad, Territory of Alaska, except the clerical employees, who are citizens of the United States and whose tenure of employment is not intermittent nor of uncertain duration, shall come within the provisions of this act: *Provided, however*, That employees of the Alaska Railroad who in the past have been, or in the future may be, employed thereon for the period of at least 3 months per year for at least 2 years shall come within the provisions of this act: *Provided further*, That the provisions of the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes", approved March 22, 1920, as amended, are hereby extended to apply to all clerical employees of the Alaska Railroad who are citizens of the United States.

SEC. 2. All employees to whom this act applies shall, after reaching the age of 62 years and having rendered at least 15 years of service in the Territory of Alaska, be automatically separated from the service and retired on the annuity provided for herein; and all salary, pay, or compensation shall cease from that date: *Provided*, That if the Secretary of the Interior certifies to the Civil Service Commission that, by reason of his efficiency and willingness to remain in the service, the continuance of such employee therein would be advantageous to the service, such employee may be retained for a term not exceeding 2 years, upon the approval and certification by the Civil Service Commission, and, at the end of the 2-year term, by similar approval and certification, be continued for an additional term not exceeding 2 years: *Provided, however*, That no employee shall be continued in the service beyond the age of retirement for more than 4 years, except that where the Secretary of the Interior certifies, and the Civil Service Commission agrees, that by reason of expert knowledge and special qualifications the continuance of the employee would be advantageous to the service, further extensions of 2 years may be granted.

All employees to whom this act applies who would be eligible for retirement from the service upon attaining the age of 62 years shall, after attaining the age of 60 years and having rendered at least 30 years' service, computed as provided in section 7 of this act, be eligible for retirement on an annuity as provided in section 6 of this act. Retirement under the provisions of this paragraph shall be at the option of the employee, but if such option is not exercised prior to the date upon which the employee would otherwise be eligible for retirement from the service the provisions of this act with respect to automatic separation from the service shall apply.

SEC. 3. Any employee to whom this act applies who shall have attained the age of 55 and rendered at least 25 years of service, of which not less than 15 years shall have been rendered in the Territory of Alaska, may voluntarily retire on an annuity equivalent in value to the present worth of a deferred annuity, beginning at the age at which the employee would otherwise have become eligible for retirement, computed as provided in section 6 of this act, the present worth of said deferred annuity to be determined on the basis of the American Experience Table of Mortality and an interest rate of 4 percent compounded annually.

SEC. 4. (a) Any employee to whom this act applies who shall have attained the age of 55 years and shall have rendered at least 15 years of service on the Alaska Railroad, and who shall have become physically or mentally disqualified to perform satisfactorily and efficiently the duties of his position or of any other position of approximately equal compensation to which he might be assigned, because of the strenuous or hazardous nature of such position, shall, upon the request or order of the Secretary of the Interior, be retired on an annuity computed in accordance with the provisions of section 6 hereof: *Provided*, That no such employees shall be so retired except after an examination and finding as to his mental or physical disqualifications as hereinafter provided.

(b) Any employee to whom this act applies who shall have served for a total period of not less than 5 years, and who, before becoming eligible for retirement under the conditions defined in section 2 hereof, shall have become totally disabled for useful and efficient service in the grade or class of position occupied by the employee, by reason of disease or injury not due to vicious habits, intemperance, or willful misconduct on the part of the employee, shall upon his own application or upon request or order of the Secretary of the Interior, be retired on an annuity computed in accordance with the provisions of section 6 hereof.

No claim shall be allowed under the provisions of this section unless the application for retirement shall have been executed prior to the applicant's separation from the service or within 6 months thereafter. No employee shall be retired under the provisions of this section unless he or she shall have been examined by a medical officer of the United States, or a duly qualified physician or surgeon or board of physicians or surgeons designated by the United States Civil Service Commission for that purpose, and found to be disabled in the degree and in the manner specified herein.

Every annuitant retired under the provisions of this section, unless the disability for which he was retired be permanent in character, shall, at the expiration of 1 year from the date of such retirement and annually thereafter, until reaching retirement age as defined in section 2 hereof, be examined under the direction of the United States Civil Service Commission by a medical officer of the United States or a duly qualified physician or surgeon or board of physicians or surgeons designated by the United States Civil Service Commission for that purpose, in order to determine the nature and degree of the annuitant's disability, if any. If an annuitant shall recover before reaching the age at which he would otherwise have become eligible for retirement and be restored to an earning capacity which would permit him to be appointed to some appropriate position fairly comparable in compensation to the position occupied at the time of retirement, payment of the annuity shall be continued temporarily to afford the annuitant opportunity to seek such available position, but not in any case exceeding 90 days from the date of the medical examination showing such recovery.

If the annuitant shall fail to obtain reemployment through no fault of his own within the 90-day period in any position included in the provisions of this act, he shall be considered as involuntarily separated from the service as of the date he shall have been retired for disability, and, if otherwise eligible, entitled to an annuity under section 5 of this act to begin at the close of said 90-day period based on the service rendered prior to his retirement for disability.

The United States Civil Service Commission may order or direct at any time such medical or other examination as it shall deem necessary to determine the facts relative to the nature and degree of disability of any employee retired on an annuity under this section. Should an annuitant fail to appear for any examination required under this section, payment of the annuity shall be suspended until the requirement shall have been met.

In all cases where the annuity is discontinued under the provisions of this section before the annuitant has received a sum equal to the amount credited to his individual account as provided in section 11 (a) hereof, together with interest at 4 percent per annum compounded on June 30 of each year, the difference, unless he shall become reemployed in a position within the purview of this act, shall be paid to the retired employee, as provided in section 11 (b) hereof, upon application therefor in such form and manner as the United States Civil Service Commission may direct. In case of reemployment in a position within the purview of this act the amount so refunded shall be redeposited as provided in section 11 (b) hereof.

No person shall be entitled to receive an annuity under the provisions of this act, and compensation under the provisions of the act of September 7, 1916, entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", or such act as amended, covering the same period of time; but this provision shall not be so construed as to bar the right of any claimant to the greater benefit conferred by either act for any part of the same period of time.

Fees for examinations made under the provisions of this section by physicians and surgeons who are not medical officers of the United States shall be fixed by the United States Civil Service Commission, and such fees, together with the employee's reasonable traveling and other expenses incurred in order to submit to such examinations, shall be paid out of the appropriations for the cost of administering this Act.

SEC. 5. Should any employee 55 years of age or over to whom this act applies, after having served for a total period of not less than 15 years and before becoming eligible for retirement under the conditions defined in section 2 hereof, become involuntarily separated from the service, not by removal for cause on charges of misconduct or delinquency, such employee shall be paid as he may elect, either—

(a) The amount of the deductions from his basic salary, pay, or compensation, including accrued interest thereon computed as prescribed in section 11 (b) hereof;

(b) An immediate life annuity beginning at the date of separation from the service, having a value equal to the present worth of a deferred annuity beginning at the age at which the employee would otherwise have become eligible for retirement, computed as provided in section 6 of this act, the present worth of said deferred annuity to be determined on the basis of the American Experience Table of Mortality and an interest rate of 4 percent compounded annually; or

(c) A deferred annuity beginning at the age at which the employee would otherwise become eligible for retirement computed as provided in section 6 of this act.

Any employee who has served for a period of not less than 15 years, and who is 45 years of age, or over, and less than 55 years, and who becomes separated from the service under the conditions set forth in this section shall be entitled to a deferred annuity, but such employee may, upon reaching the age of 55 years, elect to receive an immediate annuity as provided in paragraph (b) of this section.

Should an annuitant under the provisions of this section be reemployed in any position included in the provisions of this act, payment of annuity shall not be allowed covering the period of such reemployment, and an annuity based upon involuntary separation shall not be allowed upon subsequent separation from the service unless such subsequent separation shall be involuntary.

SEC. 6. The annuity of an employee retired under the provisions of this act shall be composed of—

(1) A sum equal to $37.50 multiplied by the number of years of service, not to exceed 30 years, rendered (a) on the Alaska Railroad or (b) in the military or naval service of the United States in the tropics or in Alaska; and

(2) The annuity purchasable with the sum to the credit of the employee's individual account, including accrued interest thereon computed as prescribed in section 11 (a) hereof, according to the experience of the Alaska Railroad retirement and disability fund as may from time to time be set forth in tables of annuity values by the board of actuaries; and

(3) Thirty dollars multiplied by the number of years of service rendered and not allowable under paragraph (1) hereof: *Provided*, That the number of years of service to be used in computing the allowance under paragraph (3) shall not exceed the difference between 30 and the number of allowable years of service under paragraph (1); and

(4) Thirty-six dollars multiplied by the number of years' service rendered in the Territory of Alaska in the construction of the Alaska Railroad, either in the employ of the Alaska Engineering Commission and the Alaska Railroad or of either of them, between March 12, 1914, and July 1, 1923, plus the number of years' service, if any, rendered on the Isthmus of Panama either in the employ of the Isthmian Canal Commission or the Panama Railroad Co. between May 4, 1904, and April 1, 1914.

In no case, however, shall the total annuity paid exclusive of that provided in paragraph (4) hereof, be less than an amount equal to the sum of—

The average annual basic salary, pay, or compensation, not to exceed $2,000 per annum, received by the employee during any 5 consecutive years of allowable service at the option of the employee, multiplied by the number of years of service used in computing the annuity under paragraph (1) hereof, and divided by 40, and the average annual basic salary, pay, or compensation, not to exceed $1,600 per annum, received by the employee during any 5 consecutive years of allowable service at the option of the employee, multiplied by the number of years of service used in computing the annuity under paragraph (3) hereof, and divided by 40: *Provided, however*, That the sum to be used in computing the annuity purchaseable under paragraph (2) of this section shall include only contributions made subsequent to June 30, 1935: *And provided further*, That the number of years of service to be used in computing the annuity under paragraphs (1) and (3) of

this section shall not exceed the difference between 30 and the number of years of allowable service rendered prior to July 1, 1935.

The annuity granted under paragraphs (1), (3), and (4) of this section shall not exceed three-fourths of the average annual basic salary, pay, or compensation received by the employee during any 5 consecutive years of allowable service at the option of the employee.

Any employee at the time of his retirement may elect to receive, in lieu of the life annuity herein described, an increased annuity of equivalent value which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned. For the purposes of this act all periods of service shall be computed in accordance with section 7 hereof, and the annuity shall be fixed at the nearest multiple of 12.

The term "basic salary, pay, or compensation", wherever used in this act, shall be so construed as to exclude from the operation of the act all bonuses, allowances, overtime pay, or salary, pay, or compensation given in addition to the base pay of the position as fixed by law or regulation.

SEC. 7. Subject to the provisions of section 8 hereof, the service which shall form the basis for calculating the amount of any benefit provided in this act shall be computed from the date of original employment, whether as a classified or an unclassified employee, in the civil service of the United States or under the municipal government of the District of Columbia, including periods of service at different times and in one or more departments, branches, or independent offices of the Government and service in Alaska with the Alaska Engineering Commission and the Alaska Railroad, or of either of them, and service on the Isthmus of Panama with the Isthmian Canal Commission, the Panama Canal, or the Panama Railroad Co.; also periods of service performed overseas under authority of the United States and periods of honorable service in the Army, Navy, Marine Corps, or Coast Guard of the United States. In the case of an employee, however, who is eligible for and elects to receive a pension under any law, or retired pay on account of military or naval service, or compensation under the War Risk Insurance Act, the period of his military or naval service upon which such pension, retired pay, or compensation is based shall not be included, but nothing in this act shall be so construed as to affect in any manner his right to a pension, or to retired pay, or to compensation under the War Risk Insurance Act in addition to the annuity herein provided.

In computing length of service for the purposes of this act all periods of separations from the service, and so much of any leave of absence without pay as may exceed 6 months in the aggregate in any calendar year, shall be excluded.

In determining the total periods of service upon which the allowances are to be computed under section 6 hereof, the fractional part of a month, if any, shall be eliminated from each respective total period.

SEC. 8. All employees coming within the provisions of this act after the effective date thereof shall be required to deposit with the Treasurer of the United States to the credit of the Alaska Railroad retirement and disability fund referred to in section 9 hereof, under rules to be prescribed by the United States Civil Service Commission, a sum equal to 2½ percent of the employee's basic salary, pay, or compensation received for services rendered after July 31, 1920, and prior to July 1, 1926, and also 3½ percent of the basic salary, pay, or compensation for services rendered subsequent to June 30, 1926, together with interest computed at the rate of 4 percent per annum compounded on the last day of each fiscal year, but such interest shall not be included for any period during which the employee was separated from the service. Upon making such deposit the employee shall be entitled to credit for the period or periods of service involved: *Provided*, That failure to make such deposit shall not deprive the employee of credit for any past service for which no deposit is required under the provisions of this section.

SEC. 9. Beginning July 1, 1935, there shall be deducted and withheld from the basic salary, pay, or compensation of each employee to whom this act applies a sum equal to 5 percent of such employee's basic salary, pay, or compensation. The amounts so deducted and withheld from the basic salary, pay, or compensation of each employee shall be deposited with the Treasurer of the United States to the credit of a special fund to be known as "the Alaska Railroad retirement and disability fund", in accordance with the procedure now or hereafter prescribed for covering into the United States Treasury the deductions from salaries under the Civil Service Retirement Act of May 22, 1920, as amended, and said fund is hereby appropriated for the payment of the annuities, refunds, and allowances as provided in this act.

The United States Civil Service Commission is hereby authorized and directed to ascertain the amount, if any, including accrued interest, due employees of the Alaska Railroad coming within the purview of this act from the civil-service retirement and disability funds created by the act of May 22, 1920, and to certify same to the Secretary of the Treasury, who is hereby authorized and directed to transfer such amount on the books of the Treasury Department to the Alaska Railroad retirement and disability fund.

Every employee coming within the provisions of this act shall be deemed to consent and agree to the deductions from salary, pay, or compensation as provided herein, and payment less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all regular services rendered by such employee during the period covered by such payment, except the right to the benefits to which he shall be entitled under the provisions of this act, notwithstanding the provisions of any other law, rule, or regulation affecting the salary, pay, or compensation of any person or persons to whom this act applies.

SEC. 10. The Secretary of the Treasury shall invest from time to time in interest-bearing securities of the United States or in Federal farm-loan bonds such portions of the Alaska Railroad retirement and disability fund as in his judgment may not be immediately required for the payment of the annuities, refunds, and allowances herein authorized, and the incomes derived from such investments shall constitute a part of such fund.

SEC. 11. (a) Under such regulations as may be prescribed by the Civil Service Commission the amounts deducted and withheld from the basic salary, pay, or compensation of each employee for credit to the civil-service retirement and disability fund, covering service rendered prior to the effective date of this act shall be credited to an individual account of such employee to be maintained by the Alaska Railroad, and the amounts deducted and withheld from the basic salary, pay, or compensation of each employee for credit to the Alaska Railroad retirement and disability fund, covering service from and after the effective date of this act, less the sum of $1 per month or major fraction thereof, shall similarly be credited to such individual account.

(b) In the case of any employee to whom this act applies who shall be transferred to a position not within the purview of the act, or who shall become absolutely separated from the service before becoming eligible for retirement on annuity, the amount credited to his individual account shall be returned to such employee together with interest at 4 percent per annum compounded on June 30 of each year: *Provided*, That when any employee becomes involuntarily separated from the service, not by removal for cause on charges of misconduct or delinquency, the total amount of his deductions with interest thereon shall be paid to such employee: *And provided further*, That all moneys so returned to an employee must, upon reinstatement, retransfer, or reappointment to a position coming within the purview of this act, be redeposited with interest before such employee may derive any benefits under this act, except as provided in this section, but interest shall not be required covering any period of separation from the service.

(c) In case an annuitant shall die without having received in annuities purchased by the employee's contributions as provided in (2) of section 6 hereof an amount equal to the total amount to his credit at time of retirement, the amount remaining to his credit shall be paid in one sum to his legal representatives upon the establishment of a valid claim therefor, unless the annuitant shall have elected to receive an increased annuity as provided in section 6 hereof.

(d) In case an employee shall die without having attained eligibility for retirement or without having established a valid claim for annuity, the total amount of his deductions with interest thereon shall be paid to the legal representatives of such employee.

(e) In case a former employee entitled to the return of the amount credited to his individual account shall become legally incompetent, the total amount due may be paid to a duly appointed guardian or committee of such employee.

(f) If the amount of accrued annuity or of refund due a former employee who is legally incompetent does not exceed $1,000, and if there has been no demand upon the United States Civil Service Commission by a duly appointed executor, administrator, guardian, or committee, payment may be made, after the expiration of 30 days from date of death or of separation from the service, as the case may be, to such person or persons as may appear in the judgment of the United States Civil Service Commission to be legally entitled thereto, and such payment shall be a bar to recovery by any other person.

SEC. 12. Annuities granted under the terms of this act shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued; and payment of all annuities, refunds, and allowances granted hereunder shall be made by checks drawn and issued by the disbursing clerk for the payment of pensions in such form and manner and with such safeguards as shall be prescribed by the United States Civil Service Commission in accordance with the laws, rules, and regulations governing accounting that may be found applicable to such payments.

Applications for annuity shall be in such form as the United States Civil Service Commission may prescribe, and shall be supported by such certificates from the heads of departments, branches, or independent offices of the Government, or the Alaska Railroad in which the applicant has been employed as may be necessary to the determination of the rights of the applicant. Upon receipt of satisfactory evidence the United States Civil Service Commission shall forthwith adjudicate the claim of the applicant, and if title to annuity be established, a proper certificate shall be issued to the annuitant.

Annuities granted under the provisions of sections 2 and 3 of this act shall commence from the date of separation from the service and shall continue during the life of the annuitant. Annuities granted under the provisions of sections 4 and 5 hereof shall be subjected to the limitations specified in said sections.

SEC. 13. In the case of those employees of the Alaska Railroad who before the effective date of this act shall have been retired on annuity under the provisions of the act of May 22, 1920, or said act

as amended, or as extended by Executive orders, the annuity shall be computed, adjusted, and paid under the provisions of this act, but this act shall not be so construed as to reduce the annuity of any person retired before its effective date, nor shall any increase in annuity commence before such effective date.

All those who were separated from the service of the Alaska Railroad subsequent to August 1, 1920, and before the effective date of this act, not by removal for cause on charges of misconduct or delinquency, without having been granted retirement annuities due to the fact that all of their service which would be allowable under the provisions of this act was not counted in arriving at their total service, and who are otherwise eligible by having made the necessary contributions to the retirement and disability funds as herein provided, shall, from the effective date of this act, be paid annuities in accordance with the provisions of this act.

SEC. 14. The board of actuaries selected by the United States Civil Service Commission under the provisions of section 16 of the act of July 3, 1926, shall make a valuation of the Alaska Railroad retirement and disability fund at intervals of 5 years, or oftener, if deemed necessary by the United States Civil Service Commission.

SEC. 15. For the purpose of administration, except as otherwise provided herein, the United States Civil Service Commission, is hereby authorized and directed to perform, or cause to be performed, any and all acts and to make such rules and regulations as may be necessary and proper for the purposes of carrying the provisions of this act into full force and effect.

The United States Civil Service Commission shall make a detailed comparative report annually, showing all receipts and disbursements on account of annuities, refunds, and allowances under this act, together with the total number of persons receiving annuities and the total amounts paid them; and he shall transmit to Congress the reports and recommendations of the board of actuaries.

The United States Civil Service Commission shall submit annually to the Bureau of the Budget estimates of the appropriation necessary to finance the Alaska Railroad retirement and disability fund, and to continue this act in full force and effect.

SEC. 16. None of the moneys mentioned in this act shall be assignable, either in law or equity, or be subject to execution, levy, garnishment, or attachment, or other legal process.

SEC. 17. This act shall take effect July 1, 1935, and from and after that date the provisions of the Civil Service Retirement Act of May 22, 1920, as amended, shall not apply to the employees of the Alaska Railroad or to any other employees coming within the provisions of this act: *Provided, however,* That any employee of the Alaska Railroad who shall attain the age of eligility for retirement without having rendered sufficient service on the Alaska Railroad to entitle him to be retired on an annuity as provided by section 2 hereof, but whose aggregate employment under the United States would be sufficient in character and duration to entitle him to receive an annuity under the provisions of the Civil Service Retirement Act of May 22, 1920, as amended, will be eligible to retire and receive an annuity under the provisions of that act and payable from the civil-service retirement and disability fund; and in such event the employee shall be entitled, upon separation from the service, to the refund, under such regulations as the United States Civil Service Commission may prescribe, of any excess in the deductions made from his salary, pay, or compensation under the provisions of this act, with interest, over those which would have been made at the rate fixed by the Civil Service Retirement Act, as amended; and the United States Civil Service Commission shall certify to the Secretary of the Treasury the amount remaining to the credit of such employee in the Alaska Railroad retirement and disability fund, and the said amount shall be transferred on the books of the Treasury Department to the civil-service retirement and disability fund.

SEC. 18. Retirement authorized by law of Federal personnel of whatever class, civil, military, naval, judicial, legislative, or otherwise, and for whatever cause retired, shall take effect on the 1st day of the month following the month in which said retirement would otherwise be effective, and said 1st day of the month for retirements hereafter made shall be for all purposes in lieu of such date for retirement as may now be authorized; except that the rate of active or retired pay or allowance shall be computed as of the date retirement would have occurred if this act had not been enacted.

SEC. 19. For the purposes of this act, service in the employ of the Alaska Engineering Commission shall be considered service of and on the Alaska Railroad.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONDITIONS OF PUBLIC CONTRACTS

The SPEAKER. The unfinished business is the vote on the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes, which was under consideration yesterday.

Mr. ALLEN. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and thirty-seven Members are present, a quorum.

The question is on the passage of the bill S. 3055.

The question was taken, and the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended so as to read: "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes."

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1937

Mr. BLANTON submitted the following conference report (Rept. No. 3042) and statement on the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate and amendments of the House thereto to the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 11, 24, 27, 44, 52, 64, 84, and 85.

That the House recede from its disagreement to the amendments of the Senate numbered 16, 17, 26, 28, 30, 33, 34, 35, 42, 49, 50, 51, 58, 66, and 79, and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$15,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$687,395"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$175,940"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "and including $10,000 for health and physical-education teachers to supervise play in schools of the central area, bounded by North Capitol Street on the east, Florida Avenue on the north, the Mall on the south, and Twelfth Street on the west, $7,010,840"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$1,567,500"; and the Senate agree to the same.

Amendment numbered 54: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed in the amendment of the House to the amendment of the Senate, insert: "$3,339,950"; and the House agree to the same.

Amendment numbered 56: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the sum proposed in the amendment of the House to the amendment of the Senate, insert: "$63,375"; and the House agree to the same.

Amendment numbered 57: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed in the amendment of the House to the amendment of the Senate, insert: "$47,875"; and the House agree to the same.

Amendment numbered 65: That the House recede from its disagreement to the amendment of the Senate numbered 65, and agreed to the same with an amendment, as follows: In lieu of the sum proposed, insert "$111,800"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "$1,600,000, of which not to exceed $200,000 shall be available for personal services"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and

agree to the same with an amendment, as follows: In lieu of the number proposed, insert "6"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1 and 75.

THOMAS L. BLANTON,
B. M. JACOBSEN,
GEO. W. JOHNSON,
CLARENCE CANNON,
JOHN TABER,
Managers on the part of the House.

ELMER THOMAS,
CARTER GLASS,
WILLIAM H. KING,
GERALD P. NYE,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate remaining in disagreement to the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended as to each of such amendments in the accompanying conference report, namely:

On amendments nos. 5, 7, and 11, relating to general expenses: Appropriates $15,000 for smoke-regulation control, instead of $11,000, as proposed by the House, and $18,000, as proposed by the Senate; appropriates $99,520 for personal services, office of corporation counsel, as proposed by the House, instead of $104,120, as proposed by the Senate, and appropriates $69,000 for personal services, Public Utilities Commission, as proposed by the House, instead of $75,000, as proposed by the Senate.

On amendments nos. 16 and 17: Appropriates $27,000 for contingent and miscellaneous expenses, as proposed by the Senate, instead of $26,000, as proposed by the House, thus making available for traveling expenses $2,000, instead of $1,000, as the House had proposed.

On amendment no. 24: Appropriates $352,020 for personal services, free public library, as proposed by the House, instead of $354,020, as proposed by the Senate.

On amendments nos. 26, 27, and 28, relating to street and road improvement and repair: Appropriates $8,400 for paving sections of Runnymede Place and Nevada Avenue NW., as proposed by the Senate, and authorizes contractural obligations of $350,000 on account of the Chain Bridge and approach roads, as proposed by the House, instead of $450,000, as proposed by the Senate.

On amendment no. 30: Appropriates $230,170 for cleaning and repairing sewers and basins, etc., as proposed by the Senate, instead of $226,820, as proposed by the House.

On amendments nos. 33, 34, and 35, relating to public playgrounds: Appropriates $122,500 for personal services, as proposed by the Senate, instead of $116,000, as proposed by the House; appropriates $40,800 for general maintenance, as proposed by the Senate, instead of $39,000, as proposed by the House; and appropriates $29,700 on account of summer use of public-school playgrounds, as proposed by the Senate, instead of $28,000, as proposed by the House.

On amendments nos. 37, 38, 39, 42, 44, 49, 50, 51, 52, and 53, relating to public schools: Appropriates for personal services of administrative and supervisory officers, $687,395, instead of $679,995, as proposed by the House, and $691,795, as proposed by the Senate; appropriates $175,940 for personal services of clerks and other employees, instead of $169,100, as proposed by the House, and $193,400, as proposed by the Senate; appropriates $7,010,840 for personal services of teachers and librarians, instead of $6,962,240, as proposed by the House, and $7,113,640, as proposed by the Senate, of which agreed amount $10,000 will be available for health and physical-education teachers to supervise play in schools of a certain defined area, as proposed by the Senate, but no part thereof will be available for compensation and traveling expenses of educational consultants, employed on special educational projects, as the Senate proposed; appropriates $75,000 for the Community Center Department, as proposed by the Senate, instead of $50,000, as proposed by the House; appropriates $22,000 for transportation of physically defective pupils, as proposed by the House, instead of $26,000, as proposed by the Senate; appropriates $113,000 for furnishing and equipping the Anacostia Junior-Senior High School, as proposed by the Senate, instead of $90,000, as proposed by the House; appropriates $165,000 for construction of an addition to the Alice Deal Junior High School, as proposed by the Senate, and strikes out the appropriation of $83,000 proposed by the Senate for a stadium and athletic field at the Woodrow Wilson Senior High School. All appropriations for character education in Senate amendments 37, 38, and 39, have been eliminated.

On amendments nos. 54, 56, and 57, relating to the Metropolitan Police: Appropriates $3,339,950 for pay and allowances of officers and members of the Metropolitan Police force, instead of $3,286,100, as proposed by the House, and $3,390,200, as proposed by the Senate; appropriates $68,375 for miscellaneous and contingent expenses, instead of $67,750, as proposed by the House, and $69,000, as proposed by the Senate, and appropriates $47,875 for uniforms, instead of $46,000, as proposed by the House, and $49,750, as proposed by the Senate.

On amendment no. 58: Appropriates $185,790 for personal services, Health Department, as proposed by the Senate, instead of $180,150, as proposed by the House.

On amendments nos. 64 and 65: Appropriates $111,800 for salaries, Court of Appeals, instead of $105,500, as proposed by the House, and $115,400, as proposed by the Senate, and eliminates provision proposed by the Senate for the appointment and compensation of a marshal, at $3,600 per annum.

On amendment no. 66: Appropriates $115,300 for personal services, Board of Public Welfare, as proposed by the Senate, instead of $113,140, as proposed by the House.

On amendment no. 78: Appropriates $1,600,000 for public assistance to residents of the District of Columbia who are unemployed or are otherwise in distress because of the existing emergency, instead of $1,506,020, as proposed by the House, and $1,656,200, as proposed by the Senate, and restores the limitation proposed by the House upon expenditures for personal services, fixing the amount, however, at $200,000, instead of $177,800, as proposed by the House.

On amendment no. 79: Appropriates $5,000 for aid and support of the National Library for the Blind, as proposed by the Senate.

On amendment no. 84: Strikes out the authorization proposed by the Senate for the Commissioners of the District of Columbia, at their discretion, to secure and install, without expense to such District, mechanical parking meters or devices on local thoroughfares and public spaces.

On amendment no. 85: Strikes out the provision proposed by the Senate as a substitute for the Snow and Ice Removal Act, approved September 16, 1922.

On amendment no. 86: Corrects a section number.

Disagreements

The committee of conference report in disagreement the following amendments:

On amendment no. 1: Relating to the amount of Federal contribution toward the expenses of the District of Columbia.

On amendment no. 75: Relating to the admission of pay patients to the Children's Tuberculosis Sanatorium.

THOMAS L. BLANTON,
B. M. JACOBSEN,
GEO. W. JOHNSON,
CLARENCE CANNON,
JOHN TABER,
Managers on the part of the House.

Mr. BLANTON. Mr. Speaker, I call up the conference report on the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Texas calls up the conference report on the District of Columbia appropriation bill and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The SPEAKER pro tempore (Mr. ROGERS of New Hampshire). The gentleman from Texas is recognized for 1 hour.

Mr. BLANTON. Mr. Speaker, I am deeply indebted to my able and distinguished colleagues who during several months have untiringly labored with me as managers on the part of the House in trying to adjust with the Senate conferees the 87 amendments which the Senate placed upon this bill. I refer to the gentleman from Missouri [Mr. CANNON], the gentleman from Iowa [Mr. JACOBSEN], the gentleman from West Virginia [Mr. JOHNSON], the gentleman from Pennsylvania [Mr. DITTER], and the gentleman from New York [Mr. TABER]. They deserve the commendation of this House and the thanks of the country for duties well and conscientiously performed.

During our entire hearings on this 83-page bill, and in determining what should and what should not go into it, or into our report to the House, there has at all times been strict harmony and no political partisanship whatsoever. We have all worked together shoulder to shoulder. There was unanimous agreement as to the conduct of our hearings. There was unanimous agreement concerning every item put in or left out of the bill. There was unanimous agreement concerning everything that went into our committee report. It has been a pleasure and satisfaction to work with these gentlemen. They are all good Americans, fundamentally sound and true. They have been fair, and just, and patient, and most considerate of the rights of the people living in

the District of Columbia, and yet at the same time they have been true to protecting the rights of the people living in the 48 States of this Nation.

Mr. Speaker, I yield to the distinguished gentleman from Missouri [Mr. CANNON] such time as he may desire within the hour.

Mr. CANNON of Missouri. Mr. Speaker, I congratulate Judge BLANTON on this bill, one of the most difficult in many respects reported from conference during the session. I congratulate the District of Columbia on the bill, which exceeds the estimates by a larger amount than any District appropriation bill passed by the House within my recollection. And I congratulate the House on the passage of a bill which includes practically every major proposition on which it has instructed its conferees.

This is the last of the appropriation bills. With the adoption of this conference report we shall have disposed of the annual supply bills for this session and this Congress. In view of this fact I want to take advantage of the opportunity to recur to a statement made here the other day by the gentleman from Texas [Mr. BUCHANAN], chairman of the Committee on Appropriations, in my opinion one of the most efficient, and certainly one of the most successful, chairmen who has ever served in that important position—in which he asked the indulgence of the Members of the House in their attitude toward the members of the committee on Appropriations, who must present these appropriation bills and handle them on the floor. I doubt whether the average Member stops to consider the sacrifice made by these men who are charged with the duty of making up these bills and fighting them through the House.

Mr. Speaker, the guarding of the Public Treasury, the holding of Government expenditures within reasonable limits, is one of the most vital and one of the most trying duties that can devolve upon a Member during his service in either branch of the Congress. Any government or any administration which spends more money than it ought to spend, which exceeds the revenues of the Government by a greater amount than the emergencies or the exigencies justify, is on the brink of an abyss the depths of which cannot be plumbed.

But the committees charged with the responsibility of keeping Government expenditures within bounds are shouldered with a heavy burden and a thankless task. Every step is a battle against outside demands for unjustified expenditure and requests from friends and colleagues for appropriations which ought not to be made. Mr. Speaker, we would like to accede to the requests of our colleagues. It is an unpleasant duty to have to say "no" to a man who has a pet project which he wants to finance from the Federal Treasury, but there must be a limit somewhere; there must be someone to hold down these ever-growing appropriations. Too often it must be done at the expense of personal friendship and always at the loss of being considered a "regular fellow." Members in charge of these appropriations have everything to lose and nothing to gain in this respect when they seek to protect the taxpayer in making up these bills. I trust our colleagues understand there is nothing personal in our refusal to include items and realize how embarrassing it is to have to exclude them in order to balance the bill, and I am certain they usually do. I do not believe there is a Member on the floor who has not in his heart a warmer affection and a deeper regard for Judge BLANTON because of the fight he has made to hold down these appropriations to a reasonable figure. [Applause.]

The newspapers of the District spoke yesterday of a resolution to censure Judge BLANTON. Why, no such resolution was introduced. If any Member had desired to submit to the House a proposition to censure Judge BLANTON or anyone else, it would have been considered. Everyone who understands anything about the procedure of the House knows that a resolution of censure is of the highest privilege. Had any resolution of censure been offered on the floor of the House as alleged by the newspapers yesterday, the Speaker would have had no choice but to hold it in order. The truth is that no man would dare rise on this floor and offer a resolution of censure against so valuable and so popular a Member of the House as Judge BLANTON. In my opinion—and I say it advisedly—he has saved more money to the taxpayers of the Nation than any other one man who ever served in the American Congress, and if any such resolution should be introduced, it would promptly be voted down. As a matter of fact, the House has in the last 2 weeks twice voted its approval of the work of Judge BLANTON, on roll calls, by overwhelming majorities.

Mr. KELLER. Will the gentleman yield?

Mr. CANNON of Missouri. I yield with pleasure to my good friend from Illinois.

Mr. KELLER. Do the questions which the gentleman from Texas sent to the school teachers of the city of Washington receive the gentleman's approval?

Mr. CANNON of Missouri. They certainly do. I cannot imagine their being disapproved by any loyal American citizen. What were the questions to which my friend refers? "Do you approve of communism in the schools?" "Do you believe in a supreme being?" Who would object to such questions? Certainly not the mothers and fathers of Washington.

Mr. Speaker, the Congress is responsible for the education of the children of the District of Columbia. It has made education compulsory in Washington and parents must send their children to the schools provided by Congress. Do you not think the parents of the city have a right to know whether those who teach their children believe in a supreme being? So far as I am concerned, I would not care to have my child under the jurisdiction of any teacher who did not believe in a supreme being or who objected to answering that question.

Mr. KELLER. Will the gentleman yield for another question?

Mr. CANNON of Missouri. I yield again to the gentleman from Illinois.

Mr. KELLER. Does the gentleman know whether the House has given any authority to a Member of this House to send such a communication to the school teachers of the District?

Mr. CANNON of Missouri. I am certain the gentleman does not want to be put in the position of asking such a question as that. Everyone knows that under the practice of the House the Committee on Appropriations is authorized to investigate any matter connected with legislation coming before them. The 10 subcommittees of the House have been calling witnesses and taking testimony all winter without thinking of asking authority of the House; and let me call your attention to how serious a matter any attempt to question that right would be.

Why, Mr. Speaker, the right of inquiry, the right of bringing before us witnesses, the right to secure information on legislation pending before the House is one of the most carefully preserved prerogatives of this House, and whenever any man has presumed to question that right he has met with prompt and preemptory action by both branches of Congress. It is only necessary to consult the precedents.

Mr. KELLER. Will the gentleman yield for another question?

Mr. CANNON of Missouri. Certainly; with pleasure.

Mr. KELLER. Does the gentleman hold that this House itself, if it took action, would have a right to apply any religious test to any citizen of this country?

Mr. CANNON of Missouri. Emphatically no. And no one has attempted to apply any such test. Such a test is not involved in any question that has been asked, and I am at a loss to understand why anyone should hesitate to give promptly his or her views on such subjects in connection with the training and teaching of children.

Mr. KELLER. I would like to ask another question.

Mr. CANNON of Missouri. I am glad to yield again to the gentleman from Illinois.

Mr. KELLER. Since the gentleman has confessed he agrees with the questionnaire sent out and defends the right to send it out, and believes this House has a right to inquire into religious beliefs, I would like to know whether the other members of the subcommittee agree with him on that.

Mr. CANNON of Missouri. It is not an inquiry into religious beliefs. It is a question as to whether the teacher is an atheist or a Communist—a question of no religion at all. I do not believe there is a member of our subcommittee who would express himself as being opposed to this or any other action that has been taken by our committee during this entire Congress. Our committee has always proceeded by unanimous consent.

Mr. KELLER. I challenge that statement.

Mr. CANNON of Missouri. The statement stands. Every member of the committee is present, with perhaps one exception, and can rise and object if I have misquoted him. Every action of our committee has been unanimous; and I want to take this opportunity to express my appreciation to the gentleman from Pennsylvania [Mr. DITTER], on that side of the House, and to the gentleman from New York [Mr. TABER], the distinguished ranking member of the Committee on Appropriations, for their active and wholehearted cooperation with the Members on this side of the aisle. There has been no division and no partisanship. We have agreed on every proposition that came before us, and if some proposition was brought up on which there was a difference of opinion we talked it over until common ground was reached. Every member of the committee is back of this report and every proposition which led up to its formulation. If not, the members are here and free to say so.

Mr. SISSON. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to my friend, the gentleman from New York.

Mr. SISSON. I would like to ask the gentleman from Missouri if the Subcommittee on Appropriations having charge of the District of Columbia bill authorized the gentleman from Texas to send this questionnaire to the teachers of the District of Columbia; and if so, when?

Mr. CANNON of Missouri. Certainly. The chairman of a subcommittee of the Committee on Appropriations is authorized to adduce testimony on any item in the bill. The gentleman from Texas discussed it with me personally. And I told him it had my entire approval. I have never yet heard any member of the committee express any contrary opinion. May I ask the gentleman himself if he would object to giving his views on communism or to saying whether he believes in a supreme being?

Mr. SISSON. That is not at all the question.

Mr. CANNON of Missouri. That is exactly the question, and any teacher who would object to answering it is unfit to be entrusted with the education of the children of Washington or any other city in America.

Mr. SISSON. The Constitution of the United States guarantees that no religious test shall ever be applied.

Mr. CANNON of Missouri. And no religious test has been applied. Atheism is not religion and communism is not religion.

Mr. SISSON. Will the gentleman yield further?

Mr. CANNON of Missouri. Let me complete my answer to the gentleman's question. The question before the committee when this subject came up was the question of character education in the schools.

Incidentally, the subcommittee, the Committee on Appropriations, the House, the conferees of both the House and the Senate, and the Senate have unanimously substantiated the position of the gentleman from Texas and the position of the subcommittee and have stricken out of the bill all appropriations for character education, and in a few minutes the House will again reiterate its endorsement—as the Senate did yesterday.

Now, how could we reach any decision on that or any other matter unless we had information? The Committees on Appropriations do not speculate. They will not act until they have the facts. And it was perfectly legitimate, entirely in order, to make this inquiry, and the committee and the Congress have sustained that position.

Mr. SISSON. Mr. Speaker, will the gentleman yield for one further question?

Mr. CANNON of Missouri. I have been glad to yield to the gentleman, and I much regret that I have already exceeded my time.

Let me say in conclusion, Mr. Speaker, that one among the few compensations for service in this great body is the fellowship which we enjoy here. Mr. Speaker, we are about to adjourn sine die at the close of one of the most momentous sessions in the history of the Congress. I trust, Mr. Speaker, when we look back on our service in the Seventy-fourth Congress, one of those things which we will treasure most will be the recollection of the associations, the friendships, the courtesies, and the fellowship we have enjoyed here. We may have our little differences of opinions from time to time, but they will be forgotten in the memory of the mutual affection and respect and regard which includes every colleague on this floor. [Applause.]

Mr. BLANTON. Mr. Speaker, I yield to the distinguished gentleman from New York [Mr. TABER], one of the managers on the part of the House, such time as he may desire to use.

Mr. TABER. Mr. Speaker, this report brings back a complete agreement which was arrived at after a very serious conference with the Senate. Every member of the House conference and every member of the Senate conference yesterday morning, I am satisfied, tried to be fair and work out a bill for the District.

The bill carries $5,000,000 as a lump-sum appropriation. Frankly, I personally believe this is too much. I am satisfied that every one of the House conferees felt the same way. I am satisfied that an overwhelming majority of the membership of the House feels the same way, but it was absolutely necessary to get a bill, and in working out the situation this was the best that could be done.

There was a provision that $50,000, or so much thereof as might be necessary, might be spent by the President of the United States in furnishing an independent investigation of the question of the lump-sum proposition, as to whether there should be any or how much it should be, and with the facts that were discovered by this investigation the whole situation was to be available to both Houses of the Congress for their consideration.

Frankly, I wish to say one further word. I think the gentleman from Texas [Mr. BLANTON], in connection with his work on this subcommittee, has performed a very useful service in trying to keep the amount of the lump sum down, in trying to be absolutely fair after a very careful investigation of the appropriations that were to be made for the District, and when any matter was developed that he had not gone into, he was absolutely fair in conference in trying to work it out.

I wish at this time to congratulate the gentleman from Texas upon the efforts he has made to promote Americanism in the District of Columbia schools [applause] and to prevent the teaching of activities that are foreign to the terms of our Constitution and our American system of government. [Applause.]

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. TABER. No; I want you to understand the situation.

I realize that a certain group in this House and elsewhere has tried to cover up by peculiar statements and by peculiar actions the main issue in this situation, and that is whether we shall support the Constitution and the American system of government or not. [Applause.] For my part, I stand squarely by the American system of government and the Constitution of the United States. I am opposed to the teaching of communism in our schools in the District of Columbia. [Applause.]

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. TABER. I decline to yield.

I am opposed, by any subterfuge, to trying to get away from this issue or cover it up. I hope we have seen the last of any attempt to do this sort of thing in connection with the schools of the District of Columbia.

I hope that in the years to come we shall be able to master this and the lump-sum situation from an honest and straight-

forward standpoint and not from a standpoint of subterfuge. [Applause.]

Mr. BLANTON. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I have purposely refrained from becoming involved in the situation that has developed in the schools of the District of Columbia over the alleged teaching of communism, nor do I want to take this time to discuss the recent issue raised through the sending of a questionnaire to the teachers of the District of Columbia by the gentleman from Texas [Mr. BLANTON]. On the other hand, I am glad that there is at least one Member of the House in season and out of season who is trying to expose the activities and the propaganda of the Communists in our schools and throughout our country.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. FISH. I have only 5 minutes.

Mrs. NORTON. I just want to ask one question. Has the gentleman any evidence that communism has ever been taught in the schools of the District of Columbia?

Mr. FISH. Absolutely none whatever, but I have plenty of evidence that it is being taught in many of the schools of this country, in many of the big cities, and in many of our colleges. I know nothing about the situation in the District of Columbia, and I so prefaced my remarks.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. FISH. No; I have not the time. I have a definite purpose in speaking at this time. I have not talked on communism possibly more than once during this session of Congress; but as long as the issue was raised yesterday and is being raised now, I desire to make certain observations to the Republicans and the Democrats alike. There is only one way to fight communism, and that is by fearlessly exposing their revolutionary propaganda. I do not expect any communistic revolution tomorrow at dawn, or next day, or next year. There are only a million Communists and Communist sympathizers in the United States. We have nothing to fear from them, except that they are fanatics, and will do 100 percent more to undermine our American institutions than we in Congress or out of Congress will do to uphold and defend them. There is but one way to fight the Communists that I know of which is worth while, and that is to do what the gentleman from Texas [Mr. BLANTON] is doing, and what many other Members of this House, whether Republicans or Democrats, are doing, and that is to expose what the Communists stand for—not to use force or violence against them, not to be fanatical and think that every Communist seeks to stab you in the back, but merely to present the facts to the American people.

All that is needed in America is to expose the principles of communism, to show what these aliens are trying to do, what they stand for, whether in Moscow or in the United States of America; and communism will not spread very far among free Americans. They seek to destroy every single American ideal and principle of government we believe in in this country. There is one way to deal with them and one only—and that is to expose their principles and deport their leaders back home where they came from. Yesterday the House had under consideration some deportation bills and that is the most effective way to treat them. Take the Communist and alien leaders who do not like our country and our ways of doing things, who do not like our laws and our institutions, and send them back home, where they can enjoy the oppressive laws that they have been accustomed to in the past, the lack of freedom of speech, and the pitiful wages they received before they came to this country. If there is propaganda in our schools, that propaganda ought to be exposed. I do not know whether there is any propaganda in the schools of the District of Columbia, but I do know that there is propaganda in practically every college in the United States of America and in most of the schools in the big industrial cities.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. FISH. I cannot yield; I have not the time.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. BLANTON. Mr. Speaker, I yield 1 additional minute to the gentleman from New York.

Mr. FISH. I know that in my own district, the same district as the President's, up in Dutchess County, N. Y.——

Mrs. NORTON rose.

Mr. FISH. Oh, I cannot yield—there are three Communist camps turning out 10,000 young Communists or Communist sympathizers every summer, and all they teach in those camps is hatred—hatred of everything that we believe in; hatred of our free institutions and of our public-school system, hatred of the American flag; hatred of God and of all religions—and then they send them back to the big city of New York to be good American citizens. Ninety-seven percent of these young Communists are aliens, and they ought to be better citizens than you and I, who have been here for generations, because they came here of their own free will and accord. If they do not like this country, let us send them back home. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from New York has again expired.

Mr. BLANTON. Mr. Speaker, in this bill there have been two main controversial items between the House and the Senate. One was the $5,700,000 lump-sum appropriation which the Senate insisted we should take out of the Federal Treasury and contribute to the people of Washington. The other was an item of $78,660 which the Senate wanted us to waste on so-called character education, which sum annually for 2 years, our subcommittee agreed, had been used to help put communism in the Washington schools.

When I came here 20 years ago, there had been an old system of what was known as the 50–50 plan, where the Government of the United States furnished half of all the money for the local fiscal expenses of the people living in the city of Washington. If we had not stopped that outrageous plan, we would now be giving the Washington people $21,761,955 in this bill as a gift out of the United States Treasury.

When I got here and asked what committees I should go on, the administration in the House said, "BLANTON, we have a place for you, if you are willing to work." They said, "We want you to go on the District of Columbia legislative committee, to watch unsound legislation there for the House administration." They said, "It is an unpopular position, if one does his duty. If you go along with the District and give everything the Commissioners and the Washington newspapers request, of course, you will be very popular." They said, "Then you would be invited to every big function."

They said, "If you obey their commands, your picture will appear on the front page of every paper", but they were frank enough to warn me that "if you do what we want you to do, if you fight improper measures, and stop them from passing, you will be the most unpopular man in Washington, for the Washington newspapers will abuse and malign you daily." They said: "Are you willing to take the job?"

I have never shirked my duty as I have seen it, so when the Democratic administration in the House asked me to take that job I agreed to it.

No one will ever know just how very hard I worked on that District Committee. If you will look in the records of the Committee on the District of Columbia, you will find a thick volume of minority reports against bad bills which I filed. If you will look at the records of this House, you will find that I came on this floor many times and moved to strike out the enacting clause of many bills which over my protest had been reported, and were rejected by the House after my motion was made.

Some of you will remember a proposition to spend $75,000,000 on what was known as the Great Falls power project. I fought that for 2 years before we defeated it. I wish you

would read the hearings on that bill extending over 2 years, in two different Congresses. Naturally I became unpopular with Washington grafters. The papers fought me.

In every election I had to meet it. I had to meet slush money coming from Washington, poured into my district to defeat me. I met the issue in each campaign.

I say to you now that a man who is afraid of criticism, a man who is afraid of ridicule, a man who is afraid of attack, has no business in this House. Such a man cannot perform a service worth while to the people of the country.

I do not suppose any man has been more abused by Washington newspapers than I have been for doing my duty in every instance. They have misrepresented every speech I have ever made. They have tried to ridicule me. They have tried to belittle me. They have placed me in a false light. They have printed vicious, mean cartoons about me. They have played me up to disadvantage. They have fixed up malicious caricatures of me. They have snapped their cameras at me when I was speaking and then fixed up and printed a picture of me with my mouth open to make me look ridiculous.

As officers who partly own the Washington papers are also officials of the Associated Press, the United Press, and the Universal Service, they have been able at times to send false and misleading stories to Texas papers about my work in Congress. I have had to undergo all of this unjust and outrageous treatment, simply because I performed my honest, conscientious duty, and stopped Washington people from getting undeserved big appropriations out of the United States Treasury.

After the 50–50 plan had been demonstrated to be unfair and unjust to the people of the United States, and had been reduced to what was known as the 60–40 plan, under which the United States Government paid 40 percent of all the local expenses of the Washington people out of the Federal Treasury, a careful, exhaustive investigation was made by Congress, and it was demonstrated that the 60–40 plan was unjust to the people living in the States, as the people of Washington were paying the lowest amount of taxes of any other people in the United States.

Under said 60–40 plan it would require the Federal Government to pay the enormous sum of $17,409,564 in this bill on the local expenses of the people of Washington, notwithstanding that they have had their assessed valuation on real estate reduced $130,000,000 within the last 2 years, and pay only $1.50 per $100 on real and personal property, only 2 cents per gallon gasoline tax, only one-half of 1 percent on intangibles, an automobile registration license tag tax of only $1 per year, whether it is a Ford or a $12,000 Rolls Royce, with their private libraries all exempt regardless of value, with all wearing apparel exempt regardless of value, with an exemption of $1,000 to each family on household furniture, with a water charge of only $6.60 per year per average family, with all ashes, trash, and garbage gathered free, with all shade and ornamental trees furnished free, cared for, sprayed, pruned, and replaced free, with no annual sewer charge, with sidewalks and streets in front of private property repaired and repaved without cost to said contiguous property owner, and except as to the Federal taxes paid by citizens of all cities, they pay here no local income tax, no estate tax, no inheritance tax, no gift tax, and no general sales tax.

Hence I became energetic in efforts to reduce the unfair and inequitable Federal contribution. We first reduced it to an annual lump sum of $9,500,000. And we have been getting it reduced after annual fights until in this bill we have gotten it down to $5,000,000, and of that the President is to use $50,000 in making a new survey of the entire fiscal situation. The Senate wanted a committee of three, but upon my insistence, it was placed in the hands of the President of the United States.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to my friend from Mississippi.

Mr. RANKIN. Mr. Speaker, I wish to say to the membership of the House that since I have been a Member of this body these papers have attempted to destroy every man who occupied the position on the Appropriations Committee now occupied by the gentleman from Texas [Mr. BLANTON] and who tried to do his duty on that committee. In my humble judgment, there is not a man in Congress who deserves more credit for his untiring efforts and his courageous service on that committee than does the gentleman from Texas. [Applause.]

I have not participated in this controversy. I send my child to school here, and if I thought that she was being taught atheism or infidelity, I would have long since joined in this protest. Frankly, I have not taken that charge very seriously.

But all this talk about censuring the gentleman from Texas [Mr. BLANTON] for doing his duty on that committee is all "bunk", and every Member of the House knows it. [Applause.]

Mr. KELLER. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. KELLER. Does the gentleman endorse the sending of the questionnaire which the gentleman from Texas sent?

Mr. RANKIN. I come a great deal nearer endorsing that questionnaire than I do the gentleman's resolution to try to embarrass the gentleman from Texas for doing his duty as he saw it. [Applause.]

I have sat here and heard this thing discussed pro and con, and I have seen the abuse that has been heaped upon the gentleman from Texas by the local papers; and if the gentleman from Illinois [Mr. KELLER] wants to put it to a test as to whether this House has lost confidence in the gentleman from Texas [Mr. BLANTON], just put it to a vote, and they will sustain the gentleman from Texas. [Applause.]

Mr. KELLER. I stood ready yesterday to do that.

Mr. RANKIN. The gentleman from Illinois seems to have unwittingly capitulated to a lot of propaganda that has been carried on by the newspapers of Washington, trying to destroy the gentleman from Texas because he has attempted to hold down appropriations. That may not be what is in the gentleman's mind, but that is what is back of this fight on the gentleman from Texas. I have been here for years, and have seen men on the other side of the aisle, when the Republicans were in power, attacked in the same way for the simple reason that they were attempting to hold down appropriations. I, for one, regret and deplore the fact that the gentleman from Illinois [Mr. KELLER] offered his resolution, which reflects on the gentleman from Texas, who has taken all this abuse because he was trying to do his duty to the country and to the District of Columbia. [Applause.]

Mr. BLANTON. Mr. Speaker, I am deeply grateful to my friends. I thank them with all my heart for their kind words. There are not in this House four men of higher standing than the distinguished gentleman from Missouri [Mr. CANNON], the gentleman from New York [Mr. TABER], the gentleman from Mississippi [Mr. RANKIN], and the gentleman from New York [Mr. FISH]. After what they have said, it is useless for me to mention the ridiculous resolution that was offered in the House yesterday, which the Speaker so promptly held was not in order, and also held that it in no way reflected upon me.

It is an added consolation to me that I have been assured that had said resolution been put to a vote, which I asked should be done, there would not have been but one vote cast for it out of the entire Illinois delegation, with whom I have worked and at all times cooperated, and for the Members of which I have high regard. It is rather an amusing incident that the one who sought to injure me was the only Member of the Illinois delegation who upon a crucial vote deserted our good friend, ADOLPH SABATH, notwithstanding he is the dean of the House of Representatives.

You have heard the distinguished gentleman from Missouri [Mr. CANNON] say that he approved of the questionnaire I sent to teachers for pertinent information. If the one who sought to do me an injury behind my back when I was not present had made inquiry, he would have learned that my colleague on the subcommittee [Mr. JACOBSEN] also approves of it, and he would have learned, also, that

before it was sent out it was submitted to our other colleague on the subcommittee, under whose suggestion several changes were made in it, and that thus changed he approved it before it was sent out.

"Where ignorance is bliss, 'tis folly to be wise." How can anyone contend that no communism has ever been found in the schools of Washington? The official minutes of the Board of Education show that a teacher named West in the Western High School was suspended for 1 week for teaching bolshevism while disussing current events in her English class, and that she is still teaching in the schools here. Superintendent Ballou himself furnished me with the facts regarding said suspension.

Then on May 3, 1924, just 4 years after Dr. Frank W. Ballou became the $10,000-per-year superintendent, Congressman Summers of Washington passed a law preventing the payment of any salary to any teacher who taught disrespect to the Holy Bible, or that ours is an inferior form of Government. That was communism.

That law passed both the House and Senate and was signed by the President. Then, in 1925, that law was again passed by both the House and Senate and was signed by the President, but because it was attached to an appropriation bill it ceased thereafter to exist, as Superintendent Ballou and the Board of Education made a fight against it as infringing on their academic freedom, and the law expired July 1, 1926.

When passing said law on May 3, 1924, Congressman Summers then said that he had spoken to a number of Members, and that he could not find any who did not say that his children had complained about such improper teachings in the schools here.

The Washington Post for April 3, 1928, stated that "reds had renewed their drive on the schools", and that upon an investigation by the Board of Education communistic activities had been found in two important schools of Washington.

Then read the recent report filed by the committee appointed by the Federation of Citizens' Associations, 63 different ones in Washington, to put communism out of the Washington schools, that it had found communism here in the local schools.

After all of the above, how is it that anyone can contend that no communism exists in the schools here?

The questionnaire has been most successful and has accomplished even far more than had been anticipated. It proved conclusively that the teachers who are not completely controlled and dominated by the Board of Education, willingly, gladly, and cooperatively answered their questionnaires and furnished the information desired. It proved conclusively that the Board of Education labors under the belief that it must not treat its teachers as independent, intelligent, reliable men and women with whom Members of Congress may converse or correspond, but that they must be herded and watched like a flock of sheep, and their addresses kept away from Congress, and that they must be given to understand that under no circumstances must they answer any letter a Member of Congress writes to them until they have submitted it to the Board of Education and received orders from the Board as to whether they may answer and how they may answer it.

And if information is sought that the Board wants to keep away from Congress it without hesitation will tell the teachers indirectly that they throw their communications from Congressmen in the wastebasket, hence to be in good grace with the Board they should do likewise.

A GREAT STATESMAN

Mr. Speaker, one of the greatest statesmen I ever knew was the Honorable Champ Clark, our beloved former Speaker of this House. All of us who served under him admired and loved him. He taught us that there was a certain comity between the House and Senate that at all times and under all circumstances prevented a Member of the House from criticizing a Member of the Senate, and vice versa.

Our able and distinguished colleague from Missouri [Mr. CANNON] was trained under Speaker Champ Clark. There is no better parliamentarian in the United States than CLARENCE CANNON, who has been the parliamentarian for the last several national Democratic conventions, and he is to be the parliamentarian in the next national Democratic convention to be held next week in Philadelphia. CLARENCE CANNON has already told you that he approves in every way the questionnaire that was sent to teachers. Yet there is another man from Missouri named CLARK, who is now very well known, and who has not yet accomplished anything that would give him any prestige, has assumed to criticize me and said questionnaire, and he thinks that Congress should take the sum of $17,409,564 out of the United States Treasury and contribute it to the people of Washington on their local expenses, simply because at one time the Congress was so foolish as to pass the 60–40 plan, which this man CLARK asserts must stand forever and that no Congress can ever change it.

He also criticized me because I would not allow Inspector Albert J. Headley, United States Attorney Garnett, and Superintendent Brown to be ruined by a false and prejudiced attack upon them, and I saved them from injustice, and Inspector Albert J. Headley was duly promoted to Assistant Superintendent of the Metropolitan Police, and United States Attorney Garnett and Superintendent Brown are still honored officers who have the respect and confidence of the people. I will offer the judgment and opinion of our good colleague CLARENCE CANNON against that of this other unknown man from Missouri.

I have received over a thousand letters from grateful fathers and mothers of Washington who have thanked me for fighting communism, and trying to keep it out of the schools, and they commend and approve the questionnaire sent to teachers. It is their money that pays the teachers, and pays the expenses of the Board of Education, which sooner or later is going to find out that it is responsive to their wish, and to acts passed by Congress.

Mr. Speaker, our subcommittee heard about 800 printed pages of evidence. When we finished, the committee agreed unanimously that there should not be allowed a lump sum of over $2,700,000. That was the unanimous opinion of the committee. We submitted it to the Committee on Appropriations, which is composed of 39 Members of the House. There was not a member on that committee who raised his voice to increase that sum of $2,700,000. That report had the approval of the 39 members of the Committee on Appropriations. I think that committee will average up with the other committees of the House.

We brought the bill here and debated it for 2 days. There was a motion made on March 5, page 3374 of the RECORD, to increase that sum to $5,700,000. There was a vote taken, and only 16 Members of the House voted to raise it. Look at that page of the RECORD. Only 16 Members voted to raise it. Then the next day, when the bill came up for a final vote, a bill of 83 pages, and not one amendment adopted to it——

Mrs. NORTON. Will the gentleman yield right there?

Mr. BLANTON. I am sorry I cannot. I do not want to take up too much time.

The next day, because of that lump sum, opposition grew to the bill and there was a roll-call vote called for. On that roll call there were only 26 Members of this House who voted against the bill. Get the RECORD, page 3399, and read it. Only 26 Members voted against that bill.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I am sorry, I cannot.

Then what happened?

When the Senate refused to act, but held out for a big sum, I came on this floor on May 26 and asked the instruction of the House. I said:

> Gentlemen, as the chairman of this subcommittee, I am your servant. I am here to obey your orders. Whatever you tell me about this thing, I am ready to do. It is my duty to obey you. I want you to instruct me.

If you look on page 7951 of the RECORD for May 26, you will see that the House instructed me then, and my subcommittee as managers on the part of the House, to insist

that not more than $2,700,000 be allowed. Just 39 Members of the House voted against that instruction by roll call. Look at it and see.

Then what happened? The Senate still said there would not be a bill unless we allowed the $5,700,000, that they would punish the District, that they would not have any bill. I came back here on the floor of this House on June 15, just the other day. Look at the RECORD, page 9405, and you will see where a motion was made on this floor to allow the $5,700,000. On a viva voce vote, a division, only 39 Members stood up and voted for the $5,700,000. Then a roll call was had and on the roll call only 86 Members voted to raise that $2,700,000. That was another instruction given on it and that was the reason I held out.

When we found we would have no bill unless we raised it we finally came up to $5,000,000.

The people of the United States some day are going to find out about the low taxation here in the District; they are going to find out about the millionaire club of Washington; how the owners of big properties here escape taxation; and about Washington becoming the mecca of tax dodgers from all over the United States. They are going to wake up sometime and they are going to require their Congressmen and their Senators to stop this matter of paying great sums of money out of the Federal Treasury and letting these fellows escape taxation.

The papers here cannot ruin me. Why, I wish you knew how much money is going out of Washington into my district right now to be spent in efforts to defeat me. There are brass bands and motorcades of automobiles, with expenses of the occupants amounting to large sums of money, to go from one side of my district to the other campaigning against me just like the papers are campaigning against me here. Why should Washington money, incited by the Washington newspapers, be spent against me? I am here attending to my duties, but opponents have been campaigning against me for months. The Washington newspapers may defeat me with big sums of slush money spent in my district, but I have an abiding confidence in my constituents, and I believe that they will not allow it.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 1: In lieu of the sum proposed in the amendment of the House to the amendment of the Senate insert "$5,000,000, of which not to exceed $50,000 shall be available for expenditure under the direction of the President for making an independent study of the fiscal relations between the United States and the District of Columbia and enabling him to report to Congress at the beginning of the next regular session what, in his judgment, is a fair and equitable amount to be paid by the United States as an annual contribution toward the expenses of the Government of the District of Columbia. Such sum shall be available for personal services without regard to the civil service laws and the Classification Act of 1923 as amended and for such other expenditures as may be necessary in connection with such study."

Mr. BLANTON. Mr. Speaker, I move that the House concur in the amendment of the Senate to the amendment of the House to the amendment of the Senate no. 1.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 75: Page 63, line 18, after "$85,000", insert ": *Provided*, That pay patients may hereafter be admitted to the Children's Tuberculosis Sanatorium for care and treatment at such rates and under such regulations as may be established by the Commissioners of the District of Columbia, insofar as such admissions will not interfere with admission of indigent patients."

Mr. BLANTON. Mr. Speaker, I move that the House recede and concur in the amendment of the Senate no. 75.

The SPEAKER pro tempore. The gentleman from Texas moves that the House recede and concur in the amendment of the Senate no. 75.

Mr. BLANTON. Mr. Speaker, on the item of $78,660 which the Senate tried to make the House put in this bill to be spent on so-called character education, after exhaustive hearings, the following is the unanimous report of our subcommittee, which was approved by the Committee on Appropriations, to wit:

The committee has held exhaustive hearings on this question and on the subject of the teaching or advocating of communism in the public schools which the hearings will disclose is inseparately connected therewith. In connection with the House hearings on character education in the 1936 appropriation bill the superintendent of schools testified (p. 477) that—

"What we are trying to do is to set up a new philosophy of education, * * *."

And on page 482 of the same hearings he stated further:

"I do not see how anyone could expect to start out with this experiment, involving more than 250 teachers, whose philosophy has got to be changed fundamentally * * *."

The committee cannot subscribe to this principle advocated by the superintendent of schools. The subcommittee was of the unanimous opinion that the board of education should take immediate steps to eliminate from the public schools all communistic books and magazines. We therefore recommend the elimination of all funds for character education as set forth in the above table.

Mr. Speaker, I have here a letter which is typical of over a thousand which I have received from the mothers and fathers of Washington.

Mrs. NORTON. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentlewoman will state it.

Mrs. NORTON. Is the gentleman speaking to the amendment?

The SPEAKER pro tempore. The gentleman from Texas will proceed in order.

Mr. BLANTON. Mr. Speaker, this amendment has to do with the children of Washington.

The parent who has written this letter is Mr. F. A. Roman, residing at 5616 Nevada Avenue, and his letter is typical of over a thousand I have received from fathers and mothers of the District. This gentleman is in favor of stopping communism which his little girls have been subjected to. He wants it stopped.

Mr. SISSON. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SISSON. Mr. Speaker, I make the point of order that the gentleman from Texas is not speaking on the conference report, or on any amendment thereto.

The SPEAKER pro tempore. The gentleman from Texas will proceed in order.

Mr. BLANTON. Mr. Speaker, that is all I have to say.

Mr. KRAMER. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from California.

Mr. KRAMER. I thought the gentleman was addressing me, and may I say I do not want my children or anybody else's children taught communism.

Mr. BLANTON. Yes; and neither does any other proper parent.

Mr. KRAMER. This is America, not Russia.

Mr. BLANTON. The letters which I have received also approve of the questionnaire which I sent out on behalf of the fathers and mothers of the District.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which the several amendments were agreed to was laid on the table.

TITLE AND POSSESSION OF CERTAIN LANDS IN LAWRENCE COUNTY, ALA.

Mr. CARMICHAEL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4727) to quiet title and possession with respect to certain lands in Lawrence County, Ala.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all the right, title, and interest of the United States, in and to secs. 25 and 36, T. 3 S., R. 7 W., secs. 30 and 31, T. 3 S., R. 6 W., Huntsville meridian, in Lawrence County, Ala., included in the abandoned town of Marathon, except of such right, title, and interest as has been acquired by the United States through purchase or condemnation, be, and the same is hereby, released, relinquished, and confirmed by the United States to the owners of the equitable titles thereto, as fully and completely in every respect whatever as could be done by patents issued according to law: *Provided*, That this act shall amount to a relinquishment of any title the United States has, or is supposed to have, in and to any of said lands, and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, or interest of any person or body corporate whatever, the true intent of this act being to concede and abandon all right, title, and interest of the United States to the lands described herein to those persons, estates, firms, or corporations who would be the equitable owners of said lands under the laws of the State of Alabama, in the absence of the said interest, title, and estate of the United States.

Mr. CARMICHAEL. Mr. Speaker, I offer an amendment which provides for striking out all after the enacting clause and substituting H. R. 12892.

The Clerk read as follows:

Amendment offered by Mr. CARMICHAEL: Strike out all after the enacting clause and insert:

"That all the right, title, and interest of the United States, except such right, title, and interest as has been acquired by the United States through purchase or condemnation, in and to all of fractional section 25 which lies south of the Elk River Shoals Canal and the NW¼ sec. 36, T. 3 S., R. 7 W., Huntsville meridian, in Lawrence County, Ala., be, and the same is hereby, released, relinquished, and confirmed by the United States to the owners of the equitable titles thereto, as fully and completely in every respect whatever as could be done by patents issued according to law: *Provided*, That this act shall amount to a relinquishment of any title the United States has, or is supposed to have, in and to any of said lands, and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, or interest of any person or body corporate whatever, the true intent of this act being to concede and abandon all right, title, and interest of the United States to the lands described herein to those persons, estates, firms, or corporations who would be the equitable owners of said lands under the laws of the State of Alabama, in the absence of the said interest, title, and estate of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 12892) was laid on the table.

COMMISSIONED STRENGTH FOR THE CORPS OF ENGINEERS, UNITED STATES ARMY

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4699) to provide a commissioned strength for the Corps of Engineers, United States Army, for the efficient performance of military and other statutory duties assigned to that corps, and would like to proceed 30 seconds in order to explain why this bill should be considered at the present time.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. FISH. Mr. Speaker, reserving the right to object, will the gentleman state the title of the bill?

Mr. McSWAIN. Mr. Speaker, this is a bill to increase the authorized Engineer strength of the United States Army by 185 officers.

This is made urgent in order to meet the recent increased work imposed upon the Engineer Corps by the acts of this Congress which has authorized a total of $939,000,000 of additional work to be carried out by the Corps of Engineers.

The Committee on Military Affairs insists on an amendment, and we believe and hope that the House will adopt the amendment. If it does, then a conference may be necessary, and that is why the bill should be called up and acted on at this time, and I hope there will be absolutely no objection to this very important amendment.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. McSWAIN. I yield.

Mr. FISH. Will the gentleman answer this question while he is on his feet and inform the House, as we are about to adjourn, what has happened to the gentleman's own bill, the universal service bill, backed by the American Legion, to take the profits out of war and to draft capital and industry and labor and manpower?

Mr. McSWAIN. In the last few days the Senate Committee on Finance has reported that bill back to the Senate with amendments, and it is now on the Senate calendar.

Mr. FISH. Is there any likelihood of getting action before we adjourn on this very important piece of legislation?

Mr. McSWAIN. I am, of course, intensely interested in it and very hopeful, but as practical men we understand the situation. I am doing everything I can to get action on that bill.

Mr. FISH. In case of failure to bring up the bill, will the gentleman renew his fight next year to try to put it through the next Congress?

Mr. McSWAIN. I will not be a Member of the next Congress, but I will renew my fight in every way possible, through the American Legion and otherwise, to see that the bill shall become law, and I believe my successor as chairman of our committee, Hon. LISTER HILL, will sponsor such a bill.

Mr. FISH. When we have a Republican majority here next year I shall lead the fight myself.

Mr. McSWAIN. I have been working on it 16 years and expect to work for it 16 years more, if necessary.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. McSWAIN. I yield.

Mr. SNELL. As I understand, we are just increasing the personnel of the Army Corps of Engineers for the purpose of doing the additional work that Congress has placed upon them.

Mr. McSWAIN. Yes.

Mr. SNELL. And our experience has been that there is no body of engineers that does its work as well as the personnel of the Army Corps of Engineers.

Mr. McSWAIN. The gentleman is correct.

Mr. SNELL. They are not only efficient but they are able in every respect, and there has never been any criticism insofar as the individual members of the Corps of Engineers are concerned.

Mr. McSWAIN. Absolutely none. As I often say, the Army Corps of Engineers pulls its own weight and pays its own way, even in peacetimes.

Mr. Speaker, I ask unanimous consent to extend my remarks by inserting two letters and a memorandum from the Chief of Engineers showing the necessity and urgency of this measure.

Here are the letters:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, June 11, 1936.

Hon. JOHN J. McSWAIN,
House of Representatives, Washington, D. C.

MY DEAR MR. McSWAIN: In response to your request of the 9th instant for concise information respecting the proposed increase in the commissioned strength of the Corps of Engineers, the following is submitted:

The War Department allotment of commissioned officers to the Corps of Engineers under the National Defense Act of 1920, as amended, is 560. Deducting from this total the complement of officers required with the 11 regiments of Engineer troops and for the many other military activities of the Corps of Engineers, there remain but 122 authorized for assignment to the nonmilitary activities of river and harbor and flood control. Actually today there are 197 assigned to these nonmilitary activities, 75 beyond the authorization. This situation has been made possible by War Department permission for a temporary excess over the allotted strength, and by borrowing personnel from the military activities of the corps. This temporary overstrength is subject to reduction at any time by the War Department, and the borrowing of officer personnel from military activities cannot be perpetuated because of the recently authorized increase in enlisted strength of the Army, which necessitates an appropriate number of experienced officers for duty with combat units and the establishment of 10 new Engineer units of the Reserve Officers' Training Corps. Thus the services of all officers authorized for military duties are unavoidably required for such duties.

The allotment of Engineer officers for nonmilitary activities and for other duty with branch is today five less than it was in 1920. Since that year the annual volume of river and harbor and flood-control work handled by the Corps of Engineers has expanded

from an average of $60,000,000 to more than $200,000,000; and the number of surveys, engineering reports, and investigations called for by Congress and other governmental agencies has increased manyfold. The obvious result is a substantial deficiency of officers of the Corps of Engineers to effectively accomplish the directives of Congress.

Specifically, the present Congress has enacted general river and harbor legislation adopting 246 new projects, which will require $342,000,000 for completion, and has directed investigation and report upon 274 additional projects. It has also adopted a modification of the lower Mississippi Valley flood-control plan with an authorization of $272,000,000, as well as general flood-control legislation listing 224 other projects, with an additional authorization of $315,000,000. Furthermore, this latter legislation directs the Department to prosecute preliminary examinations and surveys of 222 streams throughout the United States. In summary, the Seventy-fourth Congress has adopted projects for execution by the Corps of Engineers with an aggregate authorization of $929,000,000, and has directed investigation and report upon 498 additional projects. It has appropriated $226,313,934 for river and harbor and flood-control projects which combines with more than $129,000,000 provided from the relief appropriations.

This stupendous increase in the expenditures and projects committed to the Corps of Engineers clearly indicates the need for a substantial and permanent increase in its commissioned personnel. It is pertinent to note, in this regard, that the present authorization alone may be said to fix something like a 10-year program of construction additonal to the normal operations of the Engineer Corps.

Sincerely yours,

E. M. MARKHAM,
Major General, Chief of Engineers.

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, June 17, 1936.

Hon. J. J. McSWAIN,
Chairman, Committee on Military Affairs,
House of Representatives, Washington, D. C.

MY DEAR MR. McSWAIN: Respecting our conversation by telephone this morning, I find that section 37A of the National Defense Act provides that to the extent provided for from time to time by appropriations for the specific purpose, the President may order Reserve officers to active duty at any time and for any period, with their consent.

Under this provision of the law, an item may at any time be inserted in the annual War Department appropriation act providing for payment to Reserve officers ordered to active duty on river and harbor work. I find that the present appropriation act lacks the requisite specific authorization. Under the present appropriation, Reserve officers may, of course, be employed in civilian capacity on any duty in the Department, including duty as District engineer, subject only to eligibility under civil-service rules. In order to supply the authority, now lacking, to call Reserve Engineer officers to active duty under our nonmilitary expenditures, I will undertake to have such authority included in subsequent appropriation bills.

Meantime, I assure you that it is my intention to employ on river and harbor work, under the present provisions of law, all qualified Reserve officers who can be secured within the terms of the ordinary and emergency appropriation acts.

Sincerely,

E. M. MARKHAM,
Major General, Chief of Engineers.

THE PURPOSE AND EFFECT OF THE PROPOSED BILL TO INCREASE THE COMMISSIONED STRENGTH OF THE CORPS OF ENGINEERS

Since 1920, the date of the National Defense Act, the annual volume of river and harbor and flood-control work handled by the Corps of Engineers has expanded from an average of $60,000,000 to more than $200,000,000 in 1935. The number of surveys, engineering reports, and investigations called for by Congress and other governmental agencies has increased manyfold. The Engineer Department has employed directly in the last 3 years a high of 56,000, in all grades, compared with 18,000 in 1920. This comparison excludes contract employment, which accounts for an additional 25,000. Moreover, the flood-control bill now before Congress will entail a further expansion of great proportions beyond the already magnified assignments to the Corps of Engineers. Yet its authorized officer strength on duty under the Chief of Engineers is today slightly less than contemplated by the National Defense Act.

There is today authorized by the War Department a total of 415 officers for duty with branch. (In 1920 the number was 420.) Of this total, 293 are required for military duty with Engineer troops, service schools, and other Engineer military activities, leaving but 122 authorized for assignment to nonmilitary work. There are assigned to nonmilitary work, however, 197 officers, 75 beyond the authorization. The situation has been made possible by War Department authority for a temporary excess over allotted strength, and by borrowing personnel from military activities of the corps. This temporary excess is subject to reduction at any time by the War Department, and the borrowing of officer personnel from military activities cannot be perpetuated because of the recent increase in the enlisted strength of the Army and the establishment of 10 new Engineer units of the Reserve Officers' Training Corps, requiring the services of all officers authorized for military duties.

The purposes of the proposed bill are:

(1) To increase the number of assistants to the Chief of Engineers, with rank of Brigadier General, from one to two, in order that administrative supervisions may be more consistent.

(2) To increase the number of officers allotted for duty with branch from 415 to 600 (with an equivalent increase in the total commissioned strength of the Army), to the end that there shall be available a sufficiency of commissioned officers to control and supervise the greatly increased operations and responsibilities of the corps.

(3) To authorize officers engaged primarily on nonmilitary public works to be paid from funds appropriated for the said nonmilitary works.

The increase in the commissioned strength of the Corps of Engineers, as proposed, will have no adverse effect upon any other branch of the service, since the bill provides for an increase in the total commissioned strength of the Army equivalent to the increase proposed by the Corps of Engineers. The procedure does not conflict with any Budget restrictions of the President on "pay of the Army", as not less than 185 officers will be paid from funds appropriated for nonmilitary public works.

It is contemplated that the increased number of Engineer officers proposed shall be secured within a period of 3 years by a combination of the following means under the provisions of the National Defense Act:

a. Proportionate assignment from the larger West Point classes which will graduate in the next 3 years.

b. Permanent commissioning of Engineer Reserve second lieutenants each year under the provision of the Thomason Act.

c. Transfers from other branches of the Army of officers who especially desire service in the Corps of Engineers.

d. Appointment into the Corps of Engineers of graduates of technical-engineering schools.

WASHINGTON, D. C., *June 19, 1936.*

Mr. McSWAIN:

I see no reason to doubt that 50 percent of the new officers will be chosen from lieutenants of the Reserves, R. O. T. C. graduates of civilian technical institutions. Such is my intention.

E. M. MARKHAM, *Major General,*
Chief of Engineers.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 11 (Corps of Engineers), National Defense Act, as amended, is hereby further amended to provide 1 additional assistant to the Chief of Engineers with the rank of brigadier general, and 185 additional officers in grades from colonel to second lieutenant, inclusive: *Provided*, That the legally authorized commissioned strength of the Regular Army is increased by 185, which said increase shall be allotted to the Corps of Engineers: *Provided further*, That officers of the Corps of Engineers employed primarily on duty connected with nonmilitary public works prosecuted under the direction of the Chief of Engineers, including river and harbor improvement, flood control, and other such works, shall, while so employed, be paid their pay and allowances, mileage and travel allowances from the appropriation for the work or works upon which they are employed: *And provided further*, That the number of officers so engaged and so paid shall be exclusive of the commissioned strength of the Regular Army as now or hereafter limited by the funds appropriated for "Pay of the Army" in the annual War Department Appropriation Act.

With the following committee amendment:

Page 1, line 6, after the word "and", strike out the remainder of line 6, and all of lines 7, 8, and 9 on page 1, and down to and including the word "further" on page 2.

Mr. McSWAIN. Mr. Speaker, I desire to say that after conference with the members of the committee it is now the desire of the committee to disagree to the proposed amendment.

The amendment was rejected.

The Clerk read as follows:

Page 2, line 2, after the word "further", insert "the President is hereby authorized to call to active duty with the Regular Army such number of officers of the Organized Reserves and for such time as may be necessary to meet the demands made and to be made upon the Engineer Corps of the Regular Army."

The amendment was agreed to.

The Clerk read as follows:

Page 2, line 7, after the word "Engineers", insert "and the Reserve officers of the Corps of Engineers."

The amendment was agreed to.

The Clerk read as follows:

Page 2, line 14, after the word "employed", strike out the remainder of the bill.

Mr. McSWAIN. Mr. Speaker, the committee is now opposed to this amendment.

The amendment was rejected.

Mr. McSWAIN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McSWAIN: On page 2, line 6, after the word "Army" and before the colon, insert the following words: "Notwithstanding the provisions of section 37 (a) of the act of June 3, 1916, as amended."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JARVIS, BAKER, AND HOWLAND ISLANDS

Mr. BUCHANAN. Mr. Speaker, I ask for the present consideration of the Joint Resolution 639, to provide certain administrative expenses for the Division of Territories and Island Possessions, Department of the Interior, and for other purposes, which I send to the desk and ask to have read.

The Clerk read as follows:

House Joint Resolution 639

Resolved, etc., That there is hereby appropriated out of any money in the Treasury not otherwise appropriated, $35,000 for administrative expenses of the Division of Territories and Island Possessions, Department of the Interior, in carrying out the provisions of Executive Order No. 7368, approved May 13, 1936, relating to certain islands of the United States situate in the Pacific Ocean, namely, Jarvis, Baker, and Howland Islands, including personal services in the District of Columbia and elsewhere (such employment outside the District of Columbia to be by contract, if deemed necessary, without regard to the provisions of sec. 3709 of the Revised Statutes), rent, traveling expenses, purchase of necessary books, documents, newspapers and periodicals, stationery, hire of automobiles, purchase of equipment, supplies, and provisions, and all other necessary expenses, including the reimbursement of other appropriations from which payments have been made for any of the purposes herein specified, fiscal year 1936, to continue available until June 30, 1937.

Mr. SNELL. Mr. Speaker, I reserve the right to object.

Mr. FISH. Mr. Speaker, I make the point of order and I reserve the right to object.

The SPEAKER. The gentleman from New York will state his point of order.

Mr. FISH. Mr. Speaker, I make the point of order that this is legislation on an appropriation bill.

The SPEAKER. The point of order is overruled. The gentleman from Texas has asked unanimous consent for the present consideration of a joint resolution.

Mr. BUCHANAN. This is not an appropriation bill.

Mr. FISH. Mr. Speaker, I reserve the right to object.

Mr. BUCHANAN. I do not think the gentleman will object when he understands what this is.

The SPEAKER. The gentleman from New York [Mr. SNELL] has reserved the right to object.

Mr. SNELL. Mr. Speaker, I did not intend to object, but I think the gentleman from Texas should make a short statement, explaining to the House just what it is intended to do and the necessity for this resolution.

Mr. BUCHANAN. Mr. Speaker, there are three islands—in fact, only two, because two are so close together that they are one—in equatorial Pacific Ocean, which a naval vessel of the United States discovered or landed at in 1857. Those in command of that naval vessel took possession of those islands in the name of the United States. They were considered worthless at that time, and up until now, when the navigation of the air has advanced so far that they have become very valuable as landing stations and fueling stations. Other nations have eyes upon them and are preparing to take possession of them physically. On May 12 of this year the President issued an Executive order placing the administration of the islands under the Department of the Interior. This resolution provides an appropriation to carry out that Executive order, so as to protect our rights, so that we may have physical possession of the islands, because we will send Hawaiians over there to live on them. That will perfect our right to those islands which are valuable for trans-Pacific air mail.

Mr. SNELL. And we are just protecting our own rights in passing this resolution?

Mr. BUCHANAN. Yes.

The SPEAKER. Is there objection to the consideration of the resolution?

Mr. FISH. Mr. Speaker, further reserving the right to object, I ask the chairman of the Committee on Appropriations whether it would not have been the proper procedure to have submitted this whole proposal to the Committee on Foreign Affairs to determine our rights to these islands before legislation was written by the Appropriations Committee.

Mr. BUCHANAN. Mr. Speaker, I knew nothing of this until a few days ago. The first I knew of it was through an estimate sent to the Senate to be put on the deficiency appropriation bill. Of course, I ought to have known of it, and the gentleman from New York [Mr. FISH] ought to have known, because on May 12 the President issued this Executive order; but we did not know it. An estimate did not come. When he issued his Executive order they sent some Hawaiians over there to live on the islands. They have to be kept there, if it does any good. This is simply to carry that into effect. This is an international question, and if this joint resolution is not passed other nations might lay claim to them and there would be an international dispute. When this is passed we will have no international dispute.

Mr. FISH. Will the gentleman yield to me for a couple of minutes, and then I shall not object?

Mr. BUCHANAN. Certainly.

Mr. FISH. Mr. Speaker, I believe this is not the proper procedure. This legislation should have gone before the Committee on Foreign Affairs and the facts determined, but in view of the fact that we are at the end of the session and that this is a matter which affects the interest of our country, I do not propose to object or to raise a point of order that this is legislation on an appropriation bill. On the other hand, I hope in any similar instance, if anything else develops before the gentleman's committee, that the gentleman himself will preserve the rights of the other committees of the House. This is not a proper or orderly way to legislate. As the gentleman says, however, it is in the interest of our country and should be acted on before we adjourn. Consequently I do not object to the consideration and adoption of the resolution in its present form.

Mr. TABER. Mr. Speaker, I reserve the right to object. With this appropriation the total appropriations for this session of Congress, as far as I can figure them, will amount to $10,069,710,521.78, the largest amount that has ever been appropriated by any peacetime session of Congress. The following is a detailed statement of the appropriations of the second session of the Seventy-fourth Congress, fiscal year 1937:

Supplemental deficiency bill		$368,234,000.00
Agriculture		195,565,606.00
District of Columbia		43,500,000.00
Independent offices	$2,889,751,000	
	45,000,000	
		2,934,751,000.00
Interior		116,425,195.00
Legislative		23,314,428.00
Navy		526,546,532.00
State, Justice, Commerce, and Labor		115,012,400.00
Treasury-Post Office		992,524,892.00
War		572,446,844.00
Deficiency		2,675,397,537.96
		8,563,718,434.96
Permanent appropriations		1,505,957,086.82
		10,069,675,521.78
Interior deficiency		35,000.00
Total		10,069,710,521.78

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PUBLICATION OF STATISTICS OF PEANUTS

Mr. COX. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 81) to provide for the collection and publication of statistics of peanuts by the Department of Agriculture.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized and directed to collect and publish statistics of raw peanuts, shelled, unshelled, and crushed, and peanut oil, in the United States, in the possession of warehousemen, brokers, cleaners, shellers, dealers, growers' cooperative associations, or owners other than the original producers of peanuts. Such statistics shall show the quality of peanuts in such detail as to kinds—Virginias, Runners, Spanish, and imported varieties—as the Secretary shall deem necessary for the purposes of this act. All reports except those required from persons owning or operating peanut picking or threshing machines shall be submitted monthly in each year.

SEC. 2. The Secretary is hereby authorized to collect and publish statistics of the quantity of peanuts picked or threshed by any person owning or operating peanut picking or threshing machines.

SEC. 3. It shall be the duty of every warehouseman, broker, cleaner, and/or sheller, dealer, growers' cooperative association, owner and/or operator of peanut picking or threshing machines to furnish promptly upon request of the Secretary, within the time prescribed by him, completely and correctly to the best of his knowledge, a report of the quantity of peanuts on hand and in the case of an operator of peanut picking and threshing machines the quantity picked or threshed, segregating in accordance with forms furnished for the purpose by the Secretary. Any person required by this act, or the regulations promulgated thereunder, to furnish reports or information, and any officer, agent, or employee thereof who shall refuse or willfully give answers that are false and misleading, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not less than $300 nor more than $1,000, or imprisoned not more than 1 year, or to be subject to both such fine and imprisonment.

SEC. 4. The Secretary is hereby authorized to establish and promulgate grades and standards for the classification of peanuts, whenever in his discretion he may see fit.

SEC. 5. That the information furnished under the provisions of this act shall be used only for the statistical purposes for which it is supplied. No publication shall be made by the Secretary whereby the data furnished by any person can be identified, nor shall the Secretary permit anyone other than the sworn employees of the Department of Agriculture to examine the individual reports.

SEC. 6. The Secretary may make rules and regulations as may be necessary in the administration of this act and may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person; and shall have the power to appoint, remove, and fix the compensation of such officers and employees not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, binding, telegrams, telephones, law books, books of reference, publications, furniture, stationery, office equipment, travel, and other supplies and expenses, including reporting services, as shall be necessary to the administration of this act in the District of Columbia and elsewhere, and as may be appropriated for by Congress; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for such purpose.

SEC. 7. That when used in this act—

(1) The term "person" includes individuals, partnerships, corporations, and associations;

(2) The term "Secretary" means the Secretary of Agriculture.

With the following committee amendments:

Page 2, line 9, strike out "and/or" and insert in lieu thereof the word "or";

The same amendment in line 10, page 2.

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL HOUSING ADMINISTRATION

Mr. DINGELL submitted the following conference report and statement on the bill (S. 3247) to amend title II of the National Industrial Recovery Act as amended by the Emergency Appropriation Act of the fiscal year 1935, and as extended by the Emergency Relief Appropriation Act of 1935:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3247) to amend Title II of the National Industrial Recovery Act as amended by the Emergency Appropriation Act, fiscal year 1935, and as extended by the Emergency Relief Appropriation Act of 1935, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment, insert the following:

"That the acquisition by the United States of any real property heretofore or hereafter acquired in connection with any low-cost housing or slum-clearance project heretofore or hereafter constructed with funds allotted to the Federal Emergency Administration of Public Works pursuant to the title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, or any other law, shall not be held to deprive any State or political subdivision thereof of its civil and criminal jurisdiction in and over such property, or to impair the civil rights under the local law of the tenants or inhabitants on such property; and insofar as any such jurisdiction has been taken away from any such State or subdivision, or any such rights have been impaired, jurisdiction over any such property is hereby ceded back to such State or subdivision.

"SEC. 2. Upon the request of any State or political subdivision in which any such project has been or will be constructed, the Federal Emergency Administrator of Public Works is authorized to enter into an agreement, and to consent to the renewal or alteration thereof, with such State or subdivision for the payment by the United States of sums in lieu of taxes. Such sums shall be fixed in such agreement and shall be based upon the cost of the public or municipal services to be supplied for the benefit of such project or the persons residing on or occupying such premises, but taking into consideration the benefits to be derived by such State or subdivision from such project.

"SEC. 3. Such payments in lieu of taxes, and any other expenditures for operation and maintenance (including insurance) of any low-cost housing or slum-clearance project described in section 1, shall be made out of the receipts derived from the operation of such projects. To provide for such payments and expenditures the Federal Emergency Administrator of Public Works is authorized from time to time to retain out of such receipts such sums as he may estimate to be necessary for such purposes.

"SEC. 4. (a) In the administration of any low-cost housing or slum-clearance project described in section 1, the Federal Emergency Administrator of Public Works shall fix the rentals at an amount at least sufficient to pay (1) all necessary and proper administrative expenses of the project; (2) such sums as will suffice to repay, within a period not exceeding sixty years, at least 55 per centum of the initial cost of the project, together with interest at such rate as he deems advisable.

"(b) Dwelling accommodations in such low-cost housing or slum-clearance projects shall be available only to families who lack sufficient income, without the benefit of financial assistance, to enable them to live in decent, safe, and sanitary dwellings and under other than overcrowded housing conditions: *Provided*, That no family shall be accepted as a tenant in any such project whose aggregate income exceeds five times the rental of the quarters to be furnished such family. The term "rental" as used in this subsection includes the average cost (as determined by the Federal Emergency Administrator of Public Works) of heat, light, water, and cooking, where such services are not supplied by the lessor and included in the rent.

"SEC. 5. In connection with any low-cost housing or slum-clearance project described in section 1, the Federal Emergency Administrator of Public Works, with the approval of the President, is authorized to dedicate streets, alleys, and parks for public use, and to grant easements."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title, and agree to the same

CHESTER THOMPSON,
JOHN D. DINGELL,
FRANK CROWTHER,
Managers on the part of the House.

WALTER F. GEORGE,
DAVID I. WALSH,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3247) to amend title II of the National Industrial Recovery Act as amended by the Emergency Appropriation Act, fiscal year 1935, and as extended by the Emergency Relief Appropriation Act of 1935, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments.

The Senate bill (sec. 1) amended section 203 (a) (3) of the National Industrial Recovery Act, as amended, to make available, out of any moneys received from the operation of slum clearance or low-cost housing projects by the Federal Emergency Administration of Public Works, such sums as the administrator determined to be necessary for the expenses of operation and maintenance (including insurance) of any such project. The House amendment contained comparable provisions (sec. 2) as to payments in lieu of taxes, except that they authorized the Administrator to enter into an agreement with any State or political subdivision for the payment by the United States of sums in lieu of taxes, in respect of any project in the jurisdiction of such State or subdivision. Such payment was to be based upon the cost of the municipal services available for the benefit of the

project and the tenants therein, after taking into consideration the benefits which may be derived by the State or subdivision from the project within its jurisdiction, and payments under any agreement in any year in respect of any project should not exceed the greater of two sums, namely: Five percent of the gross rentals of the project during the year, or the total amount of real-property taxes levied upon the site (including improvements) of the project for the last tax year prior to its acquistion by the United States. The conference agreement (sec. 2) retains the provisions of the House amendment as to such payment, except that the provisions as to maximum amounts is omitted.

The Senate bill (section 2) further amended section 203(a) of the National Industrial Recovery Act to authorize the Administration to pay as an operating expense such sums in lieu of taxes or special assessments on slum clearance or low-cost housing projects, as the Administrator might determine. The House amendment (section 3) in respect of the payment of operation expenses out of receipts, expressly authorized the Administrator to retain out of receipts of operation amounts estimated to be necessary for the purposes of making payments of sums in lieu of taxes in accordance with the agreements reached, and of the expenses of maintenance and operation (including insurance). The conference agreement (section 3) retains the language of section 3 of the House amendment.

The Senate bill (section 2) provided that the acquisition by the Administrator of any real or personal property in connection with the construction of any such project should not be held to deprive any State or political subdivision of its civil and criminal jurisdiction over such property, or to impair the civil rights under the local law of the tenants or inhabitants on such project, and that insofar as such jurisdiction had been taken away, it was ceded back to such State or subdivision. A substantially similar provision was contained in the House amendment (section 1) except that it omitted the reference to personal property. The conference agreement (section 1) retains the language of the House provision.

The House amendment (section 4) authorized the Administrator to fix rentals on such projects at such rates as he determined to be necessary in order to make such projects available to families in the community who are unable to pay enough rent to induce private enterprise to supply adequate, safe, and sanitary housing. Such rates need not provide for repayment in full of the funds expended in connection with the project. The Senate bill contained no comparable provision. The conference agreement (section 4) provides that the Administrator shall fix the rentals at an amount at least sufficient to pay (1) all necessary and proper administrative expenses of the project; (2) such sums as will suffice to repay, within a period not exceeding 60 years, at least 55 per centum of the initial cost of the project, together with interest at such rate as he deems advisable. It also provides that dwelling accommodations in such projects shall be available only to families who lack sufficient income, without the benefit of financial assistance, to enable them to live in decent, safe, and sanitary dwelling and under other than overcrowded housing conditions, and that no family shall be accepted as a tenant in any such project whose aggregate income exceeds five times the rental of the quarters to be furnished such family. For such purpose the term "rental" includes the average cost (as determined by the Federal Emergency Administrator of Public Works) of heat, light, water, and cooking, where such services are not supplied by the lessor and included in the rent. The conference agreement on this point follows the policies of the Wagner housing bill as reported by the Senate Committee on Education and Labor in respect of a similar problem.

The Senate bill (section 2) authorized the Administrator to dedicate lands for public use as streets, alleys, and parks, and to grant easements, in connection with any such project. A similar provision was contained in the House amendment (section 5), except that the approval of the President is required. The conference agreement (section 5) retains the language of the House provision.

CHESTER THOMPSON,
JOHN D. DINGELL,
FRANK CROWTHER,
Managers on the part of the House.

Mr. DINGELL. Mr. Speaker, I call up the conference report on the bill (S. 3247) to amend title II of the National Industrial Recovery Act as amended by the Emergency Appropriation Act of the fiscal year 1935, and as extended by the Emergency Relief Appropriation Act of 1935, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the statement.

Mr. DINGELL. Mr. Speaker, I desire to make a very brief statement in connection with this bill, particularly for the benefit of the gentleman from Pennsylvania [Mr. RICH].

The report is signed by the House and Senate conferees. No exceptions were taken. All differences were amicably settled. I wish to assure the gentleman from Pennsylvania that the bill which passed the House originally is now vastly improved by the elimination of such inequalities as might have placed private homes and developments of this nature at a disadvantage. The bill is now superior to what it was before we went to conference.

Mr. RICH. May I ask the gentleman a question?

Mr. DINGELL. Certainly.

Mr. RICH. What I cannot understand is why we are trying to construct very expensive homes in the suburbs of cities, which will give individuals the finest kind of accommodations in the world. Better than any homes in my district. And then, after constructing those various expensive quarters, the cities which receive the benefits by having this great amount of money spent within their corporate limits for the purpose of enhancing the value of the property in those cities, come back and want the taxpayers of my district to continually pay taxes to the city of New York, Chicago, Atlanta, Boston, Detroit, Schenectady, and every other city where you are building these housing projects, when the people of my district are already burdened by taxes and are going to be burdened in future years by more taxes and are unable to carry on their own business to pay for their fine quarters. I think it is an injustice to the people in other sections of the country, because this administration is piling up more taxes for our people. It is not going to be a low-cost housing proposition. It is expensive housing as I view it. It is going to be an imposition on the people, building the finest quarters in the land and making the poor people in my district pay the bill.

Mr. DINGELL. I understand the gentleman's attitude, but that is no longer a debatable question. That is propaganda having no relation to the matter at hand; the question propounded by the gentleman is not involved here.

Mr. RICH. Well, is that not the fact?

Mr. DINGELL. I am not yielding that it is a fact at all. That question has been settled by the House. It is a question now of perfecting legislation in the interest of farmers to the many cities involved.

Mr. RICH. Well, if I can object to this I want to object to it, and I do object to it.

Mr. DINGELL. I understand that, but I am trying to reason with the gentleman. His objection will not block the matter. The gentleman, I am sure, is reasonable and is not just trying to scuttle something. I am trying to give the gentleman information, but I say to the gentleman candidly the House has passed on this once, and the gentleman certainly is not going to act in the capacity of an obstructionist. His objections will not prevent action.

Mr. RICH. Let me say that this House of Representatives during this session has passed some of the most ridiculous and asinine pieces of legislation that have ever been put on the statute books. I am not going to be one who is going to approve of them.

Mr. DINGELL. The aisle between us is the line of demarcation which decides whether it is asinine or not.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield.

Mr. McCORMACK. While the gentleman from Pennsylvania has a perfect right to oppose this or any other bill, the bill has already passed the House, and the gentleman opposed it on the occasion of its consideration. This is a conference report which is brought in, where the differences between the two branches of the Congress have been adjusted. I might say with reference to the gentleman's recent statement about his city paying a share of the money which the Government pays, that the money is collected in the nature of rentals charged. On these projects, within the 55-percent limitation, the taxes must be considered in the making of rentals. All this bill does is to allow a city to obtain money in lieu of taxes. One of the factors upon which the rental is based is the taxes paid.

Mr. RICH. Oh, the gentleman is wrong. It is taxes. And you can call it what you will. You pay to the cities the amount of taxes they formerly received.

Mr. McCORMACK. Oh, of course, the gentleman can say I am wrong. I can say the gentleman is wrong. We might both be wrong. That is a question of fact. I would never accuse the gentleman of being wrong. I may differ with the gentleman, but when I say the gentleman is wrong, I am exercising an arbitrary opinion. When the gentleman says I am wrong, the gentleman is exercising an arbitrary opinion that I take issue with.

Mr. RICH. Come down to the rentals on these buildings. You want to make the rentals so reasonable and so cheap, and when you do that you want to come back and get money out of the Treasury annually to pay the cities additional taxes in order to give cheap rent. You are only fooling the people, and you know it. You are Russianizing America. Putting the Government in all kinds of business contrary to our form of government. Why I can see nothing but socialism in this Democratic administration. You certainly are not Jeffersonian Democrats or you would carry out the Democratic platform of 1932.

Mr. McCORMACK. I wonder who does fool the people? The gentleman talked about asinine legislation. The gentleman may charge me with making asinine speeches at times, but I might differ with him. I might accuse the gentleman of making asinine statements at times, but I would not do it under any condition. The use of the word "asinine" is very dangerous. It is a dangerous word for any gentleman to use. The gentleman uses the word "Russianizing" in a very loose manner, particularly to one like myself, who has bitterly opposed and exposed the efforts of communism in this country.

Mr. RICH. It has been used in this House and the Chair has refused to strike it from the RECORD on a point of order made against it. It is about the only adjective we can use and not have our words taken down. It certainly applies here, I am sure.

This legislation, as you fellows have drafted it and brought it in, is all wrong, but there is something back of it. At the other end of the Avenue they have insisted that this legislation be put through and you fellows have rubber-stamped it through to this point.

Mr. Speaker, if the conference report is subject to objection, I now object to it.

The SPEAKER. Objection is not available against a conference report.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. Yes.

Mr. JENKINS of Ohio. Is the gentleman going to yield any time?

Mr. DINGELL. Mr. Speaker, we are very anxious not to take up any more of the time of the House than is absolutely necessary.

Mr. FISH. Is the gentleman going to yield to the gentleman from New York [Mr. CROWTHER]?

Mr. DINGELL. Yes. I was going to yield to a member of the conference committee to make a few elucidating remarks.

Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Speaker, I made a few remarks in connection with this bill when it was up for passage originally. At that time I expressed my dissatisfaction with the basic purpose involved. I think it is reprehensible and subject to criticism. But that is water over the dam. During the discussion the question arose as to whether or not the municipalities which were involved in these projects were entitled to receive in lieu of taxes a certain amount which was prescribed in the bill—5 percent of the rent received, or the amount collected in taxes from the site the year before it was accepted as a site for the Federal project, whichever sum was the larger. In conference there was objection to the wide-open proposition in section 4, that in the administration of any slum-clearance or low-cost housing project the Federal Emergency Administrator of Public Works shall fix the rentals on such projects at such rates as he shall determine to be necessary in order to make such project available to those families in the community which are unable to pay enough rent to induce private industry to supply adequate, safe, and sanitary housing, and so forth.

The conference committee thought that provision was entirely too broad. There had been a decision from the Comptroller General that it was not specific enough and now we have adopted another amendment in the nature of a limitation. To me it seems over liberal, but it still is a limitation. It reads as follows:

> In the administration of any slum-clearance or low-cost housing project described in section 1 the Federal Emergency Administrator of Public Works shall fix the rentals at an amount at least sufficient to pay (1) all necessary and proper administrative expense of the project, (2) such sums as will suffice to repay within a period not exceeding 60 years at least 55 percent of the initial cost of the project together with interest at such rate as he deems desirable.

This is the language, as I understand it, that is in the Wagner housing bill as it passed the Senate, and it materially improves the bill. It was accepted by the conferees. While I disagree with the basic premise of the legislation, I think these changes are meritorious.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield.

Mr. FISH. Why is the gentleman in a hurry to pass this legislation in view of the fact that the Wagner housing bill, dealing with slum-clearance and low-cost projects, will not be passed by this Congress?

Mr. DINGELL. Simply because these projects are already built. Additional projects are under way, some of them probably completed. We must, therefore, make provisions for their administration and use.

Mr. FISH. Then does not the gentleman think that Congress is establishing a rather serious precedent that may come back to plague us? If we are going to pay any municipality, in lieu of taxes, something else, some other kind of money, on Government-owned buildings, are we not establishing a precedent that may call upon us to pay taxes on post-office or public buildings?

Mr. DINGELL. I differ with the gentleman.

Mr. FISH. I want to make very clear to the gentleman that I am not arguing but am trying to get information.

Mr. DINGELL. I want to clarify the matter for the gentleman. Post-office buildings fall in an entirely different classification from slum-clearance projects. There is no basis of comparison at all. One is used by all of the people of a community as a post office. In the case of the other project the development is not within the hands of the community, and the only proposition is to reimburse the community for such loss of taxes as they derived from such properties before they were taken over by the Government.

Mr. FISH. What about other Government-owned propositions?

Mr. DINGELL. This is an income-producing property, and a post office is not.

Mr. FISH. How about dams and reservoirs?

Mr. DINGELL. I am not going into that.

Mr. McCORMACK. Will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. This matter has been given serious consideration by the committee. I am the chairman of the subcommittee out of which this bill came. The difference is, property strictly devoted to a public use and property which we will admit, and probably most of us will agree, is not strictly devoted to public use. A post office is the exercise of an implied power necessary to carry out an express power delegated to the National Government by the several States. I realize the gentleman's point of inquiry, and it is a very pertinent one. The gentleman has in mind the national-park system, for example. I think the clear line of demarcation between the subject matter of this bill and a post office and the national-park system is whether or not it is devoted to

strictly a public use with reference to which the National Government has the inherent power to exercise the right of eminent domain.

Mr. FISH. I have in mind military reservations, such as the West Point Military Reservation in my district.

Mr. McCORMACK. That is a different proposition. That is a power that the Federal Government has. The Federal Government could go in and exercise the power of eminent domain there.

Mr. FISH. The gentleman is a very able and experienced Member of this House. Does he think when we pass legislation of this kind we are invoking a dangerous precedent?

Mr. McCORMACK. If confined to the present status, no. A little later in the day I hope another bill will come up for consideration, and if the gentleman is present at that time, he will be impressed with the fact that the subcommittee used caution and care with reference to resettlement projects. On such submarginal lands we refused to permit money to be paid in lieu of taxes, because we put those lands in the same category as a national park.

Mr. FISH. The gentleman's committee considered this whole question in detail?

Mr. McCORMACK. Yes.

Mr. FISH. And they come in here and make this report?

Mr. McCORMACK. Members have the right to disagree, but I may say the committee has given the whole subject profound consideration.

Mr. CHRISTIANSON. Will the gentleman yield?

This illustrates the complications that we enter into whenever the Government gets outside of its legitimate field as a sovereign and engages in any kind of private business.

Mr. McCORMACK. It illustrates the fact that when we try to meet one problem, no matter in what field it might be, as time passes and we obtain experience, other problems naturally arise therefrom.

Mr. DINGELL. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. RICH. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is this bill going to carry the same provisions for additional slum clearance, so far as taxation is concerned, that might be built in any city in this country, or does it only apply to those which have already been constructed?

Mr. McCORMACK. It applies to any in the future; but I think, from a practical angle, we will not have the problem in the future because of the acceptance by the Government of the decision of the circuit court in the Louisville case that the Federal Government did not have the power of eminent domain. This means that any future housing activities will probably have to be administered through the several State governments, which naturally have the power of eminent domain.

Mr. RICH. One other question: Suppose we would take 500 cities in this country on which to build these housing projects. The gentleman calls them cheap housing projects, but he will find they are expensive housing projects to the Government.

Mr. McCORMACK. I only have a few minutes at my disposal. I do not want to cut the gentleman short.

Mr. RICH. Every one of them will have to be completed by the Federal Government:

Mr. McCORMACK. This, in the main, applies to what already has happened. The Louisville decision will take care of the future.

Mr. GIFFORD. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. Would the gentleman mind stating what bill will come up this afternoon that will explain this to us?

Mr. McCORMACK. It is H. R. 12876.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. I should like to ask a question for information. How does the Government handle these slum-clearance projects from this standpoint: I assume it starts out something like this, that a project is submitted to the Government and accepted. The Government then lends the money through the R. F. C., and a facility or organization of some kind representing the community acts.

Mr. McCORMACK. Up to date the Government, without regard to the R. F. C., has been conducting this housing activity. The P. W. A. has been making the purchases. It has been direct action.

Mr. JENKINS of Ohio. Suppose, after the Government makes these purchases, it rents the property under a long-time lease or a contract of purchase or something of that sort.

Mr. McCORMACK. That question is still open.

Mr. JENKINS of Ohio. The question I have in mind is this: Suppose the Government, we will say, owned 100 houses and sold 90 of them.

Mr. McCORMACK. To individuals?

Mr. JENKINS of Ohio. Yes.

Mr. McCORMACK. Then they would pay their taxes to the local government the same as anybody else.

Mr. JENKINS of Ohio. But if it has 10 of them left on its hands and they are vacant, how does this bill affect them?

Mr. McCORMACK. Of course, if the Government has the ownership, the bill would apply. If the Government disposes of ownership, then the bill does not apply.

I may say to my friend, however, there is no authority as yet for the disposition of any of these projects. This was in the bill presented to the subcommittee, but we eliminated that section because it covered such a broad field we wanted to give more profound consideration to the proper policies.

Mr. JENKINS of Ohio. Following out my catechism, suppose the Government has 10 such houses left upon which it has spent $10,000 each, which would mean a total of $100,000, and the property is entirely vacant and there is no rent from which to pay taxes, how is the property going to be taxed?

Mr. McCORMACK. Just the same as if I owned a house that was vacant. I would have to pay my taxes just the same.

Mr. JENKINS of Ohio. How do you determine, under this bill, what the taxes will be?

Mr. McCORMACK. The determination of the tax shall not be at a higher tax rate than the rate of the municipality, taking into consideration the service charges that inure to the municipality for this particular project and also taking into consideration the benefits involved.

Mr. JENKINS of Ohio. Very well, but this is what I am coming to. Does the gentleman know what proportion of these various properties is vacant?

Mr. McCORMACK. None of them have been completed. Atlanta, at the time we held the hearings, we were told, was 92 percent completed, and I assume it is now about 95 percent completed.

[Here the gavel fell.]

Mr. DINGELL. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. The recent news from Soviet Russia announcing a greater measure of freedom and democracy for its people cannot fail to arouse both approbation and hope in the minds of all Americans. Between our people and the Russian people there has been for over a century deep friendship and mutual understanding. The excesses and extravagant policies of the Soviet Government and the Communist Party in the past have not destroyed that deep and historic sympathy with old friends. Such friendship outlasts transitory regimes because it is based on respect for a great member of the human family.

We welcome every advance toward more humane and tolerant standards on the part of the Soviet Government and await with expectation the fulfillment of its recent promises. But the record of the past imposes extreme reservation in accepting literally the recent announcement of a cessation of that undemocratic and, in many cases, inhuman oppression that has shocked the civilized world these later years. Human rights and personal liberties are jealously regarded by the American people. Attacked and suppressed in one land, they are menaced everywhere. When the Soviet Government announces, among other reforms, that liberty of conscience and of religion will be respected hereafter in the territories under its jurisdiction, we all rejoice and applaud. But that very announcement, publicly made to the world, carries a public challenge with it. If the Soviet Government is rendering more than lip service to human liberty, let it reduce those phrases to concrete action.

Ministers of all religions—Protestant, Catholic, and Jew—have been relentlessly persecuted in a manner that is beyond denial. They have been executed, imprisoned, banished, and exiled to prison camps until a bare heroic remnant now remains at liberty. Speaking of one religion only, the Catholic faith, the sad and tragic decimation of its priests has reduced the clergy from 896 members in 1917 to the unbelievable number of 30 now at liberty in Soviet Russia! What has happened to the 860? Some have doubtlessly died natural deaths or have been forced to leave their posts, but natural causes can never explain the disappearance of so many hundreds, with no replacements possible. They have died in the freezing prison camps of Solovki, Jaroslav, and Viatka; they have been executed in secret or banished to inaccessible wildernesses in Siberia. Behind a curtain of silence and propaganda they have been perishing by hundreds, not because of crime but out of loyalty to their faith and in obedience to the law of God, whose commandments they would not violate by apostacy or surrender to obligatory atheism. The last available reliable and authentic report from that dwindling flock showed 36 still imprisoned on Solovki Island, 22 at Jaroslav, 20 elsewhere, with 15 arrested very recently. About 3 years ago there were about 120 imprisoned on Solovki Island, a living death; today there are but 30. That leaves some 30 Catholic priests surviving in a precarious liberty in Soviet Russia, no man knowing the day or the hour when he, too, will follow his comrades into the valley of silent martyrdom. Those who are spared are found in the large cities—to impress visitors and tourists.

And the same is true in much greater proportion of the Russian Orthodox Church. And the Jewish faith has not been spared. I plead for all of them, for they are men in the image and likeness of God. They are being deprived of the most sacred right known to mankind.

I make particular reference to the number of Catholic priests that have been and are now incarcerated, because I have reliable information in this respect. I have not reliable information of the number of priests or ministers of other creeds, or rabbis who are imprisoned. However, they are many, and in all probabilities, in the case of the Russian Orthodox Church, more numerous than any other creed. My challenge applies to all. I speak for all.

Here is a direct, an immediate, and an inescapable challenge to the Soviet Government. When those innocent prisoners are released we shall be in a better position to evaluate the sincerity of the recent promises. If they are not, liberty is still in chains, no matter what paper constitutions may pretend.

The civilized world read with great interest the recent announcement of the approaching existence in Soviet Russia of personal liberty. One of the cornerstones of personal liberty is the right of freedom of religious conscience, and the free exercise thereof. This right is meaningless unless there is accompanying the same the power of a free exercise of such right. The civilized world accepts the recent announcement with caution. In plain language, we must be shown. If sincerity exists, it must and will be evidenced by acts and not mere words. The civilized world challenges those in control of the Government of Soviet Russia to show their good faith and sincerity by releasing the imprisoned spiritual advisers of all faiths—priest, minister, rabbi—and to allow them to practice their religious views, to carry on religious services, and to perform the duties of their office and of their calling. The most effective way for Soviet Russia to convince a skeptical and hopeful world of their good faith is by taking such action.

The good faith of Soviet Russia in its recent message and announcement of great importance, if carried out, is on trial before the peoples of the civilized world. We will not be satisfied with the ordinary and false stereotype answers that an inquiring world has received in the past, that religious liberty existed, when everyone knew that it did not.

In issuing this challenge to Soviet Russia, those in control of this Government, to show by their actions that a real and honest intent exists to extend the personal liberty promised to the Russian people, I speak for the spiritual leaders of all creeds; all who have been imprisoned because they refused to be hypocrites, and to renounce their religious convictions for mere freedom of physical locomotion. These defenders of the faith that they believe in, if Soviet Russia is sincere, should be released at once. They should be permitted to perform the duties of their office and of their calling.

I challenge them to show the world their sincerity by releasing priests and ministers of all creeds and letting them practice the religious beliefs that they entertain. [Applause.]

The SPEAKER. The question is on the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

THE BEET-SUGAR INDUSTRY

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOODRUFF. Mr. Speaker, with regard to Senate Joint Resolution 278, which has been adopted by the House, I wish to make very clear the position of the beet-sugar industry of Michigan.

We are opposed to the destruction of continental production or to any limitation upon the distribution of sugar produced in continental United States. We do favor a sugar-quota system by which the importation in the United States from the insular areas is restricted, and I have introduced a bill, H. R. 12225, which does exactly that.

We recognized that in order to assure maintaining the quota system against offshore areas until we could get permanent legislation, it was necessary to pass the joint resolution, so that the purposes for which the quota system is imposed might be within the United States Constitution.

We favor the imposition of quotas against offshore areas for the purpose of regulating foreign and interstate commerce, but we oppose any quotas on continental United States for any purpose.

Wih this explanation and understanding we do not object to the consideration of the joint resolution, but I feel that the record should be made clear that by not opposing its consideration our position should not be considered to be agreeing to limitations of continental production.

I have been pleased to note the assurances that have been made by the able, hard-working and eminently fair chairman of the House Committee on Agriculture, Mr. JONES, of Texas, in which he has agreed that his committee will give full consideration to a permanent sugar program at the next session of Congress, with hearings and ample opportunity for the interested parties to make known their views.

I express the hope that the Committee on Agriculture will accept my bill, for the reason that it expresses the views of our own citizens, voters, and taxpayers who are growers and processors in the United States, and proposes a quota system in the simplest form with the least need for administration on the part of the Federal Government. It is my opinion and the opinion of those who represent the continental domestic industry that the simple formula proposed

in the Woodruff bill would stabilize the sugar market of the United States with benefits to the growers of sugar beets and sugar cane and with full protection to the consumer.

THE AIR CORPS OF THE ARMY

Mr. ROGERS of New Hampshire. Mr. Speaker, I call up the conference report on the bill (H. R. 11140) to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11140) to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: Strike out the word "immediately" in the matter inserted by said amendment, and the Senate agree to the same.

JOHN J. McSWAIN,
LISTER HILL,
WM. N. ROGERS,
DONALD H. McLEAN,
CHARLES A. PLUMLEY,
Managers on the part of the House.

MORRIS SHEPPARD,
DUNCAN U. FLETCHER,
ROBERT D. CAREY,
Managers on the part of the Senate.

STATEMENT

Your conferees, having met with the conferees on the part of the Senate, have agreed to recede from disagreement to the amendment proposed by the Senate with an amendment thereto, which amendment consists of striking out the word "immediately." The effect of the agreement in conference is to increase the authorized strength of the Air Corps of the United States Army by the number of 2,320 planes. While the bill as it passed the House by unanimous consent called for an increase of 4,000 planes, the figure 2,320 as the justifiable increase was accepted by reference to the figures mentioned in the Baker Board report, which was followed by the report of the Howell Board.

JOHN J. McSWAIN,
LISTER HILL,
WM. N. ROGERS,
DONALD H. McLEAN,
CHARLES A. PLUMLEY,
Managers on the part of the House.

Mr. RICH. Mr. Speaker, will the gentleman yield for a question?

Mr. ROGERS of New Hampshire. I yield.

Mr. RICH. Under this bill as agreed to in conference you are going to increase the Air Force of the Army of this country.

Mr. ROGERS of New Hampshire. Yes. This is the bill that unanimously passed the House. Some amendments were put on in the Senate, and as a result of a conference with Senators Sheppard, Fletcher, and Clark and the five House conferees we agreed upon a satisfactory disposition of the matter.

Mr. RICH. I may say to the gentleman that I believe that the best way to protect our shores is by an air force, but have you any power to do anything about stopping the building of these $100,000,000 battleships?

Mr. JENKINS of Ohio. Reserving the right to object, what changes were made in conference?

Mr. ROGERS of New Hampshire. The conference report which was put into the RECORD last Monday speaks for itself. Let me call your attention to this: The House bill which passed unanimously provided for the acquisition of not exceeding 4,000 planes. The Senate bill, as will be seen by the conference statement, changed that, and the conferees effected an agreement for 2,320 as the justifiable increase in the authorized strength of the Army Air Corps. That was accepted by reference to the figures mentioned in the Baker Board report, which was followed by the report of the Howell Board. Also, the Senate bill contained the word "immediately", while the House bill provided a term of "5 years." We struck out both of them.

Mr. SNELL. Then the only material difference is that the number of planes was reduced, provided in the House bill, from 4,000 to 2,320.

The SPEAKER. The question is on the adoption of the conference report.

The conference report was agreed to, and a motion to reconsider the vote by which the conference report was agreed to was laid on the table.

RAMEY BROS.

Mr. KENNEDY of Maryland. Mr. Speaker, I submit a conference report upon the bill H. R. 1362, for the relief of Ramey Bros., of El Paso, Tex., and ask its present consideration.

The SPEAKER. The gentleman from Maryland submits a conference report which the Clerk will report.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection?

There was no objection, and the Clerk read the statement.

The conference report and statement are as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1362) entitled "An Act for the relief of Ramey Brothers, of El Paso, Texas", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments.

AMBROSE KENNEDY,
W. A. PITTINGER,
J. BURRWOOD DALY,
Managers on the part of the House.

JOSIAH W. BAILEY,
JOHN G. TOWNSEND, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1362) for the relief of Ramey Bros., of El Paso, Tex., submit the following written statement explaining the effect of the action agreed upon.

There was one amendment to the bill by the Senate, as follows: Strike out all of the bill after the enacting clause and insert in lieu thereof the following:

"That jurisdiction is hereby conferred upon the United States District Court for the Western District of Texas to hear, determine, and render judgment upon the claim of R. A. Ramey, doing business as Ramey Bros., of El Paso, Tex., against the United States for additional compensation in connection with the reconditioning of the pipe line serving the city reservoir at the marine hospital, Fort Stanton, N. Mex., under contract no. T2sa-2930, dated September 11, 1931.

"SEC. 2. In the determination of such claim the United States shall not be held liable for any amount in excess of $8,432.22.

"SEC. 3. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, and appeals from and payment of any judgment thereon, shall be in the same manner as in the cases of claims over which such court has jurisdiction under the provisions of paragraph 'Twentieth' of section 24 of the Judicial Code, as amended."

The House passed the bill calling for payment in the amount of $8,432.22. This being a contract claim, it is reported that the Senate, in amending the bill as above quoted, believed it best that the claimant be given his day in court to establish that the losses on the contract were occasioned by delay in getting started on the work, which the evidence seems to show was directly caused by the Government's failure to promptly notify the contractor, or claimant, of its acceptance.

The Senate has now receded from its amendment, and the bill has been restored to a direct payment of the sum in question. The facts, as set forth in House Report No. 1455, submitted by the Committee on Claims, your conferees believe fully substantiate the payment. Briefly, the report shows that a delay in getting under way with the performance of the contract of practically 2 weeks was occasioned to the claimant when the Government, although it had awarded the contract to claimant, failed to give it official notice thereof for the period named. The report also shows that claimant, when advised it was the low bidder on the contract, wired the Treasury Department for information as to whether it would be awarded the contract so that necessary materials could be ordered then and not when notice was sent by the Government 2 weeks later. This would have enabled completion of the work within the specified time and prior to freezing winter

weather, which caused the losses in question. It is also clear that the claimant from the very first advised the Government that because of this delay an extension in the contract time would be necessary.

AMBROSE J. KENNEDY,
W. A. PITTENGER,
J. BURRWOOD DALY,
Managers on the part of the House.

Mr. MAPES. Mr. Speaker, may I ask the gentleman from Maryland if all the conferees signed that report?

Mr. KENNEDY of Maryland. They did.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to, and a motion to reconsider the vote laid on the table.

MR. AND MRS. BRUCE LEE

Mr. KENNEDY of Maryland. Mr. Speaker, I submit a conference report on the bill (H. R. 3952) for the relief of Mr. and Mrs. Bruce Lee and ask its present consideration. I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3952) entitled "An act for the relief of Mr. and Mrs. Bruce Lee", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

AMBROSE J. KENNEDY,
W. A. PITTENGER,
Managers on the part of the House.

JOSIAH W. BAILEY,
JOHN G. TOWNSEND, Jr.,
EDWARD R. BURKE.
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3952) for the relief of Mr. and Mrs. Bruce Lee submit the following written statement explaining the effect of the action agreed upon:

There was one amendment to the bill by the Senate, as follows: Page 1, line 6, strike out the words "not otherwise appropriated" and insert in lieu thereof the words "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

The House passed the bill providing for appropriation, as usual, for payment of the claim out of any money in the Treasury not otherwise appropriated. The Senate amendment substitutes funds allocated by the President for the maintenance and operation of the Civilian Conservation Corps for payment of the claim.

Several bills were amended by the Senate in the same manner, it being of the opinion that the large number of motor-vehicle accidents involving the C. C. C. will be curtailed if those in charge of the Conservation Corps are aware that funds allocated for its support are to be used for the payment of its claims.

Whether the result sought will actually be attained in any degree seems conjectural. A conference on the matter was requested, so that an understanding might be had, this being a matter of policy. The funds for the support of the C. C. C. are allocated by the President, it is understood, as they are needed, and consequently are not in the same class as regular annual appropriations. Therefore, no particular harm may be occasioned so far as the C. C. C. is concerned. Of course, we might be forced to take a different position were the funds sought to be used of a regular appropriation, of which every dollar is set aside for some particular purpose.

The other bills which were amended in a manner identical to that in the instant case were not sent to conference, one bill being sufficient to decide on the question as a matter of policy. The House has since agreed to the amendments of the Senate to those other bills, and for that reason, and the reasons herein enumerated, your conferees have agreed to recede from the disagreement of the House to the Senate amendment.

AMBROSE J. KENNEDY,
W. A. PITTENGER,
Managers on the part of the House.

Mr. KENNEDY of Maryland. Mr. Speaker, this is a House bill, which appropriated moneys out of the Treasury not otherwise appropriated. The Senate amended that by providing for the payment of the appropriation out of the C. C. C. fund and the House agreed to that amendment.

Mr. RICH. Mr. Speaker, does the gentleman know of any moneys in the Federal Treasury that are not appropriated?

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to and a motion to reconsider the vote laid on the table.

THE TAX BILL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the conferees on the tax bill (H. R. 12395) may file a conference report without an accompanying statement, as provided in rule XXVIII.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I reserve the right to object. I appreciate the fact that this is a very important bill, and that, of course, we ought to have a statement filed with the report. On the other hand, I expect that the gentleman is making this request in order to facilitate adjournment. With that understanding I would not want to object. Of course, I would not want to have this taken as a precedent, to be followed in the House.

Mr. DOUGHTON. It is to expedite adjournment. If a statement is required, it can be filed later.

The SPEAKER. Is there objection?

There was no objection.

PROHIBITING INTERSTATE TRANSPORTATION OF STRIKEBREAKERS

Mr. MILLER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2039) making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I object.

Mr. MILLER. Mr. Speaker, I move to suspend the rules and pass the bill S. 2039, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That whoever shall knowingly transport or cause to be transported, or aid or abet in transporting, in interstate or foreign commerce, any person with intent to employ such person to obstruct or interfere, in any manner, with the right of peaceful picketing during any labor controversy affecting wages, hours, or conditions of labor, or the right of organization for the purpose of collective bargaining, shall be deemed guilty of a felony and shall be punishable by a fine not exceeding $5,000, or by imprisonment not exceeding 2 years, or both, in the discretion of the court.

The SPEAKER. Is a second demanded?

Mr. BLANTON. Mr. Speaker, I demand a second.

Mr. RICH. Mr. Speaker, I demand a second.

The SPEAKER. The Chair thinks that the minority is entitled to recognition to demand a second. Is the gentleman from Pennsylvania opposed to the bill?

Mr. RICH. I am.

Mr. MILLER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Arkansas [Mr. MILLER] is recognized for 20 minutes and the gentleman from Pennsylvania [Mr. RICH] is recognized for 20 minutes.

Mr. MILLER. Mr. Speaker, I would like for the House to understand, if we may, just what the provisions of this bill are and to the cases that will be covered by the bill if it is enacted into law.

At the outset, let me say that I do not think it matters one iota to my State or, as far as that is concerned, to my district, just what may become of the bill, but the hearings conducted by the Committee on the Judiciary revealed conditions which led the committee to believe that the bill ought to be enacted.

There is some misunderstanding as to what the bill provides, and I hope I may assist you in reaching a clear understanding of its provisions. It simply makes it unlawful for any person to knowingly transport or cause to be transported in interstate commerce or foreign commerce, any

person with the intention of employing that person to interfere in any manner with the right of peaceful picketing, when there is a labor controversy involving wages, hours, or conditions of labor, or the right of organization. In other words, before this act could be violated, if it becomes law, there must first be a labor controversy involving wages, hours, conditions of labor, or the right of organization. Then there must be peaceful picketing. And, in addition to these essentials, the persons must be knowingly transported in interstate commerce with the intention of employing the persons to interfere with peaceful picketing. That is all in the world the bill does.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. MILLER. I yield.

Mr. STEFAN. Would that prohibit the importation of strikebreakers in case of a strike?

Mr. MILLER. I do not think so.

Mr. SNELL. Will the gentleman yield?

Mr. MILLER. I yield.

Mr. SNELL. Just what does the gentleman mean by peaceful picketing? Suppose I own a manufacturing company and had a strike on, could I hire men to come in there and go to work? These fellows on the outside would not allow them and would probably beat them up.

Mr. MILLER. I do not think the bill would apply.

Mr. SNELL. The only thing is peaceful picketing, walking up and down?

Mr. MILLER. The gentleman from New York [Mr. SNELL] can define peaceful picketing as well as anyone else. The hearings revealed that there are several organizations in the country, particularly one organization headed by a man named Bergor in New York. There was an account of his operations in the magazine Fortune last year and also in the Reader's Digest, in which it is shown that he has built up a considerable business by furnishing men for this identical purpose, and transporting those men in interstate commerce for the purpose of interfering with peaceful picketing. Personally I do not know one thing about a strike. We do not have those things where I live. My district does not have them. I do not know anything about it, but I have attempted to show you what the bill provides.

I am going to make this further statement: Many people wanted the bill amended so as to make it apply to conditions outlined by the gentleman from Nebraska [Mr. STEFAN] and the gentleman from New York [Mr. SNELL], but it was thought by the proponents of the bill that this would be a step in the right direction and would stop the transportation of so-called outsiders into a peaceful strike area, if, in fact, such area exists.

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield?

Mr. MILLER. I yield.

Mr. WADSWORTH. Would the gentleman disclose to us the nature of the interference with peaceful picketing which this bill seeks to prevent? The nature of the interference with peaceful picketing?

Mr. MILLER. The testimony showed in the hearings that there were conditions—for instance, a situation arose in Colorado where it was claimed there was peaceful picketing. That was several years ago and a congressional investigation was held on it. Fifteen or twenty men were killed by men who were brought in there, who attempted to stop these people from marching or from their peaceful picketing operations.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. MILLER. I yield.

Mr. SIROVICH. In other words, the purpose of this bill is to prevent strikebreaking agencies that are created just for the purpose of destroying the peaceful and honorable efforts of workingmen to get social justice. Those strikebreaking agencies are transporting men from foreign States and provoking fights with the peaceful picketers in order to destroy them?

Mr. MILLER. Yes. The trouble is that whenever you take men from Arkansas into New York, or from Massachusetts to Arkansas, and they go to interfering with the local problems, it is just like waving a red flag in a bull's face. [Applause.]

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. MILLER. I yield.

Mr. MARCANTONIO. I would like to make the suggestion at this time that the Members read the article I Break Strikes by Bergoff. It would open the eyes of every single Member as to just what these thugs do in case of a strike.

Mr. MILLER. That is the article to which I referred. As I say, I do not think we in Arkansas would be affected by a strike in a great many years, but that article by Pearl Bergoff, I Break Strikes, and the manner in which he does it is something that would open the eyes of everybody.

Mr. CITRON. Mr. Speaker, will the gentleman yield?

Mr. MILLER. I yield.

Mr. CITRON. Did the gentleman mention to the House that the information presented to our committee, the Judiciary, showed that most of these men who were transported in interstate commerce to interfere with peaceful pickets carried firearms of various sorts?

Mr. MILLER. Oh, yes. The arms are furnished. That is a part of the business of such organizations. In this article he describes arms that he did furnish. In the interest of law and order and the protection of the rights of the working men and women the bill should be passed. [Applause.]

Mr. Speaker, I reserve the balance of my time.

Mr. RICH. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I am a loyal friend of organized labor and vote for its demands when they are just, but against them when they are not just and right. I say to you it is just such bills as this that has caused the depression. It is just such bills as this that has closed the factories all over the United States. It is such bills that has put men out of work.

If you want employment, you have got to have places open where employees may be employed. Whenever you pass a bill that prevents an employer from protecting his business he is going to close it up and then the employees go out of jobs. He puts his money in tax-exempt securities, in bonds and stocks, where he is not bothered. That is what is the matter with the United States. That is what is the matter with every country in Europe. They have such laws as this in the interest of the few as against the many.

I want to give you some illustrations. Last October I went down through Terre Haute, Ind., on the Wabash. There had been some strikes; there had been some so-called peaceful picketing, where the peaceful picketers had taken brickbats and broken out the windows of a factory—not one factory but several factories.

Mr. MILLER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In just a minute. I want to get these facts before the Members. And when the factory owners tried to get people to work, these peaceful picketers would catch them and beat them nearly to death. That was peaceful picketing, I will say to the minority leader. They beat them nearly to death, just as they did here in Washington when we were building the new Supreme Court Building; they sent automobile loads of thugs up there and took men off their job and beat them up because they wanted to work and would not join the union.

Martial law was declared down there in Terre Haute last year and two whole counties were put under martial law. Who was put in charge of it? A United States officer, a major in the United States Army as brave as a lion. He took charge of the situation and stopped those peaceful picketers. In a day or so, here came Norman Thomas, a graduate of Princeton University, who would have been better off if he had never been educated, because it made him just that much smarter in the improper work he has been doing to undo business affairs in the United States. Norman Thomas went to that Army officer and he said, "I demand the right of peaceful picketing." That Army officer said, "There is no such thing as peaceful picketing." He

said, "There is not going to be any peaceful picketing. I am going to put every man in jail who tries to bother these owners of property who are trying to run their factories." In a few weeks order was restored.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to the distinguished gentleman because I could not do otherwise.

Mr. SIROVICH. Does my distinguished friend realize that the story he is narrating here is an intrastate matter which the courts of the State will look after and of which this bill does not take cognizance? This bill provides against the interstate transportation of strikebreakers, anarchists, and crooks that are sent in to destroy the very people who are honestly doing what the gentleman is talking against.

Mr. BLANTON. No; this bill would have protected those so-called peaceful picketers. I am going to mention some cases closer home. I was here some years ago during the Raleigh Hotel strike on Pennsylvania Avenue. Some of these walking delegates, these slick, overfed walking delegates, went to the Raleigh Hotel, called the employees out, and said, "You have got to unionize." They said, "We do not want to; we are getting splendid pay; we are perfectly satisfied."

They forced them to unionize and the Raleigh Hotel discharged them, which they had a right to do. The Raleigh Hotel sent over to Baltimore across the line and brought in other employees and put them to work. There was "peaceful picketing." Young girls 16 and 18 years old were employed to carry banners as well as men and women. They had three 8-hour shifts here in the Nation's Capital, every hour of the day and night. They were going around the Raleigh Hotel carrying banners reading: "This is a scab joint. No decent person will enter this hotel." Every good woman who came to Washington from other States when she started into that hotel was stopped by these peaceful picketers and told: "If you go into this Raleigh Hotel you are not decent." Complaints were made.

Mr. MILLER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I am sorry, I cannot yield. The gentleman has his own time. I will yield to him in his own time but not in mine.

That went on here for months until I got on this floor and denounced it, and it stopped.

I shall give you something still closer home. Gude's Flower Shop here experienced the same trouble. There is no finer man in the world than William Gude, the proprietor. I have known him for years. He started here 40 years ago with a little plant and a dozen employees. He has built it up into a splendid flower business "Say it with flowers", until he has employed several hundred people and has built up the finest flower business you ever saw. They tried to force his employees to unionize, but when they finally agreed they were not going to do it they put "peaceful picketers" around his building to beat up his employees when they went in and came out.

Do you tell me William Gude did not have the right to defend them? Why, I would have sent to Kalamazoo, if necessary, in order to protect my own business.

I will give you another incident. Down on F Street there are some splendid merchants there, Saltz Bros., who have been in business for years. They pay rents, taxes, and other expenses here of $75,000 a year. They have a big pay roll and their employees are well satisfied, some of whom have been with them for years. They draw the highest salaries that are being paid in clothing stores. Not long ago there were these "peaceful pickets" walking around and around there advertising "This is a scab joint", because those employees did not want to unionize. Saltz Bros. went into court here and tried to protect their business, but the court said, "Congress has provided there shall be peaceful picketing and we cannot give you any protection."

Let me give you some more illustrations. There is a splendid delicatessen down on F Street, named Reeves. They have been there for years. They furnish your wife with fine cakes and ice cream.

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. BLANTON. Mr. Speaker, Reeves has had one employee with him for 30 years. He has the highest-paid employees in that class of business. They had "peaceful picketing" down there. Every time the employees would go in and out, because they did not want to unionize, they had these peaceful pickets there to attack and beat them up.

Mr. Speaker, this ought to stop. If you want to bring about normalcy in business, if you want to help men who are out of employment, if you want to give jobs to the unemployed, you will stop this monkey business. Stop bills like this and put up a signboard at every crossroads in the United States saying: "The United States Government recognizes that in order to have employees we must have employers, and we are going to protect the business of the employers of the country in the interest of the employees."

If we do that, Mr. Speaker, the factories will open and the now 12,000,000 idle men will go back to work.

Mr. MILLER. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Speaker, after listening to the remarks of the last speaker, I am convinced he has not read the report. I do not know how much of the bill he read, but he has not studied the report. The report states:

> It is a business which, according to the information given to the committee, is not tolerated in any country. These men are transported from State to State by their employers, who supply captains and lieutenants, feed, and finance their men and furnish them with weapons, clubs, brass knuckles, and firearms.

I cannot believe for a minute that anybody would be in favor of any such sort of procedure in this country. It is just downright everyday racketeering. We have those outside the State coming into the State where peaceful picketing is going on. Why, it is as plain as any language could be. It is un-American, and no one should tolerate this situation, and I cannot believe that the gentleman from Texas is opposed to this bill. I intend to vote for this legislation.

[Here the gavel fell.]

Mr. CELLER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, the speech just made by the gentleman from Texas [Mr. BLANTON] is, in my opinion, the most vicious antilabor speech that has ever been made on the floor of this House. He fails to recognize certain fundamental principles which have been accepted in the United States ever since we have had a government here—first, the right to strike; and, second, the right to advertise that strike by picketing.

What has happened in the past? Industrial disputes have arisen, and there have been organized throughout the country professional strikebreakers, many of them with long criminal records—racketeers of the worst sort.

These professional strikebreakers with long criminal records, racketeers as they are, are transported from State to State and taken into strike centers. Who violates the law? Who is the most likely to cause disorder, violate the law, and do shooting? The honest worker, who is out on strike trying to get a decent livelihood, or these racketeers with long criminal records, who are well paid to do violence, and who are transported from one State to another?

The gentleman from Texas prefers to defend that type of racketeer. I prefer to stay with the majority of this House—and I believe it will be the majority—who stand for the honest worker when he goes out on strike, and his right as a law-abiding American citizen to advertise that strike on the picket line. [Applause.]

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, I have heard much about lawful striking and peaceful picketing. We have heard much condemnation in the past several years about the manufacturers of this country. At least I have. A great many people look upon them as a bunch of crooks and thugs who should be annihilated from the country.

I want to present myself now as a manufacturer. I have been in the manufacturing business all my life. There is no set of employees in the United States that I think more of than the people who work in our plant. They are the finest American citizens that have ever lived, and I want to do everything I possibly can for those employees. I believe that the manufacturers of this country and the people who are employing labor are interested in their employees. I think the time is here, and it has been for years past, when an honest, conscientious, sound-thinking American citizen, who is striving to operate a plant of some kind, appreciates the fact he cannot make a success of his business unless the people who are working for him are an integral part of his business. And why should not the manufacturer, the merchant, and all employers of labor work with their employees? I know of no good reason why they should not. An employer should treat his employees right and pay them as much as he can afford to pay them. On the other hand, the employees should render good, faithful service, and they should realize that the employers should make a profit or they cannot remain long conducting a business.

Mr. CITRON. Mr. Speaker, will the gentleman yield?

Mr. RICH. I am not going to yield to anybody now. I want to tell the Members of the House what I think of the manufacturers of this country, the man who is honest and wants to help his employees. He is going to do everything he can for them, and the employees are going to work and help the man they are working for, because they know they have got to work together. They must both be satisfactory to the other.

We talk here about strikes. You never saw a strike but what somebody lost, either the employer or the employee, and we all know that we have had too many strikes in the country, and we are having more of them in this country today than ever before in the history of our Nation. It is a shame that American labor and the American manufacturer cannot get together and settle their differences without having a lot of strikes. You have thugs that some manufacturers employ; but do not think it is all on the side of the manufacturer. You have a lot of unscrupulous labor leaders who are just as bad and who have done more harm than a lot of the manufacturers. So they are on both sides of the fence. I believe when the time comes that we can pick up these men who are engaging in unethical practices in labor unions and the unethical manufacturers, the better off we will be; and I want to see the day come when we do lock them all up.

Mr. LUNDEEN and Mr. HARLAN rose.

Mr. RICH. No; I am not going to yield. If you will give me some time after my time has expired, I will be pleased to yield.

Now, we talk about strikes that are peaceful, and now we want to put the onus on the transportation companies with respect to anybody who is engaged in peaceful picketing, as it were. I am somewhat like the gentleman from Texas—I do not know whether there is any such thing as peaceful picketing, but if the manufacturers and the laborers would get together they would not need to do any picketing.

You should read what the report says. The gentleman referred to the report in connection with the gentleman from Texas as if this were the law. The proposed law is the bill S. 2039, which says "that whoever shall knowingly transport or cause to be transported", and so forth.

Mr. HARLAN. Will the gentleman read the "and so forth"?

Mr. RICH. And so forth; and then you get down to——

Mr. HARLAN. Will the gentleman read that?

Mr. RICH. I do not yield to the gentleman; everybody has read it, and I do not want to take my time reading the bill.

It is to be made a felony, and then you are going to put somebody in jail or fine him $5,000. Suppose a transportation company for some reason or other should haul men over its system from one place to another and someone should say that they knew they were hauling these men for strike-breaking purposes, the railroad company would be fined $5,000, or somebody would be put in jail.

Mr. Speaker, I do not think it is necessary to pass a bill of this kind. I think you are only likely to cause more strikes than you are having now, more lawlessness and more trouble. If you will look up the records for the past year—and I am sure my friend Mr. CONNERY here will say the same thing—you will find there have been more strikes in this Nation during the past year than ever before in the history of the country. I am glad he nods his head "yes." I know my friend Mr. CONNERY is an honest man, and I like him. We may differ, but I like him because he always wants to see that we do the right thing. [Applause.]

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. RICH. No; I know the gentleman is on this side, but I am not going to yield to anybody now. I have not time for myself.

Let us simply use our own judgment here and get labor and capital together. We need them both. If there ever was a time in the history of this Nation when we needed them, we need them now. You need the people who are going to employ labor and the laboring men need the jobs. You have 12,000,000 people out of work now. I want to see you regulate mass production so we can give these 12,000,000 people work and put them on the pay rolls of industry today so that we will be able to take care of them without increasing our great national debt by putting them on relief and the Federal dole.

Mr. RISK. Mr. Speaker, will the gentleman yield?

Mr. RICH. I would have to yield to these fellows over here on the Democratic side because they made the request first, and I do not want to do that. [Laughter.]

We do not want to increase our national debt. If there ever was a time in the history of our Nation when we needed work and needed jobs for our people, now is the time, and if you will put them in industry and give them an opportunity to earn a livelihood, you will not need the dole we are giving them at the present time, and I feel constrained to tell you, as a manufacturer who tries to be an honest manufacturer and as a man who wants to employ labor and see justice administered, that this bill will do more damage to American labor than it will do good, and I hope the bill is defeated. I appeal to the Members of Congress to enact legislation for the best interest of all the American people; do not think of a few votes; do not think of yourself. If you think of country, you will defeat the bill, I feel sure. [Applause.]

Mr. MILLER. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. HARLAN].

Mr. HARLAN. Mr. Speaker, there is nothing fundamentally new about this legislation. It is merely extending to interstate commerce the provisions which we now have in our law against importing contract labor. That is all there is to it. If a man should attempt to import strike-breakers under contract from Canada, he would be stopped at once, but the States are defenseless in a case of that kind, when another State is involved. This is simply extending to the States the power to protect themselves from contract labor importations coming in interstate commerce under the most obnoxious conditions, when there are labor disputes, when these people are being imported expressly to break up strikes. The gentleman from Pennsylvania [Mr. RICH] wearing a Kansas sunflower I presume is speaking for the Presidential candidate on the Republican ticket.

Mr. RICH and Mr. MICHENER rose.

Mr. HARLAN. I do not yield. The gentleman evidently believes that because there are some employees, that are not the mildest individuals in the world, therefore, as a counterbalance, we should promote the importation of foreign thugs in order to start the right kind of a fight. The thing to do is for the local authorities to take care of the lawbreakers in their local communities. I have no brief particularly for all these people in labor movements. They are human beings, and they commit offenses just the same as others, but show me one essential thing in the interest of

labor which has been achieved during the last century and a half that has not been done through strikes, or political labor pressure on legislatures. There are lots of good employers but a century ago we started in with a 10- and 12-hour work day. We started in without safety appliances on the railroads. We had child labor, exploitation of women, starvation wages, no industrial insurance. Everything that has been achieved has been done through strikes or threats of strikes, or political activity of labor organizations. This bill simply allows the normal course of labor disputes to proceed. The gentleman from Texas [Mr. BLANTON] opposes picketing. That is established in the courts as a peaceful right, and this bill merely prohibits men from taking mobs of strikebreakers across State lines—not the railroads—as the gentleman from Pennsylvania [Mr. RICH] would try to mislead you, but men who employ others, en bloc, to interfere with peaceful picketing, a right which the courts have determined to belong to every employee in the country.

Mr. MILLER. Mr. Speaker, I yield the remainder of my time to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Speaker, there is nothing political in this, nothing as to whether it is a Democratic or Republican proposition. Every friend of a human being, every friend of a worker, every friend who believes that the workingmen and workingwomen of the United States are entitled to their rights of collective bargaining and their rights to ask for a decent living wage under peaceful conditions, should favor this bill. It is sponsored by the distinguished Senator from South Carolina, Senator BYRNES, and I wish to congratulate Senator BYRNES for the great humane bill which he initiated.

Mr. McSWAIN. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. McSWAIN. In other words, as I understand this bill, it merely provides that the people within the States shall settle their own affairs without being interfered with by professional black-shirt troops from the outside.

Mr. CONNERY. That is exactly the story.

Mr. McSWAIN. And therefore it leaves the Governors and the National Guard of the States to attend to their own business.

Mr. CONNERY. Yes. We know, as a matter of fact, that any time anyone comes in and interferes with a family dispute there is instantly resentment and trouble, and the same thing applies to local neighborhoods or States. You do not want hired thugs and crooks and assassins, because that is what they have been proven to be, brought in from New York State to South Carolina or Tennessee, or from Indiana into Massachusetts, or from Illinois into Colorado, with the idea apparently of going to work, when, as a matter of fact, they are merely strike-breaking thugs. They cannot do the work they are brought in to do. Really, they are brought in to use their machine guns, to use their automatics and their brass knuckles, to use their clubs on inoffensive working people who are striving to do what is guaranteed to them by the Constitution of the United States, merely asking for decent conditions of work, decent wages, the right to protect their families, and educate their children. That is all the bill does. It protects the people of the locality from hired, crooked thugs, brought in to take away their rights. These imported gunmen are not even workers. If it is in Detroit, and they are brought into the automobile industry, they do not know anything about automobiles; they do not know how to make an automobile or any part of an automobile, but outside the plant, with their gat in their back pocket, with their brass knuckles and clubs, they go over and deliberately provoke trouble by attacking people who are merely walking up and down picketing and saying that they want decent wages and the right to live decently as American citizens. I know what peaceful picketing is. I was arrested in New York City as a peaceful picketer. I was walking up and down in front of a New York theater saying, "This house is unfair to organized labor." I was arrested and brought to the night court in New York City. I was fined $1 and told that the next day if I was arrested again for picketing I would be sent to Blackwell's Island for 30 days. I went out the next day and I picketed again, but during the night they found out that we were absolutely within our rights under the laws of the State of New York.

The same policeman who arrested me the day before was clearing the way for me when I picketed the next day. [Applause.] That is peaceful picketing. Not a soul went into that theater all that afternoon or evening. Nobody was affected or hurt. The actors were merely running that strike to get decent living conditions, a play-or-pay contract on the stage, and to remedy intolerable conditions in their profession. In those days they would hire an actor to appear at a theater, like the Earle Theater or the Fox, and use him for 2 days and then fire him, and the actor did not get a nickel because he did not have a play-or-pay contract. As a result of that actor's strike those intolerable conditions were remedied, and if it had not been for that strike those conditions still would exist today.

This bill is for the protection of American citizens against gunmen, crooks, and murderers, and should be passed.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

All time has expired.

The question is on the motion of the gentleman from Arkansas to suspend the rules and pass the bill.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 165, noes 2.

Mr. BLANTON. Mr. Speaker, I object to the vote on the ground there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count.

Mr. BLANTON (interrupting the count). Mr. Speaker, I withdraw the point of order.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

NATIONAL CEMETERY, FORT SNELLING MILITARY RESERVATION

Mr. FADDIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4268) to authorize the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. WOLCOTT. Mr. Speaker, I object.

KATHERINE TRICK

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7642) for the relief of Katherine Trick, with a Senate amendment, and agree to the Senate amendment.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate amendment, as follows:

Amend the title so as to read: "An act for the relief of the estate of Frank W. Trick."

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

NATIONAL CEMETERY, FORT SNELLING MILITARY RESERVATION

Mr. FADDIS. Mr. Speaker, the gentleman who objected to the consideration of the bill (S. 4268) to authorize the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn., has consented to withdraw his objection.

Mr. WOLCOTT. I was mistaken as to the bill, Mr. Speaker.

Mr. SPEAKER. Is there objection to the present consideration of the bill S. 4268?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to set aside in the Fort Snelling Military Reservation, Minn., a plot of land which shall include the existing post cemetery with such boundaries as he may prescribe therefor as a national cemetery, which hereafter shall be cared for and maintained as a national cemetery under the laws relating to the same.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MINORITY VIEWS ON THE TAX BILL

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to print in the RECORD minority views of the Committee on Ways and Means, following the report that will be filed by the chairman of the committee on the tax bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CIVIL SERVICE FOR FIRST-, SECOND-, AND THIRD-CLASS POSTMASTERS

Mr. RAMSPECK. Mr. Speaker, I move to suspend the rules and pass the bill H. R. 3251, with certain amendments, which I send to the desk.

The Clerk read as follows:

Be it enacted, etc., That postmasters of the first, second, and third classes shall hereafter be appointed without term, by the Postmaster General, in accordance with the provisions of the act entitled "An act to regulate and improve the civil service of the United States", approved January 16, 1883: *Provided*, That postmasters now serving who have satisfactory records shall continue to serve until their 4-year terms of office expire, after which they may be reappointed without term in accordance with the provisions of section 2 of this act.

SEC. 2. Appointments to positions of postmaster at first-, second-, and third-class post offices shall be made by the reappointment and classification, noncompetitively, of the incumbent postmaster, or by promotion from within the Postal Service in accordance with the provisions of the Civil Service Act and Rules, unless the Postmaster General certifies to the United States Civil Service Commission that there is no qualified person serving in the vacancy office available for such promotion. No person shall be eligible for appointment under this section unless he has been a bona-fide patron of such office for a year preceding the date of his appointment, if the appointment is made without competitive examination, or for 1 year preceding the date fixed for the close of receipt of applications for examination if the appointment is made after competitive examination.

SEC. 3. Appointments of acting postmaster in all classes of post offices shall be made in accordance with the provisions of the civil-service rules governing temporary appointments.

SEC. 4. All acts or parts of acts inconsistent herewith are hereby repealed.

The SPEAKER. Is a second demanded?

Mr. LEHLBACH. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. LEHLBACH. I am opposed to the bill.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection it is so ordered.

There was no objection.

The SPEAKER. The gentleman from Georgia, Mr. RAMSPECK, is recognized for 20 minutes and the gentleman from New Jersey, Mr. LEHLBACH, is recognized for 20 minutes.

Mr. RAMSPECK. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill, with the amendments which have been read, proposes to put first, second, and third postmasters under civil service at the expiration of the terms of the incumbent postmasters.

The first amendment, I have offered to make it absolutely certain that no postmaster now serving could be given a civil-service status until the end of his present term, which means of course that no postmasters appointed under the Democratic administration would be eligible for a noncompetitive examination and a permanent appointment until after March 4, 1937. If the Republican platform means anything and if the Republicans in this House have any faith in their chances of election, it certainly is fair to them, because if they win, they will make the appointments.

The second amendment strikes out, after the word "promotion" in line 2, and the same thing in line 7, the words "or transfer", so as to make it certain that the postmaster appointed, if he is promoted from the ranks of the civil service, will be one who lives in the community which he is going to serve.

The third amendment on page 2, line 7, puts in the residential qualification. Some objection had been made to the bill on the ground that it did not provide that the person must be a resident of the community in which he was to serve. In order to make that absolutely certain, I have offered this amendment which makes it necessary that he shall have been a resident or a patron of the office served for 1 year prior to his appointment or prior to the date of filing application for the competitive examination.

Mr. RAMSPECK. That is in the present regulation. Let us see how this bill will work. When a postmaster appointed, we will say April 1, 1933, reaches the end of his 4-year term, if he is satisfactory and the Postmaster General wants to reappoint him, he is given a noncompetitive examination. If he makes a passing grade he can be reappointed without term. If he is not satisfactory and the Postmaster General does not want to reappoint him, then the vacancy which is created must be filled in one of two ways: First, by promotion of a civil-service employee in the office where the vacancy exists; or second, if that is not done, by an open competitive examination in which all can participate.

I am perfectly willing to admit for the sake of argument that if you want to talk about theory and not practice, this does not provide a pure merit system, but I call your attention to the fact that the party which has been in power most since the civil-service law has been on the books has never, except in one instance, brought large groups into the civil service by a competitive examination. This one exception was in 1927 when the prohibition enforcement agency of this Government under the Coolidge administration became such a stench in the nostrils of decent people it was provided that they should be put under the civil service and must take an open competitive examination. They did this in order to get rid of the crooks who were in the service; and that is the only time in the entire history of the civil service that an open competitive examination has been provided for large groups.

Mr. MAAS. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. Not at this time.

Mr. Speaker, this is the best and the fairest bill that I think could have any possibility of passing, no matter which party might be in power. The gentlewoman from Massachusetts [Mrs. ROGERS] during a Republican administration tried to pass a similar bill.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. Yes; I yield to my colleague on the committee.

Mrs. ROGERS of Massachusetts. I think the gentleman understood at that time that I wanted an open competitive examination before they could be taken into the merit system.

Mr. RAMSPECK. I understood that. I am glad to have that correction. The gentlewoman found it was impossible to pass such a bill. I do not believe anyone could pass a bill that would legislate out of office all of the postmasters, and I am not going to be foolish enough to try to do that. Here is a practical bill, one that is fair to the minority and one that will get rid of the spoils system in the post-office administration, which most people want to get rid of. [Applause.]

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Speaker, I reserve the balance of my time.

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent that the amendment may be again read.

The SPEAKER. Without objection, the Clerk will again read the amendment.

There being no objection, the Clerk again read the amendment.

Mr. LEHLBACH. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, there never was a better time to pass a civil-service bill than the present. The gentleman from Georgia [Mr. RAMSPECK] has just said that if the Republicans are sincere in wanting civil service they will vote for this bill. I do not care whether the Republicans or the Democrats are in power so far as civil service is concerned, I am for it. I, however, want real civil service, not a false kind.

There is, as you know, Mr. Speaker, a well-known oil on the market for automobiles and general purposes known as "3-in-1." There is a "3-in-1" political oil also in the person of James A. Farley, Postmaster General, chairman

of the National Democratic Committee, and chairman of the New York State Democratic committee, the great "3-in-1-oil" Farley, nothing else. What does Mr. Farley think of civil service? I hold in my hand an official letter from the Roosevelt Nominator Committee, Hotel Bellevue, Boston, Mass., signed by James A. Farley with his celebrated green ink, and by Joseph McGrath, addressed to postmasters throughout the country. I have three of them right here from postmasters in my district, soliciting the sale of tickets for the Roosevelt Nominator Committee. The postmaster of one town says there are but two Democrats in the whole town, and how can I sell 25 tickets for the Democratic political cause? Another postmaster had 50 tickets sent to him. Now, that is civil service under the "3-in-1-oil" Farley system, nothing else.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. No; I cannot yield. Now, you cannot talk about civil service and James A. Farley in the same breath. He ought to be honest with the people of America. He ought to say: "I am for Franklin D. Roosevelt", or any other Democrat, "and I will work for him as chairman of the national committee", or he ought to be an honest Postmaster General and resign from these political jobs and not try to sell tickets to postmasters throughout the country at $1 per in behalf of the Roosevelt Nominator Committee.

I understand he denies any connection with this sale, but there is his celebrated green-ink signature right there [holding the letter up]. I do not think anybody would dare authorize the issuance of such a letter as that without Mr. Farley's consent and knowledge and desire to get $1 from every Democrat that he can raise through the Post Office Department.

Why, it is the most ridiculous, absurd situation I have ever seen developed in my 24 years of service here. Is he Postmaster General? Is he chairman of the national committee, or is he chairman of the State committee in New York? He is the "3-in-1" political oil machinist of the Democratic administration. [Applause.]

[Here the gavel fell.]

Mr. TREADWAY. Under permission to extend my remarks I submit extracts from two letters in my district together with a copy of the celebrated Farley letter which he unavailingly repudiates.

Tuesday I received 25 tickets by express. What am I to do with them? In the postal laws it says we are supposed to keep out of politics. I cannot sell the tickets here as there are only two Democrats in the village and even they will not buy.

Would hate to lose the post office, but it does not seem right that I should pay $25 to hold the office.

In the past 3 years I have been pestered (like all postmasters, I suppose; perhaps only Republican ones) with similar requests. For 2 years I sent a $5 check to the committee of the President's birthday ball, partly because I thought I must and partly because it was a worthy cause (if the hospital got the money). Now, I am not interested in selling tickets for a Democratic committee. I certainly cannot afford to buy the 50 tickets and I do not want to lose my post office.

ROOSEVELT NOMINATOR COMMITTEE,
Boston, Mass., June 11, 1936.

DEAR FRIEND: Mr. James A. Farley has arranged to finance the entire national campaign by selling Presidential nominator tickets at $1 each in every section of the country. No other contribution will be requested from you during the Presidential campaign.

As one who has a special interest in the success of President Roosevelt's campaign for reelection we are forwarding to you an allotment of tickets to sell to friends in order to complete the Massachusetts quota.

THE RESULT OF YOUR PERSONAL EFFORTS WILL BE ACKNOWLEDGED AND APPRECIATED BY THE NATIONAL COMMITTEE

The names of those who have the honor of recording themselves as nominators of President Roosevelt will be forwarded to the national committee at Washington as a recognition of their contribution.

Will you return a check for the tickets sold at your earliest convenience, as all returns must be made by June 27, the day the President makes his speech of acceptance.

Yours for Democratic success,

JAMES A. FARLEY,
JOSEPH MCGRATH,
Chairmen.

P. S.—Make checks payable to Democratic National Committee. Mail to Democratic State committee, Hotel Bellevue, Boston.

The national committee has assigned to you 50 tickets.

The letter which has been reproduced in all the newspapers is signed by Postmaster General Farley and Joseph McGrath, chairman of the Democratic State committee for Massachusetts. This letter is dated June 11, 1936.

On the same date Postmaster Leslie L. Travis, of Joplin, Mo., announced there that he had rejected the solicitation of Democratic national headquarters in New York that he accept the chairmanship of the Joplin unit of this fund-raising scheme.

On the same day Mr. C. W. Greenwade, postmaster at Springfield, Mo., announced through the press that he had accepted the appointment of Postmaster General Farley to head the campaign in the Springfield area. But the next day this postmaster made another announcement—that he had arranged to be relieved of the campaign duties.

At Poplar Bluff, Mo., Postmaster Z. Lee Stokely announced he had accepted the appointment and later changed his mind.

At various times since June 11 the Associated Press has reported similar declinations by the postmasters at Kansas City, Mo., Alexander W. Graham, and Columbia, Mo., A. W. Sapp.

On Tuesday, June 9, the Tribune at New Albany, Ind., gave conspicuous display on its first page to an announcement that the postmaster, William S. Darneal, had talked personally on the telephone with Postmaster General Farley at Washington the previous day.

That was on Tuesday, and on Thursday, June 11, the same newspaper carried an announcement of the plan to sell these $1 nominator tickets in the New Albany region. In this announcement of June 11 it was frankly admitted that "the proceeds from the sale of memberships will go to the party's campaign fund."

On Tuesday of this week, June 16, the postmaster at Providence, R. I., Edward F. Carroll, announced in the press that he had received a consignment of the nominator tickets and had accepted the chairmanship of the Rhode Island sales committee. The Providence Bulletin for June 17 reported the arrival of the tickets and the postmaster's acceptance of the campaign chairmanship. This report added, referring to Postmaster Carroll:

He exhibited a letter of acknowledgment of his acceptance from W. Forbes Morgan, secretary of the Democratic National Committee.

This same report declared:

The Rhode Island letters will bear the signatures of Mr. Farley and those of either Postmaster Carroll or State Chairman Thomas A. Kennelly. Enclosed will be tickets to be sold at $1 a head, the proceeds to go to the Democratic National Committee's campaign fund.

On the next day, June 18, the day following Mr. Farley's disclaimer of this whole sickening business, Postmaster Carroll, at Providence, announced his resignation as chairman of the Rhode Island committee. He did, however, exhibit a letter from Mr. W. Forbes Morgan, secretary of the Democratic National Committee, which read—

I am deeply gratified by your acceptance of the chairmanship of the Roosevelt nominators for your community. The certificate of appointment has been mailed to you.

Although he relinquished the formal chairmanship, Postmaster Carroll added in his press statement that he would "volunteer all the time and influence I can to make the campaign a success."

I have exhibited today to this House three personal letters from postmasters in Massachusetts. I have cited the names and post offices in four cities in Missouri where the same campaign has been in operation. I have cited the postmaster's personal account of his telephone talk from New Albany, Ind., with the Postmaster General, and I have given names and dates on the situation which developed involving the postmaster at Providence, R. I.

Here, then, are 10 specific cases involving postmasters in the solicitation of campaign funds—in four different States, all of which developed about, or since, June 11, the date of the Farley letter which has been reproduced widely in the press.

Here is clear evidence of a general policy which it is the clear duty of this House to nip in the bud. It is a violation of the Corrupt Practices Act, a violation of the civil-service laws, a violation of the postal rules and regulations, and an affront to American political morality.

We cannot permit these spoilsmen to mobilize the Postal Service for a Presidential campaign.

The record of this administration for spoilsmanship we all know. It has been related and discussed in this House many times. And it is not unfair to say that this administration's attempted mobilization of our 45,000 postmasters at this time represents the culmination of a premeditated policy of unblushing political spoilsmanship.

Let the majority of this House vote here and now to clean up this sinkhole of political spoils; and they will then be in a position to command the serious attention of the Nation with their hollow pleas for the strengthening and extension of the civil service.

Mr. LEHLBACH. Mr. Speaker, I yield 3 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, the statement made by the chairman of the committee is true. I believe he knows my very high regard for him and for his ability, and I believe he personally believes in the merit system. Under a Republican administration I approved a merit bill which would have put the postmasters under the civil service, but only after open, competitive examinations. The pending bill is not one for appointment to civil-service positions through merit. It gives Postmaster General Farley authority to appoint more men to the Post Office Department under his jurisdiction. I am talking now to the Democrats and the New Dealers. I believe we shall have a new Postmaster General in the next administration; but if we should not, do you realize that Members of Congress may not have their own appointees blanketed into the Post Office Department? Under this bill Postmaster General Farley's appointees, put in by throwing out all previous appointees, can hold office for life. Under this bill, how are these postmasters selected who are to hold office for life? Not by open competitive examination, not on merit, not under civil-service regulations. The bill, in section 2, reads:

> Appointments to positions of postmasters shall be made by the reappointment and classification, noncompetitively, of the incumbent postmaster.

All the political appointments of postmasters in the United States of Postmaster General Farley that he has made in the past will hold office for life. Also, all future postmasters appointed by him will hold office for life. Under this bill you are taking from the postmaster appointments made under the Democratic administration any merit there may have been in them, because you are not willing to permit your appointees to compete openly with other applicants.

Mr. Speaker, I cannot support this bill of special privilege which will close the doors on these highly paid postmasterships to deserving people. I hope the Members on the Democratic side of the House will realize the full import of the bill. If they do so, I am sure they will be just as much against it as I am. There are thousands of well-qualified people on the civil-service registers who have qualified in open, competitive civil-service examinations waiting to be considered for civil-service appointments. There are thousands of qualified, eligible people on the civil-service registers who are knocking at the door awaiting their chance to come in. And there are thousands upon thousands of people who have never been qualified by any examination now serving in New Deal departments. These people who are now serving as postmasters who have not qualified in open competitive examinations should not be given life appointments without competitive examinations. I believe the Members of the House of Representatives and every person in the entire United States will rise up and register a protest against this prostitution of the civil-service laws of our country under this administration. At the election next November they will make their wishes known in no uncertain terms for merit and equal opportunity in our civil-service system.

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. DISNEY] such time as he may desire.

Mr. DISNEY. Mr. Speaker, to my mind, patronage is the curse of legislation. Edmund Burke once said, in substance:

> I cannot serve you collectively if I attempt to serve you individually. I cannot do both.

Mr. Speaker, if we could devote the time we spend on patronage details we would be much better off and could render a higher class of service to our districts and the Nation. The civil service is not perfect, but it is much preferable to the patronage system, regardless of what form the patronage takes. In my opinion, post-office patronage, under the three highest eligibles system, is a political liability instead of an asset. It is a thing that distracts our attention from legislation. What difference does it make as to what is the politics of the man who looks after the local post office? Civil service is necessary, and the farther we get away from politics in our post-office system the better off the Nation will be. This bill will be one more nail in the coffin of the spoils system. The great American, Grover Cleveland, under whose first administration the civil service took form, said that a public office is a public trust. So public service should be a public trust, and the public servant in the Post Office Department who is free from political influence should render a better class of public service than he who is not.

Political contentment for the whole people can only be brought about by a higher order of public service, by the destruction of the spoils system in every form, and by higher ideals on the part of the citizenship. This bill is a great step in that direction.

[Here the gavel fell.]

Mr. LEHLBACH. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Speaker, I refuse to accept this bill as a party measure, and I trust that gentlemen on the Republican side will not make it difficult for those of us on this side of the aisle to register our opposition. I wholly and entirely disagree with the gentleman from Massachusetts in what he says about the civil service. I have absolutely no patience with it. In the civil service we find more dead-heading, more inefficiency, and more disloyalty than anywhere else in the world. As far as I am personally concerned, I am not interested in giving life tenure in office to those who now happen to be occupying the postmasterships of the country. The coldest and most arrogant person you know is the one holding a lifetime job. Of course, I have been troubled, as every other Democratic Member of the House has been, in making choice as between those wanting to be postmasters. I do not want to see them blanketed under the civil service because I want them held somewhat responsive to the demands of the public that they render courteous as well as efficient service. Put them under the civil service and that courtesy which they owe and which they now extend to the public will, in the main, be a thing of the past. [Applause.]

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Speaker, I yield 9 minutes to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Speaker, this is the best civil-service bill, both in form and in fairness, that has been presented to the House in the last 40 years. Any Member who believes in the merit system and has any confidence in his party's success cannot find fault with this bill.

The merit system became operative under President Arthur, in 1883, but the records show that real civil service came into being under President Cleveland. When Arthur left office there were 15,573 places in the classified service; at the end of his first term Cleveland had nearly doubled this number. Outstanding were his inclusion of the Railway Mail Service and the executive departments. At the time of his inauguration there were about 5,000 Presidential offices, appointments to which were made by the President and confirmed by the Senate, and approximately 49,000 fourth-class post offices, to which appointments were made by the Postmaster General. These Cleveland said he should not remove until the expiration of their terms unless they had failed to

be "decent public servants" and had proved "offensive partisans."

During his second term Cleveland made large additions to the civil service, including the Internal Revenue, Government Printing Office, mail-bag repair shops, Customs Service, Life Saving and Lighthouse Services, Engineer Department, Ordnance Department, Navy Yard, the rest of the Indian Service, pension surgeons, and many others. In 1894 he added 5,468 places to the classified service; the following year he made several extensions and revisions of the rules, all extending and increasing the merit system. He issued an order which required the filling of certain vacancies in the Consular Service by persons of proved capacity and fitness. During his last year he made a general revision of the rules, which added to the classified service 32,095 new places. On entering office after Harrison for a second term, he had found 37,865 places under the civil-service rules; he left 87,044, of which only 1,513 were due to growth. In his last annual message he pictured the situation clearly when he said:

A most radical and sweeping extension was made by Executive order dated the 6th day of May 1896, and if fourth-class postmasters are not included in the statement, it may be said that practically all positions contemplated by the civil-service law are now classified.

Here I should like to quote from the publication of the National Civil Service Reform League regarding Cleveland's contribution to the merit system:

Postmaster General Bissell put an end to the practice of removal upon secret charges of carriers in free-delivery offices by issuing an order providing that they should be informed of charges made against them and be afforded an opportunity for written explanation or defense before removal. President Cleveland retained upon the Civil Service Commission Theodore Roosevelt and appointed to a vacancy John R. Proctor, of Kentucky, a devoted friend of the merit system.

The most valuable contributions to reform made by the administration were the Executive orders extending the scope of the classified service. Beginning with the President's order of May 11, 1894, order after order was issued, culminating in the order of May 6, 1896, extending the classified service to include practically all of the executive service throughout the United States. These extensions * * * formed the most valuable and splendid services yet rendered to the merit system by any President.

Very different was the resolution of the league adopted in 1896 from that of 1892. At the annual meeting of the league in 1896 the report of the resolutions committee said: "The league heartily congratulates the country on the truly remarkable progress of the reform under the second administration of President Cleveland, and especially during the past year—a progress which can be best appreciated if we remember that less than 15,000 positions were included in the original classification under President Arthur and that in the 10 years following only some 28,000 had been added, while under this administration the whole number therefore included has very nearly been doubled, many thousands being added by the single order of May 6, 1896. So that now, while some 90,000 positions are embraced in the classified service, there is left without the protection thus afforded against the abuses of the spoils system besides the 70,000 postmasters only a small fraction of the whole executive Federal service, consisting of about 1,000 positions subject to confirmation by the Senate, about 8,600 laborers not yet included in the registration system, some 2,000 Indians employed as policemen or in other capacities on the reservations, about 6,000 positions with very small salaries, mostly under $300 a year, and 781 offices specially exempted from the rules, being for most part those of assistant postmasters. For this great achievement, advancing as it does the fundamental principles of free government, President Cleveland deserves the sincere and heartfelt thanks of all good citizens."

Civil-service bills have been presented before, and Presidents of the United States have blanketed postmasters into the civil service. In 1908 President Theodore Roosevelt issued an Executive order classifying all fourth-class postmasters in the 14 States north of the Ohio River and east of the Mississippi, bringing into the competitive class 15,488 positions. A few months before his retirement from office—on October 15, 1912—President Taft by Executive order extended the classification to include all the States. Under both of these Executive orders the officials in office were brought within the classified service without examination.

On March 31, 1917, by the fairest Executive order ever issued, President Wilson covered the first-, second-, and third-class post offices, requiring all applicants to take civil-service examinations to test their fitness and, most important of all, directing that the first man on the register be selected unless it should be established that his character or residence disqualified him for appointment. That was a real merit system. But on May 10, 1921, President Harding issued an Executive order changing the order of President Wilson and provided that selection might be made from among the three highest on the eligible lists.

This legislation before us is a fair bill, because under no circumstances will a postmaster serving today be blanketed into the civil service. He may continue in his present status until the expiration of his term, and at that time the Postmaster General then in control will decide whether he shall be given a noncompetitive examination, whether the vacancy shall be filled by promotion, or whether an open, competitive examination shall be held.

If there is any confidence on the Republican side of the aisle, they certainly cannot object to the passage of this bill, and I regret exceedingly that the distinguished gentleman from Massachusetts injected a spirit of partisanship into this debate. Of course, I must forgive him because he introduced a subject which some men on that side of the aisle can never forget—the subject of oil—oil in its relation to a record that they ought to live down by forgetting. [Applause.]

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. MEAD. No; I have only a few minutes.

Talk about the Postmaster General and his participation in politics—why, he is a mere child when compared to some of his Republican predecessors. If you will look into the record and read the report of the Brookhart committee, you will learn of the scandalous sale, not of tickets, but of postmasterships in the South, not by the Democratic Party but by the Republican Party. Yet after 40 years of power, with no attempt to cover the Post Office Department with a real merit system, they find fault because the Postmaster General may have written to somebody about the coming election. Here is what he himself says about that alleged letter:

The Postmaster General in a public statement said: "It is perfectly obvious from the form of the letter that it never emanated from me, because it begins by stating that Mr. James A. Farley has arranged to finance the entire national committee by selling nominator tickets for $1", and then it finishes up by the signature of James A. Farley.

Why, on the face of it, anyone with real judgment of practical politics and a knowledge of letter writing would not charge the Postmaster General with sending out a letter of that kind.

When the Republican Party was in power and Mr. Arch Coleman and Mr. Warren Glover were making speeches, what did they say at a postmasters' convention in the Southwest?

Remember, if there is anyone here who does not want to go out and do his bit in putting over the Republican ticket, I will be in Washington within 24 hours waiting for your resignation.

Here is what Mr. Coleman said in another speech:

I am going to use the few minutes available to me—

Speaking to postmasters—

for the purpose of outlining what I conceive to be ethical conduct on the part of Presidential postmasters who desire to continue active in the realm of national politics.

Then he told them to get busy, like ward leaders, in putting over the Republican candidates.

Here is what Mr. Brown, the Postmaster General, said. He had in mind charges similar to the charges made by the gentleman from Massachusetts when he made this observation:

As the period approaches, which comes every 4 years, when public attention is focused for a time on national politics, spokesmen for themselves and for various groups, partisan and others, are prone to be generous—

As was Mr. TREADWAY—

with their observations with respect to the duties, obligations, and limitations of postmasters in matters political. You may be interested, however, in hearing from me personally on the subject. The indisputable fact is that the laws of our land place no restrictions whatever on the particularly mentioned Presidential officers, a term which includes postmasters of the first, second, and third classes.

Then he gave them a lesson in practical politics.

Mr. Speaker, this is as just and fair a measure as was ever presented to the Congress because, if the Republicans win, their Postmaster General will name the new postmasters at the expiration of the term of the present postmasters. Thereafter all will be under civil service and we will be done with politics in the Postal Department.

I am here, Mr. Speaker, as one who believes in the merit system, as one who wants to see the Post Office Department succeed, and I am here to plead with my Democratic colleagues not to inject the spirit of partisan politics into the consideration of this bill but to vote for it and send it on its way to the Senate.

I have here a telegram from the National Council of Business Mail Users, which concludes as follows:

> We hope this Congress will not adjourn without taking action on H. R. 3251 because frankness compels us to state that failure to act constructively on postal civil service as outlined in this bill can only be considered as playing politics with the future advancement of postal personnel and the efficiency of the mails regardless of party affiliation.

The present Postmaster General, who took over the Post Office Department when its financial condition was the worst in all the history of the service from Benjamin Franklin down to today, with a net deficit of $150,000,000, is the best Postmaster General from a business standpoint that we have had since John Wanamaker's administration. Instead of the customary deficit the Department has shown a surplus for the past 2 years under his capable management. Mr. Farley has recommended legislation of this nature, as has also the President of the United States. They ask us to vote for it. [Applause.]

Mr. LEHLBACH. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. MAAS].

Mr. MAAS. Mr. Speaker, I do not take issue with my colleague from New York [Mr. MEAD] as to what Mr. Brown and his assistants did. I admit that they abused the high offices which they held, and I deprecate it, but this is supposed to be a reform measure. Why then should you insist upon the right to continue these abuses that occurred under former Postmasters General and yet call it reform, for you claim you are trying to reform the civil service.

I believe as ardently as anybody in this House in a complete merit system, and for some years I have favored putting everybody under civil service from the assistant Cabinet officers down, and I would support this bill willingly and enthusiastically, if you had a provision in it which required say 10 years' service in the Post Office Department to make a man eligible for these appointments, but under the guise of reform you are covering into the civil service politically appointed postmasters forever during their lifetime. It is not reform, it is the very opposite. You are perpetuating the spoils system for so long as these postmasters shall live. If you intend real reform, you will make the whole postal system a career service. You will limit the appointment of postmasters to those who have come up from the ranks in the Post Office Department. As a matter of fact as the system is operated today your postmasters are no essential part of nor necessary to the postal system from the Postmaster General on down. The postmasters today are merely political ambassadors of the party in power, and to whom we pay $10,000,000 a year, which is a $40,000,000 campaign fund for every Presidential election.

If this is really civil-service reform, why is it limited to politically appointed postmasters? Why does it not cover all the permanent Government services? For illustration, the Internal Revenue Bureau, where the personnel are real experts, certainly should be given civil-service coverage, yet those people are not touched by this bill.

Postmasters are being confirmed in batches every day. They are all without any experience or special training or particular qualifications for postal administrative work. This will continue until every post office is headed by a faithful Democrat. Then these politically appointed postmasters will be protected for life in their spoils-system appointments. This is the spoils system at its worst.

If you wanted to be fair and honest in this so-called reform, you would bring in a bill opening these appointments to open competitive examinations or close it to all but actual civil-service employees in the regular post-office system.

This is not civil-service reform nor the extension of the merit system. There was no merit standard of selection for these postmasters when they were appointed except faithful service to the Democratic Party.

You are destroying merit in the civil service by this crude attempt to fill these offices by political hencemen and then get a law to keep them in office for life. It is certainly generous of you Democrats to carefully wait until you have filled all of these offices with your appointees and then suddenly think of extending civil service to keep them in office.

Why, Mr. Speaker, this is nothing but a bare-faced steal. It is a plan to permanently set up Democratic bosses to be paid by the Federal Government in 13,000 cities and towns. It shuts the door to real merit appointments or promotions to these offices. If this is the Democratic Party's idea of the merit system in government, then it is high time that the problem be turned over to some party to be reformed.

I have pending a bill that would restrict appointments from top to bottom in the Postal Service to those who enter the service by competitive examination and who work their way up to the top solely upon their merit. A Democratic-controlled Congress has refused to even give my bill a hearing.

Mr. Speaker, I repeat that this bill is not civil-service reform nor an extension of the merit system in government, but a bold attempt by the spoilsman to perpetuate in office his political appointees.

Defeat this bill and next year we will bring before this House a genuine civil-service merit bill, not only for the postal system, but for every permanent Government position.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. LEHLBACH. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, a previous speaker has suggested that politics be eliminated from this debate. I support that motion because I am a firm believer in genuine civil service, and politics and civil service do not mix. Coveted political advantage alone has prevented the accomplishment of civil service in the post-office service up to date.

The speech which was made by my good friend, the gentleman from New York [Mr. MEAD] has demonstrated clearly the principal reason why the Congress has never been able to get anywhere in applying civil service to the postmasters. I regret that so hard working, so influential, and so conscientious a Member of this body should lend himself to political endeavor when the time is so limited and the matter at issue is so vital. We are not interested today in the faults or shortcomings of past political Postmasters General. Every administration, regardless of political affiliations, has played more or less politics with postmasters, and that is the evil we are trying to overcome. Therefore, suffice it to say, that we will get nowhere if the Republicans twit the Democrats and if the Democrats banter the Republicans about the happenings of bygone days.

The gentleman from New York [Mr. MEAD] admonishes the Republicans that they should be for this bill if they have confidence in the success of the Republican ticket in the coming campaign for, says he, under the provisions of this proposed law, existing first-, second-, and third-class postmasters will be permitted to serve out the terms for which they were appointed, whereupon they may be reappointed without competitive examination by the Postmaster at the time, if he so desires, or the vacancies may be filled by promotion from the ranks in the postal service, or genuine civil-service examinations may be held, but all this within the discretion of the Postmaster General.

Now, it is this discretion to which most of us object. This bill is Democratic political civil service. In short, all first-, second-, and third-class postmasters throughout the United States at the end of the present administration will be Democrats, and enactment of this bill would freeze these

appointees into life jobs, regardless of their merit or qualifications, provided, of course, Postmaster General Farley or his successor might so desire.

It is regrettable that this bill is brought in under suspension of rules, which means that the House may debate or talk about the bill for 40 minutes but, regardless of the sentiment of the House, one must then vote "yes" or "no" on its passage, without being able to offer amendments. Passing important legislation under gag rule has become a popular pastime, but if I am not mistaken the procedure will be very unpopular with the rank and file of the people when they fully understand. If this bill could be so amended as to permit existing postmasters to serve out their full terms, at which time competitive examinations under civil service were held, and the vacancies filled, either by promotion from the ranks or by those found to be qualified under bona fide civil-service examination and without political domination, then we would have civil service as the people of the country understand the term, and I should be happy to support this bill if it were so amended.

The League of Women Voters and some other organizations have endorsed the civil-service principle and some have been induced to endorse this bill, H. R. 3251, by number. I am sure, however, that those persons in my district endorsing this bill did not know its real purport.

This subject should not be political. However, there are not enough Republicans in the Congress at the present time to pass or defeat any legislation. As a minority party we can, however, call attention to some of these improper proposals and may at least register our disapproval when the roll is called. The gentleman from Georgia, Judge Cox, although a leading Democrat, speaks as a patriot, and I am convinced that the center aisle will be obliterated when the vote comes. The gentleman from Georgia, the chairman of the committee [Mr. RAMSPECK], who is the author of this bill, tells us that here is an opportunity to comply with the terms of the Republican platform adopted at Cleveland. Let me call his attention to the fact that he has entirely misconstrued that platform. The Republican platform promises to remedy the conditions mentioned in the platform. For the sake of accuracy, I quote the civil-service plank in the Republican platform:

> Under the New Deal official authority has been given to inexperienced and incompetent persons. The civil service has been sacrificed to create a national political machine. As a result the Federal Government has never presented such a picture of confusion and inefficiency.
>
> We pledge ourselves to the merit system, virtually destroyed by the New Deal spoilsmen. It should be restored, improved, and extended.
>
> We will provide such conditions as offer an attractive permanent career in Government service to young men and women of ability, irrespective of party affiliations.

Let all those who believe in effective civil service for first-, second-, and third-class postmasters join in defeating this make-believe bill, and then let the committee bring in a short, direct bill, providing for the filling of all future vacancies in these offices under the genuine provisions of the civil-service law. I shall be happy to support such a measure.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. LEHLBACH. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a copy of H. R. 11508.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WOLCOTT. Mr. Speaker, it will be recalled that when this bill was reached on the Consent Calendar attention was called to the fact that it was highly desirable to put first-, second-, and third-class postmasters under civil service, and we agreed that it should be done, and in order to help that cause along and to remove the objections in the Ramspeck bill, which is before us today, I introduced a bill on February 27, known as H. R. 11508, which follows the suggestion of the gentleman from Michigan [Mr. MICHENER], in that it provides that the postmasters may continue to fill out their terms and then, after competitive civil-service examination, be reappointed. If you gentlemen wish to chide us about the civil-service provision in the Republican platform, let me tell you that we are honest and sincere in that, as we always have been with respect to civil service. We have an honest desire to see the first-, second-, and third-class postmasters under civil service, but we do object to you perpetuating your appointees in office for life under the guise of placing the office which they hold under civil service. If you are sincere in wanting to put first-, second-, and third-class postmasters under civil service, under the merit system, you will have to take that word "noncompetitive" out of the bill. In other words, you cannot discuss this bill from any other standpoint than a purely political standpoint, because it is a deliberate attempt by the Democratic administration to freeze into the civil service every present postmaster of the first, second, and third class. If the President we now have is returned to office, upon reappointment every postmaster is blanketed into the civil service. If any other President is elected, then after the expiration of the term under this bill the candidate must take a competitive examination. You want to be fair, and you chide us with not wanting to be fair. If you are fair you would have amended this bill before you ever presented it to provide a real merit system for these 31,956 postmasters, whose aggregate salaries are $28,045,600.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Under leave to extend my remarks I include H. R. 11508, a bill which I contend is an answer to the insistence that first-, second-, and third-class postmasters should be taken out of politics and put on a real merit basis. Instead of correcting the present evils in respect to the spoils system of making appointments of these postmasters, the Ramspeck bill, which we are considering, might result in one of the most collosal patronage grabs ever perpetrated by a representative body acting in behalf of a supposedly free people.

> A bill to provide for the extension of the classified civil service to include postmasters of the first, second, and third classes, and for other purposes
>
> *Be it enacted, etc.*, That postmasters of the first, second, and third classes shall hereafter be appointed without term, by the Postmaster General, in accordance with the provisions of the act entitled "An act to regulate and improve the civil service of the United States", approved January 16, 1883, as amended, and the rules prescribed thereunder: *Provided*, That postmasters now serving may continue to serve until their terms of office expire. In the examinations for such positions, experience in the Postal Service shall count for 50 per centum; but no credit shall be given for experience in the Postal Service, under an appointment made prior to the enactment of this act, as postmaster or acting postmaster in an office of the first, second, or third class.
>
> SEC. 2. Appointments of acting postmaster in all classes of post offices shall be made in accordance with the provisions of the civil-service rules governing temporary appointments.

Mr. LEHLBACH. Mr. Speaker, if this were a genuine attempt to put postmasters of the first, second, and third class under civil service, the bill would read somewhat as follows:

> After the expiration of the terms of the present incumbents of post offices of the first, second, and third classes, the position shall be filled by promotion from the Postal Service, under the provisions of the Civil Service Act and rules. In the event that no person is eligible for such promotion, then under the general rules of the Civil Service Act and rules the position shall be filled like any other competitive civil service position is filled.

That would be putting postmasters of the first, second, and third class under civil service. This merely gives an opportunity to freeze in political appointments that have been made during this administration.

The SPEAKER pro tempore. The time of the gentleman from New Jersey has expired.

Mr. RAMSPECK. Mr. Speaker, I am very much astonished at my friends on the Republican side of the aisle about this matter. If the gentleman from Michigan [Mr. MICHENER] has the intelligence that I have always accorded to him, he knows when he reads this bill and the method of appointment, that if the Republicans win in November, the word "noncompetitive" goes out. Any other man of

intelligence knows that, because we would not expect them to reappoint Democratic postmasters, so why are you quibbling over language? If you have any confidence in your ability to win this election, vote for this reform, because of course you will not use the noncompetitive method.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. No; I do not yield.

This bill, I may say to my friends on the Democratic side, has the active support and endorsement of the President of the United States, Hon. Franklin D. Roosevelt. He expressed himself as favorable to the bill several months ago in a press conference at the White House, and he has been active in trying to get it up on the floor of this House. It has the endorsement of Mr. Farley [laughter] and his active support. It has the endorsement of the League of Women Voters in their national convention. Now, laugh at that. It has the endorsement of the National Council of Business Mail Users, a thousand members, and affiliated with it, 16,000 more, who are urging the passage of this particular bill at this particular time. The people of the United States, in a national poll conducted by the newspapers of this country, voted 85 percent for civil service and only 15 percent against. We are offering you for the first time in years an opportunity to put these postmasters out of politics and put them under civil service. You have nothing to fear if you can win the election, from this bill. The Democrats of course are going to win it and we have nothing to fear from it. So let us get rid of this troublesome question. Let us put this thing behind us. Let us put this bill across and put these postmasters on a career system, a more efficient system, and we will satisfy the great majority of the people of this country. We will give them better postal service. We will have less trouble ourselves with these patronage problems. We should have the most efficient postal system possible. I think unquestionably the way to get it is to take it out of politics.

Mr. UMSTEAD. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to my friend from North Carolina.

Mr. UMSTEAD. I would like to ask the gentleman, if the administration, the President, and the Post Office Department, and the other organizations mentioned by the gentleman are so strongly in favor of this bill, why is it that the bill has not been brought to the House until the closing hours of the session with only 40 minutes of discussion and no opportunity to amend the bill?

Mr. RAMSPECK. The gentleman knows as much about procedure in the House as I do and he knows how difficult it is to get bills up. That is the reason it has not been here before.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. MEAD. This is the third attempt at this session to pass this bill, is it not?

Mr. RAMSPECK. Yes. The bill has been twice on the Consent Calendar and objected to by my friends on the Republican side. Now they come here, after Cleveland, and again object and try to throw out a smoke screen about it. The gentleman from New York [Mr. BACON], much to my surprise, put into the RECORD a statement that this was a public fraud. He has either got less sense than I thought he had or else he has less regard for the truth than I thought he had.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. WOLCOTT. Has any attempt been made by your committee to get a rule to bring this bill out by which it might be considered and amended?

Mr. RAMSPECK. Yes. I filed an application for a rule, but as far as I know there never was a hearing on it. But it is here now and everybody knows what it is. If you gentleman do not vote for it, do not talk to us any more about breaking platform promises. [Laughter.]

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. HOUSTON. Did not the Republican platform endorse this bill?

Mr. RAMSPECK. Absolutely. [Laughter and applause.]

The SPEAKER. The time of the gentleman from Georgia has expired.

All time has expired.

The question is on the motion of the gentleman from Georgia to suspend the rules and pass the bill as amended.

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were—ayes 132 and noes 63.

Mr. WOLCOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and fifty-five Members are present, a quorum.

Mr. SNELL. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 206, nays 112, not voting 105, as follows:

[Roll No. 126]

YEAS—206

Ashbrook	Driver	Kopplemann	Randolph
Barry	Duffy, N. Y.	Kramer	Reilly
Beam	Duncan	Kvale	Rich
Beiter	Dunn, Pa.	Lambeth	Richards
Bell	Eckert	Lea, Calif.	Richardson
Biermann	Eicher	Lemke	Robertson
Blackney	Ekwall	Lesinski	Rogers, N. H.
Bland	Ellenbogen	Lewis, Colo.	Rogers, Okla.
Blanton	Englebright	Lewis, Md.	Russell
Bloom	Evans	Luckey	Ryan
Boehne	Fitzpatrick	Ludlow	Sanders, Tex.
Boileau	Flannagan	Lundeen	Sandlin
Boland	Fletcher	McAndrews	Schaefer
Boykin	Frey	McGrath	Schulte
Boylan	Gambrill	McKeough	Scott
Brown, Ga.	Gavagan	McLaughlin	Shanley
Brown, Mich.	Gearhart	McLeod	Sirovich
Buck	Gehrmann	McMillan	Sisson
Buckler, Minn.	Gildea	McSwain	Smith, Conn.
Burch	Gillette	Mahon	Smith, Va.
Burnham	Granfield	Main	Smith, Wash.
Caldwell	Gray, Ind.	Mansfield	Somers, N. Y.
Carlson	Greenway	Mapes	South
Carpenter	Greenwood	Marcantonio	Stack
Carter	Greever	Martin, Colo.	Starnes
Cartwright	Griswold	Mason	Steagall
Casey	Guyer	Massingale	Stefan
Castellow	Haines	Mead	Stubbs
Chandler	Halleck	Meeks	Sutphin
Christianson	Hancock, N. C.	Merritt, Conn.	Sweeney
Citron	Harlan	Merritt, N. Y.	Terry
Clark, Idaho	Hart	Mitchell, Ill.	Thom
Cochran	Healey	Monaghan	Thomason
Coffee	Hennings	Moran	Thompson
Colden	Higgins, Mass.	Murdock	Thurston
Colmer	Hildebrandt	Norton	Tonry
Connery	Hill, Ala.	O'Brien	Utterback
Cooley	Hope	O'Day	Vinson, Ga.
Costello	Houston	O'Leary	Wadsworth
Cravens	Hull	O'Malley	Walter
Crawford	Jacobsen	Patman	Wearin
Creal	Jenckes, Ind.	Patterson	Welch
Crosser, Ohio	Johnson, Okla.	Patton	Werner
Crowe	Johnson, Tex.	Pettengill	White
Curley	Jones	Peyser	Whittington
Daly	Kelly	Pfeifer	Wilcox
Dempsey	Kennedy, Md.	Pittenger	Withrow
Dirksen	Kennedy, N. Y.	Plumley	Woodruff
Disney	Kenney	Polk	Woodrum
Dobbins	Kloeb	Rabaut	Young
Dorsey	Kniffin	Ramsay	
Driscoll	Kocialkowski	Ramspeck	

NAYS—112

Adair	Darrow	Gifford	Kerr
Allen	Delaney	Gilchrist	Kinzer
Andresen	Dickstein	Gingery	Knutson
Arends	Dietrich	Goldsborough	Lambertson
Barden	Dockweiler	Goodwin	Lamneck
Buchanan	Dondero	Gray, Pa.	Lehlbach
Cavicchia	Doughton	Gregory	Lord
Chapman	Doutrich	Gwynne	McLean
Church	Doxey	Hancock, N. Y.	McReynolds
Clark, N. C.	Edmiston	Hartley	Maas
Cole, Md.	Engel	Hess	Marshall
Cole, N. Y.	Faddis	Hoffman	Michener
Cooper, Ohio	Farley	Holmes	Millard
Cooper, Tenn.	Fenerty	Hook	Miller
Cox	Fish	Huddleston	Mitchell, Tenn.
Crowther	Focht	Jenkins, Ohio	Mott
Culkin	Ford, Miss.	Johnson, W. Va.	Owen
Cullen	Fuller	Kahn	Palmisano

Parsons	Robinson, Utah	Taber	Wallgren
Pearson	Rogers, Mass.	Tarver	Warren
Peterson, Ga.	Romjue	Taylor, S. C.	West
Pierce	Seger	Taylor, Tenn.	Whelchel
Powers	Shannon	Tobey	Wigglesworth
Rankin	Short	Treadway	Williams
Ransley	Smith, W. Va.	Turner	Wolcott
Reece	Snell	Turpin	Wolfenden
Reed, Ill.	Snyder, Pa.	Umstead	Wolverton
Risk	Spence	Vinson, Ky.	Zimmerman

NOT VOTING—105

Amlie	Deen	Kee	Quinn
Andrews	DeRouen	Keller	Rayburn
Ayers	Dies	Kleberg	Reed, N. Y.
Bacharach	Dingell	Lanham	Robsion, Ky.
Bacon	Ditter	Larrabee	Sabath
Berlin	Drewry	Lee, Okla.	Sadowski
Binderup	Duffey, Ohio	Lucas	Sanders, La.
Bolton	Dunn, Miss.	McClellan	Sauthoff
Brennan	Eagle	McCormack	Schneider, Wis.
Brewster	Eaton	McFarlane	Schuetz
Brooks	Ferguson	McGehee	Scrugham
Buckley, N. Y.	Fernandez	McGroarty	Sears
Bulwinkle	Fiesinger	Maloney	Secrest
Burdick	Ford, Calif.	Martin, Mass.	Stewart
Cannon, Mo.	Fulmer	Maverick	Sullivan
Cannon, Wis.	Gasque	May	Sumners, Tex.
Carmichael	Gassaway	Montague	Taylor, Colo.
Cary	Green	Montet	Tinkham
Celler	Hamlin	Moritz	Tolan
Claiborne	Harter	Nelson	Weaver
Collins	Higgins, Conn.	Nichols	Wilson, La.
Corning	Hill, Knute	O'Connell	Wilson, Pa.
Crosby	Hill, Samuel B.	O'Connor	Wood
Cross, Tex.	Hobbs	Oliver	Zioncheck
Cummings	Hoeppel	O'Neal	
Darden	Hollister	Parks	
Dear	Imhoff	Peterson, Fla.	

So, two-thirds not having voted in favor thereof, the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hobbs and Mr. Knute Hill (for) with Mr. Ditter (against).

Until further notice:

Mr. Corning with Mr. Martin of Massachusetts.
Mr. Maloney with Mr. Wilson of Pennsylvania.
Mr. Drewry with Mr. Hollister.
Mr. Taylor of Colorado with Mr. Bacon.
Mr. Lanham with Mr. Eaton.
Mr. Rayburn with Mr. Bolton.
Mr. O'Connor with Mr. Higgins of Connecticut.
Mr. Fulmer with Mr. Brewster.
Mr. Bulwinkle with Mr. Reed of New York.
Mr. Darden with Mr. Tinkham.
Mr. Montague with Mr. Andrews.
Mr. Fernandez with Mr. Collins.
Mr. McFarlane with Mr. Bacharach.
Mr. Dingell with Mr. Robsion of Kentucky.
Mr. Sumners of Texas with Mr. Sauthoff.
Mr. McClellan with Mr. Stewart.
Mr. Sabath with Mr. Burdick.
Mr. Sears with Mr. Schneider.
Mr. Larrabee with Mr. Dear.
Mr. Sullivan with Mr. Lucas.
Mr. Wood with Mr. Montet.
Mr. Secrest with Mr. Gasque.
Mr. Ashbrook with Mr. Binderup.
Mr. O'Connell with Mr. Quinn.
Mr. Dies with Mr. Schuetz.
Mr. Imhoff with Mr. O'Neal.
Mr. Hamlin with Mr. Crosby.
Mr. Lee of Oklahoma with Mr. Brooks.
Mr. McCormack with Mr. Harter.
Mr. Claiborne with Mr. Keller.
Mr. Scrugham with Mr. Tolan.
Mr. Nelson with Mr. Ford of California.
Mr. Maverick with Mr. Deen.
Mr. Kee with Mr. Cannon of Missouri.
Mr. Celler with Mr. DeRouen.
Mr. McGroarty with Mr. Peterson of Florida.
Mr. Carmichael with Mr. Ferguson.
Mr. May with Mr. Gassaway.
Mr. Buckley of New York with Mr. Green.
Mr. McGehee with Mr. Nichols.
Mr. Cross of Texas with Mr. Cannon of Wisconsin.
Mr. Cary with Mr. Ayers.
Mr. Oliver with Mr. Berlin.
Mr. Parks with Mr. Samuel B. Hill.
Mr. Sadowski with Mr. Brennan.
Mr. Duffey of Ohio with Mr. Sanders of Louisiana.
Mr. Fiesinger with Mr. Eagle.
Mr. Moritz with Mr. Wilson of Louisiana.
Mr. Cummings with Mr. Dunn of Mississippi.

Mr. WEARIN and Mr. GAVAGAN changed their vote from "nay" to "yea."

Mr. McCORMACK. Mr. Speaker, I was unavoidably absent on account of official business. Had I been present, I would have voted "yea."

The result of the vote was announced as above recorded.

FEDERAL FOOD, DRUG, AND COSMETIC ACT

Mr. CHAPMAN. Mr. Speaker, I move to suspend the rules and pass the bill (S. 5) to prevent the adulteration, misbranding, and false advertising of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purpose of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes, with an amendment.

The SPEAKER. The gentleman from Kentucky moves to suspend the rules and pass the bill S. 5, the Federal Food, Drug, and Cosmetic Act, with an amendment, which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc.

CHAPTER I

SECTION 1. That this act may be cited as the "Federal Food, Drug, and Cosmetic Act."

CHAPTER II

DEFINITION OF TERMS

SECTION 201. As used in this act, unless the context otherwise indicates—

(a) The term "food" includes all substances and preparations used for, or entering into the composition of, food, drink, confectionery, chewing gum, or condiment for man or other animals.

(b) The term "drug", for the purposes of this act, includes (1) all substances and preparations recognized in the official United States Pharmacopœia, official Homœopathic Pharmacopœia of the United States, or official National Formulary, or any supplement to any of them; and (2) all substances and preparations intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; and (3) all substances and preparations, other than food and cosmetics, intended to affect the structure or any function of the body.

(c) The term "device", for the purposes of this act, includes all devices intended (1) for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; and (2) to affect the structure or any function of the body.

(d) The term "cosmetic" includes all substances and preparations intended for cleansing, or altering the appearance of, or promoting the attractiveness of, the person; except that such term shall include soaps only when medicinal or curative qualities are claimed therefor.

(e) The term "Territory" means any Territory or possession of the United States, including the District of Columbia and excluding the Canal Zone.

(f) The term "interstate commerce" means (1) commerce between any State or Territory and any place outside thereof, and (2) commerce or manufacture within the District of Columbia or within any other Territory not organized with a legislative body.

(g) The term "person" includes individual, partnership, corporation, and association.

(h) The term "Secretary" means the Secretary of Agriculture.

(i) The term "label" means the principal display or displays of written, printed, or graphic matter (1) upon any food, drug, device, or cosmetic, or the immediate container thereof, and (2) upon the outside container or wrapper, if any there be, of the retail package of any food, drug, device, or cosmetic.

(j) The term "labeling" includes all labels and other written, printed, and graphic matter, in any form whatsoever, accompanying any food, drug, device, or cosmetic.

(k) The term "advertisement" includes all representations of fact or opinion disseminated to the public in any manner or by any means, other than by the labeling, for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics.

(l) The term "medical profession" means the legalized professions of the healing art; and the term "medical opinion" means the opinion, within their respective fields, of the practitioners of any branch of the medical profession, the practice of which is licensed by law in the State or Territory where any drug or device, to which such opinion relates, is held, sold, or distributed; and the term "scientific opinion" means the opinion, within their respective fields, of competent pharmacologists, physiologists, or toxicologists.

(m) The term "official compendium" means the United States Pharmacopœia, Homœopathic Pharmacopœia of the United States, National Formulary, or any supplement to any of them, official at the time any drug to which the provisions thereof relate is introduced into interstate commerce.

(n) The term "Department" means the Department of Agriculture of the United States.

(o) The term "Administration" means the Food and Drug Administration of the Department.

CHAPTER III

ADULTERATED FOOD

SECTION 301. A food shall be deemed to be adulterated—

(a) (1) If it bears or contains any poisonous or deleterious substance which may render it dangerous to health; or (2) if it bears or contains any added poisonous or added deleterious substance which may render it injurious to health, or which is unsafe within the meaning of section 305, or in excess of the limits of

tolerance prescribed by regulations as provided by section 305; or (3) if it consists in whole or in part of any filthy, putrid, or decomposed substance, or if it is otherwise unfit for food; or (4) if it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health; or (5) if it is, in whole or in part, the product of a diseased animal or of an animal which has died otherwise than by slaughter; or (6) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

(b) (1) If any valuable constituent has been in whole or in part abstracted therefrom; or (2) if any substance has been substituted wholly or in part therefor; or (3) if damage or inferiority has been concealed in any manner; or (4) if any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or create a deceptive appearance.

(c) If it contains a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 305.

(d) If it is confectionery or ice cream, it shall also be deemed to be adulterated if it bears or contains any alcohol, harmful resinous glaze, or nonnutritive substance except harmless coloring, harmless flavoring, natural gum, and pectin: *Provided*, That this paragraph shall not apply to any confectionery or ice cream by reason of its containing less than one-half of 1 percent by volume of alcohol derived solely from the use of flavoring extracts, or to any chewing gum by reason of its containing harmless nonnutritive masticatory substances.

MISBRANDED FOOD

SEC. 302. A food shall be deemed to be misbranded—

(a) If its labeling is false or misleading in any particular.

(b) If it is offered for sale under the name of another food.

(c) If it is an imitation of another food, and its label fails to bear, in type of uniform size and prominence, the word "imitation" and, immediately thereafter, the name of the food imitated.

(d) If its container is so made, formed, or filled as to mislead the purchaser.

(e) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, seller, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under subdivision (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

(f) If any word, statement, or other information required on the label under any provision of this act is not prominently placed thereon in such a manner as to be easily seen and in such terms as to be readily understood by purchasers and users of such articles under customary conditions of purchase and use, due consideration being given to the size of the package.

(g) If it purports to be or is represented as a food for which a definition and standard of identity has been prescribed by regulations as provided by section 304, and (1) it fails to conform to such definition and standard, or (2) its label fails to bear the name of the food prescribed in the definition and standard, or if so required by such regulations when such definition and standard permits optional ingredients other than spices, flavors, and coloring, the common names of such optional ingredients as are present in such food.

(h) If it purports to be or is represented as a food for which standards of quality or fill of container have been prescribed by regulations as provided by section 304, and (1) its label fails to bear a statement of its standard of quality in such terms as the regulations specify, or (2) if its fill falls below such standard of fill of container and its label fails to bear a statement, in such manner as the regulations specify, showing that it falls below such standard of fill of container.

(i) If it is not subject to the provisions of paragraph (g) of this section and its label fails to bear (1) the common or usual name of the food, if any there be, or (2) in case it is fabricated from two or more ingredients, the common or usual name of each such ingredient; except that spices, flavors, and colorings, other than those sold as such, may be designated as spices, flavors, and colorings without naming each: *Provided*, That, to the extent that compliance with the requirements of subdivision (2) of this paragraph is impracticable because of variations in ingredients usual to good manufacturing or packing practice, or is impracticable for any other reason, exemptions shall be established by regulations promulgated by the Secretary. Such subdivision (2) shall not apply to any proprietary food the ingredients of which have been fully and correctly disclosed to the Secretary if compliance with such subdivision would give to competitors information they could not otherwise obtain.

(j) If it purports to be or is represented for special dietary uses, such as by infants or invalids or for other special nutritional requirements, and its label fails to bear, if so required by such regulations as may be prescribed by the Secretary as necessary for the protection of the public health, statements concerning its vitamin, mineral, and other dietary properties which fully inform the purchaser as to its nutritional value.

(k) If it bears or contains any artificial flavor, artificial color, or chemical preservative, and it fails to bear a label stating that fact: *Provided*, That to the extent that compliance with the requirements of this paragraph is impracticable, exemptions shall be established by regulations promulgated by the Secretary.

(l) If it is a distilled liquor, or if it is a beverage (other than fortified wine) containing any distilled liquor, unless its label states (1) the percentage by volume of alcohol therein; (2) in case it contains two or more whiskies or other alcoholic beverages, the percentage by volume of each distilled liquor present and the source or sources from which each is derived; (3) in case of any kind of whisky stored in wood, or any mixture of whiskies of which one or more has been stored in wood, the length of time, if any, each such whisky has been so stored; and (4) in the case of any mixture of any kind of whisky or whiskies with neutral spirits, the length of time, if any, each such whisky has been stored in wood: *Provided*, That the provisions of this paragraph shall not apply insofar as they impose any requirement imposed by or under authority of the Federal Alcohol Administration Act.

(m) If it purports to be or is represented as any kind of whisky, and it contains alcohol derived from any source other than grain.

REGULATIONS MAKING EXEMPTIONS

SEC. 303. The Secretary is hereby directed to promulgate regulations exempting from any labeling requirement of this act (1) small open containers of fresh fruits and fresh vegetables and (2) food which is, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such food is not adulterated or misbranded under the provisions of this act upon removal from such processing, labeling, or repacking establishment.

DEFINITIONS AND STANDARDS FOR FOOD

SEC. 304. For the effectuation of the purposes of this act the Secretary is hereby authorized to promulgate regulations fixing and establishing for any food definitions and standards of identity, and reasonable standards of quality and fill of container: *Provided*, That no standard of quality shall be established for fresh fruits (except fresh citrus fruits) or fresh vegetables and no standard of identity for fresh fruits or fresh vegetables. In the fixing and establishing of any standard of quality for any canned fruit or canned vegetable, consideration shall be given and due allowance made for the differing characteristics of the several varieties of such fruit or vegetable.

TOLERANCES FOR POISONOUS INGREDIENTS IN FOOD AND CERTIFICATION OF COAL-TAR COLORS FOR FOOD

SEC. 305. (a) Any poisonous or deleterious substance added to any food, except where such substance is required in the production thereof or cannot be avoided by good manufacturing practice shall be deemed to be unsafe for purposes of the application of section 301 (a); but when such substance is so required or cannot be so avoided, the Secretary is authorized to promulgate regulations limiting the quantity therein or thereon to such extent as he finds necessary for the protection of public health. In determining the quantity of such added substance to be tolerated in or on different articles of food the Secretary shall take into account the extent to which the use of such substance is required or cannot be avoided in the production of each such article, and the other ways in which the consumer may be affected by the same or other poisonous or deleterious substances.

(b) The Secretary is hereby authorized to promulgate regulations for the certification of coal-tar colors which are harmless and suitable for use in food.

EMERGENCY PERMIT CONTROL

SEC. 306. (a) Whenever the Secretary finds after investigation that the distribution in interstate commerce of any class of food may, by reason of contamination with micro-organisms during the manufacture, processing, or packing thereof in any locality, be injurious to health, and that such injurious nature cannot be adequately determined after such articles have entered interstate commerce, he is then, and in such case only, authorized to promulgate regulations providing for the issuance, to manufacturers, processors, or packers of such class of food in such locality, of permits to which shall be attached such conditions governing the manufacture, processing, or packing of such class of food, for such temporary period of time, as may be necessary to protect the public health, and after the effective date of such regulations, and during such temporary period, no person shall introduce into interstate commerce any such food manufactured, processed, or packed by any such manufacturer, processor, or packer unless such manufacturer, processor, or packer holds a permit issued by the Secretary as provided by such regulations.

(b) The Secretary is authorized to suspend immediately upon notice any permit issued under authority of this section if it is found that any of the conditions of the permit have been violated. The holder of a permit so suspended shall be privileged at any time to apply for the reinstatement of such permit, and the Secretary shall immediately after prompt hearing and an inspection of the establishment, reinstate such permit if it is found that adequate measures have been taken to comply with and maintain the conditions of the permit, as originally issued or as amended.

(c) Any officer or employee duly designated by the Secretary shall have access to any factory or establishment, the operator of which holds a permit from the Secretary, for the purpose of ascertaining whether or not the conditions of the permit are being complied with, and denial of access for such inspection shall be ground for suspension of the permit until such access is freely given by the operator.

CHAPTER IV

ADULTERATED DRUGS

SECTION 401. A drug shall be deemed to be adulterated—

(a) (1) If it consists in whole or in part of any filthy, putrid, or decomposed substance; or (2) if it has been prepared, packed, or held under insanitary conditions whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health; or (3) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render it injurious to health; or (4) if it contains, for purposes of coloring only, a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 404.

(b) If its name is recognized in an official compendium, or if it purports to be a drug the name of which is so recognized, and it differs from the standard of strength, quality, or purity as determined by the tests or methods of assay set forth therein; except that whenever tests or methods of assay have not been prescribed therein, or such tests or methods of assay as are prescribed are insufficient, for determining whether or not such drug complies with such standard, the Secretary is hereby authorized to bring such fact to the attention of the appropriate body charged with the revision of such compendium and if such body fails within a reasonable time to prescribe tests or methods of assay which are sufficient, then the Secretary may by regulations prescribe for the purposes of this act such tests or methods of assay. No drug shall be deemed to be adulterated under this paragraph because it differs from the standard of strength therefor set forth in an official compendium, if its standard of strength be plainly stated on its label. Whenever a drug is recognized in both the United States Pharmacopœia and the Homœopathic Pharmacopœia of the United States it shall be subject to the requirements of the United States Pharmacopœia unless it is labeled and offered for sale as a homœopathic drug, in which case it shall be subject to the provisions of the Homœopathic Pharmacopœia of the United States and not to those of the United States Pharmacopœia.

(c) If it is not subject to the provisions of paragraph (b) of this section and its identity or strength differs from, or its purity or quality falls below, that which it purports or is represented to possess.

(d) If any substance has been (1) mixed or packed therewith so as to reduce its quality or strength or (2) substituted wholly or in part therefor.

MISBRANDED DRUGS AND DEVICES

SEC. 402. A drug or device shall be deemed to be misbranded—

(a) If its labeling is false or misleading in any particular. Any representation concerning any effect of a drug or device shall be deemed to be false under this paragraph if such representation is not supported by scientific facts or substantial and reliable medical or scientific opinion.

(b) If it is dangerous to health when used in the dosage, or with the frequency or duration, prescribed or recommended in the labeling or advertisement thereof.

(c) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, seller, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided,* That under subdivision (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

(d) If any word, statement, or other information required on the label under any provision of this act is not prominently placed thereon in such a manner as to be easily seen and in such terms as to be readily understood by purchasers and users of such articles under customary conditions of purchase and use, due consideration being given to the size of the package.

(e) If it is for use by man and contains any quantity of any of the following narcotic or hypnotic substances: Alpha eucaine, barbituric acid, beta eucaine, bromal, cannabis, carbromal, chloral, coca, cocaine, codeine, heroin, marihuana, morphine, opium, paraldehyde, peyote, sulphonmethane, or any substance chemically derived therefrom or any other narcotic or hypnotic substance, which derivative or other narcotic or hypnotic substance has been designated as habit forming by regulations prescribed by the Secretary, and, except when dispensed on the written order of a member of the medical profession, its label fails to bear the name and quantity or proportion of such sustance or derivative and in juxtaposition therewith the statement "Warning—May be habit forming."

(f) If it is a drug and is not designated solely by a name recognized in an official compendium and its label fails to bear (1) a common or usual name of the drug, if such there be; or (2), in case it is fabricated from two or more ingredients, the name of each active ingredient, including the quantity, kind, and proportion of any alcohol: *Provided,* That, to the extent that compliance with the requirements of subdivision (2) of this paragraph is impracticable, exemptions shall be established by regulations promulgated by the Secretary. Such subdivision (2) shall not (except the requirements as to alcohol) apply to any drug the ingredients of which are fully and correctly disclosed to the Secretary.

(g) If its labeling fails to bear plainly and conspicuously (1) adequate directions for use, or (2) such warnings, in such manner and form, as are required by regulations prescribed by the Secretary, against use in those pathological conditions or by children where its use may be dangerous to health, or against unsafe dosage or methods or duration of administration or application: *Provided,* That where any requirement of subdivision (1) of this paragraph, as applied to any drug or device, is not necessary for the protection of the public health, the Secretary shall promulgate regulations exempting such drug or device from such requirement.

(h) If its name is recognized in an official compendium, or if it purports to be a drug the name of which is so recognized, and it is not packaged and labeled as prescribed therein. Whenever a drug is recognized in both the United States Pharmacopœia and the Homeopathic Pharmacopœia of the United States, it shall be subject to the requirements of the United States Pharmacopœia with respect to packaging and labeling unless it is labeled and offered for sale as a homeopathic drug, in which case it shall be subject to the provisions of the Homeopathic Pharmacopœia of the United States, and not to those of the United States Pharmacopœia.

(i) If it has been designated by regulations prescribed by the Secretary as a drug liable to deterioration, and is not packaged in such form and manner, or its label fails to bear a statement of such precautions, as such regulations require for the protection of public health. No such regulation shall be established for any drug recognized in an official compendium until the Secretary shall have informed the appropriate body charged with the revision of such compendium of the need for such packaging or labeling requirements and such body shall have failed within a reasonable time to prescribe such requirements.

(j) (1) If it is a drug and its container is so made, formed, or filled as to mislead the purchaser; or (2) if it is an imitation of another drug; or (3) if it is offered for sale under the name of another drug.

MEANING OF "ANTISEPTIC"; REGULATIONS MAKING EXEMPTIONS

SEC. 403. (a) When construing and enforcing the provisions of this act with respect to labeling and advertisements, the term "antiseptic" shall be deemed to have the same meaning as the word "germicide", except, however, in the case of a drug purporting to be, or represented as, an antiseptic for inhibitory use as a wet dressing, ointment, dusting powder, or such other use as involves prolonged contact with the body.

(b) The Secretary is hereby directed to promulgate regulations exempting from any labeling or packaging requirement of this act drugs and devices which are, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such drugs and devices are not adulterated or misbranded under the provisions of this act upon removal from such processing, labeling, or repacking establishment.

CERTIFICATION OF COAL-TAR COLORS FOR DRUGS

SEC. 404. The Secretary is hereby authorized to promulgate regulations for the certification of coal-tar colors which are harmless and suitable for use in drugs for purposes of coloring only.

CHAPTER V

ADULTERATED COSMETICS

SECTION 501. A cosmetic shall be deemed to be adulterated—

(a) If it bears or contains any poisonous or deleterious substance which renders or will render it injurious to users under the conditions of use prescribed in the labeling or advertisement thereof, or under such conditions of use as are customary or usual.

(b) If it consists in whole or in part of any filthy, putrid, or decomposed substance.

(c) If it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health.

(d) If its container is composed, in whole or in part, of any poisonous or deleterious substance which renders or will render it injurious to health.

(e) If it contains a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 504.

MISBRANDED COSMETICS

SEC. 502. A cosmetic shall be deemed to be misbranded—

(a) If its labeling is false or misleading in any particular.

(b) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, seller, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided,* That under subdivision (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

(c) If any word, statement, or other information required on the label under any provision of this act is not prominently placed thereon in such a manner as to be easily seen and in such terms as to be readily understood by the purchasers and users of such articles under customary conditions of purchase and use, due consideration being given to the size of the package.

REGULATIONS MAKING EXEMPTIONS

SEC. 503. The Secretary is hereby directed to promulgate regulations exempting from any labeling requirement of this act cosmetics which are, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such cosmetics are not adulterated or misbranded under the provisions of this act upon removal from such processing, labeling, or repacking establishment.

CERTIFICATION OF COAL-TAR COLORS FOR COSMETICS

SEC. 504. The Secretary is hereby authorized to promulgate regulations for the certification of coal-tar colors which are harmless and suitable for use in cosmetics.

CHAPTER VI. FALSE ADVERTISEMENT

DEFINITION OF FALSE ADVERTISEMENT

SECTION 601. (a) An advertisement of a food, drug, device, or cosmetic shall be deemed to be false if it is false or misleading in any particular regarding such food, drug, device, or cosmetic. Any representation concerning any effect of a drug or device shall be deemed to be false under this paragraph if such representation is not supported by scientific facts or substantial and reliable medical or scientific opinion.

(b) The advertisement of a drug or device representing it to have any therapeutic effect in the treatment of Bright's disease, cancer, tuberculosis, poliomyelitis (infantile paralysis), venereal diseases, heart or vascular diseases shall be deemed to be false: *Provided*, That the Secretary shall establish exemptions from the provisions of this subsection in the case of drugs and devices with respect to which such a representation as to therapeutic effect would not, in his opinion, be a violation of subsection (a).

(c) Nothwithstanding any provision of this section, no advertisement of a drug shall be deemed to be false or misleading under this section if it is disseminated only to members of the medical profession and/or appears only in the scientific periodicals of that profession.

POWERS AND DUTIES OF THE FEDERAL TRADE COMMISSION

SEC. 602. (a) The Federal Trade Commission is hereby empowered and directed to prevent (1) the dissemination, or the causing of the dissemination, of any false advertisement by United States mails, or in interstate commerce by radio broadcast or otherwise, for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics; (2) the dissemination, or the causing of the dissemination, of any false advertisement by any means for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics in interstate commerce.

(b) Whenever the Commission shall have reason to believe that any person has disseminated, or is disseminating, or has caused or is causing the dissemination of, any false advertisement by any of the means and for the purpose specified in subdivision (a) of this section, and it shall appear to the Commission that a proceeding by it in respect thereof would be to the interest of the public, it shall proceed to prevent the same in the same manner and by the same procedure as provided by section 5 of an act of Congress approved September 26, 1914, entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", as amended. The provisions of said section 5 and of sections 6, 9, and 10 of said act, as amended, shall apply, for purposes of enforcement of the provisions of this section, insofar as they may be applicable. The circuit court of appeals shall have the same jurisdiction to review the orders of the Commission and to enforce the same, and shall review and enforce the same, as provided by said section 5.

(c) The Secretary shall report to the Federal Trade Commission on all cases of false advertising, to which subsection (a) may apply, that may come to his knowledge and submit therewith any evidence he may have together with any reports and scientific opinions of his Department relative thereto.

CHAPTER VII. GENERAL ADMINISTRATIVE PROVISIONS

PROVISIONS AS TO REGULATIONS

SECTION 701. (a) The authority to promulgate regulations for the efficient enforcement of this act, except as otherwise provided in this section and except those provisions which are to be enforced by the Federal Trade Commission, is hereby vested in the Secretary.

(b) The Secretary of the Treasury and the Secretary of Agriculture shall jointly prescribe regulations for the efficient enforcement of the provisions of section 712, except as otherwise provided therein. Such regulations shall be promulgated in such manner and take effect at such time, after due notice, as the Secretary of Agriculture shall determine.

(c) Hearings authorized or required by this act, except those provisions which are to be enforced by the Federal Trade Commission, shall be conducted by the Secretary or such officer or employee as he may designate for the purpose.

(d) The definitions and standards of identity promulgated by or in accordance with the provisions of this act shall be effective for the purposes of the enforcement of this act, notwithstanding such definitions and standards as may be contained in other laws of the United States and regulations promulgated thereunder.

PROCEDURE IN CASE OF CERTAIN REGULATIONS

SEC. 702. Whenever the Secretary deems that there should be established any regulation contemplated by section 301, paragraph (a) or (c); section 302, paragraph (g), (h), or (j); section 304; section 305, paragraph (a) or (b); section 306, paragraph (a); section 401, paragraph (a) or (b); section 402, paragraph (e), (g), or (i); section 404; section 501, paragraph (e); or section 504, he shall give appropriate notice of the proposal and of the time and place for a public hearing to be held thereon not less than 30 days after the date of such notice. After such hearing the Secretary is authorized to formulate and promulgate such regulation as he shall find to be necessary to effectuate the purposes of such provision. The regulation so promulgated shall become effective on a date fixed by the Secretary, which date shall not be prior to 90 days after its promulgation, and may be amended or repealed in the same manner as is provided for its adoption; except that (1) regulations setting up exemptions pursuant to section 402, paragraph (g), may be promulgated without notice or hearing and shall become effective at such time as the Secretary determines; and (2) public hearing on regulations under section 306 (a) may be held within a reasonable time after notice thereof, and the Secretary may fix the effective date of such regulations at any reasonable time after promulgation thereof.

EXAMINATIONS AND INVESTIGATIONS

SEC. 703. (a) The Secretary is authorized to conduct examinations and investigations for the purposes of this act through officers and employees of the Department or through any health, food, or drug officer or employee of any State, Territory, or political subdivision thereof, duly commissioned by the Secretary as an officer of the Department. In the case of food packed in a Territory or possession of the United States the Secretary shall attempt to make inspection of such food at the first point of entry within the territorial limits of the United States when, in his opinion and with due regard to the enforcement of all the provisions of this act, the facilities at his disposal will permit of such inspection.

(b) Where a sample of a food, drug, or cosmetic is collected for analysis under this act, the Secretary shall, upon request, provide a part of such official sample for examination or analysis by any person named on the label of the article; except that the Secretary is authorized, by regulations, to make such reasonable exceptions from, and impose such terms and conditions relating to, the operation of this sentence as he deems necessary for the effectuation of the purposes of this act.

(c) For purposes of enforcement of this act, records kept by the Treasury Department in accordance with laws, and regulations thereunder, relating to alcoholic beverages and medicinal liquors shall be open to inspection by any official of the Department of Agriculture duly authorized by the Secretary of Agriculture to make such inspection.

RECORDS OF INTERSTATE SHIPMENT

SEC. 704. For the purpose of enforcing the provisions of this act, carriers engaged in interstate commerce, and persons receiving food, drugs, devices, or cosmetics in interstate commerce, shall, upon the request of an officer or employee duly designated by the Secretary, permit such officer or employee, at reasonable times, to have access to and to copy all records showing the movement in interstate commerce of any food, drug, device, or cosmetic, and the quantity, shipper, and consignee thereof; and it shall be unlawful for any such carrier or person to fail to permit such access to and copying of any such record so requested when such request is accompanied by a statement in writing specifying the nature or kind of food, drug, device, or cosmetic to which such request relates: *Provided*, That evidence obtained under this section shall not be used in a criminal prosecution of the person from whom obtained: *Provided further*, That carriers shall not be subject to the other provisions of this act by reason of their receipt, carriage, or delivery of food, drugs, devices, cosmetics, or advertising matter in the usual course of business as carriers.

FACTORY INSPECTION

SEC. 705. For purposes of enforcement of this act, officers or employees duly designated by the Secretary, after first making request and obtaining permission of the owner, operator, or custodian thereof, are authorized (1) to enter, at reasonable times, any factory, warehouse, or establishment in which food, drugs, devices, or cosmetics are manufactured, processed, packed, or held for shipment in interstate commerce or are held after such shipment, or to enter any vehicle being used to transport such food, drugs, devices, or cosmetics in interstate commerce; and (2) to inspect, at reasonable times, such factory, warehouse, establishment, or vehicle and all pertinent equipment, finished and unfinished materials, containers, and labeling therein. Any such owner, operator, or custodian who refuses such request shall be guilty of a misdemeanor and shall on conviction thereof, be subject to the penalties prescribed by section 706 (b) of this act.

PROHIBITED ACTS AND PENALTIES

SEC. 706. (a) The following acts and the causing thereof are hereby prohibited:

(1) The introduction or delivery for introduction into interstate commerce of any food, drug, device, or cosmetic that is adulterated or misbranded.

(2) The adulteration or misbranding of any food, drug, device, or cosmetic in interstate commerce.

(3) The receipt in interstate commerce of any food, drug, device, or cosmetic that is adulterated or misbranded, and the delivery or proffered delivery thereof in the original unbroken package for pay or otherwise.

(4) The dissemination of any false advertisement by United States mails, or in interstate commerce by radio-broadcast or otherwise, for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics.

(5) The dissemination of a false advertisement by any means for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics, in interstate commerce.

(6) The introduction into interstate commerce of any food in violation of section 306.

(7) The refusal to permit access to or copying of any record as required by section 704.

(8) Forging, counterfeiting, simulating, or falsely representing, or without proper authority using, any mark, stamp, tag, label,

or other identification device authorized or required by regulations promulgated under the provisions of section 306.

(9) The using of any person to his own advantage, or revealing, other than to the Secretary or officers or employees of the Department, or to the courts when relevant in any judicial proceeding under this act, any information acquired under authority of section 306 or 705 concerning any method or process which as a trade secret is entitled to protection.

(b) Any person who violates any of the provisions of subdivision (1), (2), (3), (6), or (7) of paragraph (a) of this section shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than 1 year, or a fine of not more than $1,000, or both such imprisonment and fine; and for a second or subsequent offense imprisonment for not more than 2 years, or a fine of not more than $5,000, or both such imprisonment and fine.

(c) Notwithstanding the provision of paragraph (b) of this section, in case of a willful violation of any of the provisions of subdivision (1), (2), (3), (6), or (7) of paragraph (a) of this section the penalty shall be imprisonment for not more than 3 years or a fine of not more than $10,000 or both such imprisonment and fine.

(d) No dealer shall be subject to the penalties of paragraph (b) of this section (1) for having received in interstate commerce any article of food, drug, device, or cosmetic and delivered it or proffered delivery of it as received, if such delivery or proffer was made in good faith, unless he refuses to furnish on request of an officer or employee duly designated by the Secretary the name and address of the person from whom he purchased or received such article and copies of all documents, if any there be, pertaining to the delivery of the article to him, or (2) if he establishes a guaranty or undertaking signed by the person residing in the United States from whom he received in good faith the article of food, drug, device, or cosmetic, as the case may be, to the effect that such article is not adulterated or misbranded, within the meaning of this act, designating this act. To afford protection, such guaranty or undertaking shall contain the name and address of the person furnishing such guaranty or undertaking, and such person shall be amenable to the prosecution and penalties which would attach in due course to the dealer under the provisions of this act.

(e) Any person who violates any of the provisions of subdivision (8) of paragraph (a) of this section shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than 1 year or a fine of not more than $5,000, or both such imprisonment and fine.

(f) Any person who violates any of the provisions of subdivision (9) of paragraph (a) of this section shall be guilty of a felony and shall on conviction thereof be subject to imprisonment for not more than 2 years or a fine of not more than $5,000 or both such imprisonment and fine.

LIABILITY OF CORPORATIONS AND THEIR OFFICERS

SEC. 707. (a) When construing and enforcing the provisions of this act, unless otherwise provided, the act, omission, or failure of any officer, employee, or agent acting for or employed by any person, within the scope of his employment or office, shall in every case be deemed to be the act, omission, or failure of such person, as well as that of the officer, employee, or agent.

(b) Whenever a corporation or association violates any of the provisions of this act, unless otherwise provided, such violation shall also be deemed to be a violation by the individual directors, officers, or agents of such corporation or association who personally ordered, or did any of the acts constituting, in whole or in part, such violation.

INSTITUTION OF CRIMINAL AND CIVIL PENALTY PROCEEDINGS

SEC. 708. Before reporting any violation of this act to any United States attorney for institution of criminal proceedings thereunder, the Secretary shall, in accordance with regulations prescribed by him, afford appropriate notice and opportunity for hearing to the person against whom the proceedings are contemplated (1) upon the question of such violation; and (2) to review his tentative decision to make such report, upon cause shown satisfactory to the Secretary. The report shall be accompanied by findings of the appropriate officers and employees, duly authenticated under their oaths. Nothing in this act shall be construed as requiring the Secretary to report for prosecution or for the institution of libel, or injunction proceedings, minor violations of this act whenever he believes that the purposes of the act can best be accomplished by a suitable written notice or warning.

SEIZURE

SEC. 709. (a) Any article of food, drug, device, or cosmetic that is adulterated or misbranded when introduced into or while in interstate commerce, or which may not, under the provisions of section 306, be introduced into interstate commerce, shall be liable to be proceeded against while in interstate commerce, or at any time thereafter, on libel of information and condemned in any district court of the United States within the jurisdiction of which the article is found: *Provided, however,* That no libel for condemnation shall be instituted under this act, for any alleged misbranding if there is pending in any court a libel for condemnation proceeding under this act based upon the same alleged misbranding, and not more than one such proceeding shall be instituted if no such proceeding is so pending, except that such limitations shall not apply (1) when such misbranding has been the basis of a prior judgment in favor of the United States, in a criminal, civil penalty, injunction, or libel for condemnation proceeding under this act, or (2) when the Secretary has probable cause to believe from facts found by him that such misbranding of the article renders it imminently dangerous to health or is, in a material respect, false, misleading, or fraudulent; and in any case where the number of libel for condemnation proceedings is limited as above provided the proceeding pending or instituted shall, on application of the claimant, seasonably made, be removed for trial to any district adjacent to the district of the claimant's principal place of business or to any other district which may be agreed upon by stipulation between the parties to the proceeding.

(b) The article shall be liable to seizure by process pursuant to the libel, and the procedure in cases under this section shall conform, as nearly as may be, to the procedure in admiralty; except that either party may demand trial by jury of any issue of fact joined in any such case. In cases of articles of food, drugs, devices, or cosmetics seized under the provisions of this section when the same issues of adulteration or misbranding under the provisions of this act, raised by the same claimant, are pending in various jurisdictions, the United States District Court for any district where one of such seizures is pending, or for any district adjacent to the district of the claimant's principal place of business, or for any other district which may be agreed upon by stipulation between the parties to the proceeding, is hereby vested with jurisdiction to consolidate and try such cases; and on application of the claimant, seasonably made, such cases may be tried in any such jurisdiction of the claimant's choice or in the district so stipulated.

(c) The court at any time after seizure up to a reasonable time before trial, shall by order allow any party to a condemnation proceeding, his attorney or agent, to obtain a representative sample of the article seized, and as regards fresh apples and fresh pears, a true copy of the analysis on which the proceeding is based.

(d) Any food, drug, device, or cosmetic condemned under this section shall, after entry of the decree, be disposed of by destruction or sale as the court may, in accordance with the provisions of this section, direct and the proceeds thereof, if sold, less the legal costs and charges, shall be paid into the Treasury of the United States; but such article shall not be sold under such decree contrary to the provisions of this act or the laws of the jurisdiction in which sold: *Provided,* That after entry of the decree and upon the payment of the costs of such proceedings and the execution of a good and sufficient bond conditioned that such article shall not be sold or disposed of contrary to the provisions of this act or the laws of any State or Territory in which sold, the court may by order direct that such article be delivered to the owner thereof to be destroyed or brought into compliance with the provisions of this act under the supervision of an officer or employee duly designated by the Secretary, and the expenses of such supervision shall be paid by the party obtaining release of the article under bond. Any article condemned by reason of its being an article which may not, under section 306, be introduced into interstate commerce, shall be disposed of by destruction.

(e) When a decree of condemnation is entered against the article, court costs and fees, and storage and other proper expenses, shall be awarded against the person, if any, intervening as claimant of the article.

INJUNCTION PROCEEDINGS

SEC. 710. (a) In order to avoid multiplicity of criminal prosecutions, or libel for condemnation proceedings, the district courts of the United States are hereby vested with jurisdiction for cause shown, to restrain by injunction, temporary or permanent, any person from the repetitious introduction or causing to be introduced into interstate commerce of any adulterated or misbranded food, drug, device, or cosmetic. In such injunction proceedings it shall not be necessary to show on the part of such person an intent to continue the offense.

(b) Violation of any injunction issued pursuant to this section may be summarily tried and punished by the court as a contempt. Such contempt proceedings may be instituted by order of the court or by the filing of an information by the United States attorney; and process of the court for the arrest of the violator may be served at any place in the United States or subject to its jurisdiction.

DUTIES OF UNITED STATES ATTORNEY

SEC. 711. It shall be the duty of each United States attorney to whom the Secretary, consistently with the provisions of sections 708 and 709, reports any violation for institution of criminal, libel of information for condemnation, or other proceedings under this act, to cause appropriate proceedings to be instituted in the proper courts of the United States without delay. All suits instituted under this act, except those relating to the functions of the Federal Trade Commission, shall be by and in the name of the United States. Notwithstanding the provisions of section 876 of the Revised Statutes, subpenas for witnesses who are required to attend a court of the United States, in any district, may run into any other district in any proceeding under this act.

IMPORTS AND EXPORTS

SEC. 712. (a) The Secretary of the Treasury shall deliver to the Secretary of Agriculture, upon his request, samples of food, drugs, devices, and cosmetics which are being imported or offered for import into the United States, giving notice thereof to the owner or consignee, who may appear before the Secretary of Agriculture and have the right to introduce testimony. If it appears from the examination of such samples or otherwise that (1) any false

advertisement of such article has been disseminated in the United States by the importer or exporter thereof, or any person in privity with him, within 3 months prior to the date such article is offered for import, or (2) such article has been manufactured, processed, or packed under insanitary conditions, or (3) such article is forbidden or restricted in sale in the country in which it was produced or from which it was exported, or (4) such article is adulterated or misbranded, then such article shall be refused admission.

(b) The Secretary of the Treasury shall refuse delivery to the consignee and shall cause the destruction of any such article refused admission, unless such article is exported by the consignee within 3 months from the date of notice of such refusal, under such regulations as the Secretary of the Treasury may prescribe: *Provided*, That the Secretary of the Treasury may deliver to the consignee any such article pending examination and decision in the matter on execution of a bond as liquidated damages for the amount of the full invoice value thereof together with the duty thereon, and on refusing for any cause to return such article or any part thereof to the custody of the Secretary of the Treasury when demanded for the purpose of excluding it from the country or for any other purpose, such consignee shall forfeit the full amount of the bond as liquidated damages.

(c) All charges for storage, cartage, and labor on any article which is refused admission or delivery shall be paid by the owner or consignee and in default of such payment shall constitute a lien against any future importations made by such owner or consignee.

(d) A food, drug, device, or cosmetic intended for export shall not be deemed to be adulterated or misbranded under this act if it (1) accords to the specifications of the foreign purchaser, (2) complies with the laws of the country to which it is intended for export, and (3) is labeled on the outside of the shipping package with the words "For Export". But if such article is sold or offered for sale in domestic commerce, this paragraph shall not exempt it from any of the provisions of this act.

PUBLICITY

SEC. 713. (a) The Secretary shall cause to be published from time to time reports summarizing all judgments, decrees, and court orders which have been rendered, including the nature of the charge and the disposition thereof.

(b) The Secretary may also cause to be disseminated information regarding food, drugs, devices, or cosmetics in situations involving, in the opinion of the Secretary, imminent danger to health or gross deception of the consumer. Nothing in this section shall be construed to prohibit the Secretary from collecting, reporting, and illustrating the results of the investigations of the Department.

SEPARABILITY CLAUSE

SEC. 714. If any provision of this act is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the constitutionality of the remainder of the act and the applicability thereof to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE AND REPEALS

SEC. 715. (a) This act shall take effect 12 months after the date of its enactment. The Federal Food and Drugs Act of June 30, 1906, as amended (U. S. C., 1934 ed., title 21, secs. 1–15), shall remain in force until such effective date, and, except as otherwise provided in this paragraph, is hereby repealed effective upon such date: *Provided*, That the provisions of sections 701 and 702 shall become effective on the enactment of this act, and thereafter, the Secretary is authorized hereby to (1) conduct hearings and to promulgate regulations which shall become effective on or after the effective date of this act as the Secretary shall direct, and (2) designate prior to the effective date of this act food having common or usual names and exempt such food from the requirements of subdivision (2) of paragraph (1) of section 302 for a reasonable time to permit the formulation, promulgation, and effective application of definitions and standards of identity therefor as provided by section 304: *Provided further*, That the act of March 4, 1923 (U. S. C., 1934 ed., title 21, sec. 6; 42 Stat. 1500, ch. 268), defining butter and providing a standard therefor, and the provisions of the act of July 24, 1919 (U. S. C., 1934 ed., title 21, sec. 10; 41 Stat. 271, ch. 26), defining wrapped meats as in package form, shall remain in force and effect and be applicable to the provisions of this act: *And provided further*, That amendment to the Food and Drugs Act, section 10A, approved August 27, 1935 (U. S. C., 1934 ed., Supp. I, title 21, sec. 14a), shall remain in force and effect and be applicable to the provisions of this act.

(b) The provisions of this act shall not be held to modify or repeal any of the existing laws of the United States except as provided by paragraph (a) of this section.

(c) Meats and meat food products shall be exempt from the provisions of this act to the extent of the application or the extension thereto of the Meat Inspection Act, approved March 4, 1907, as amended (U. S. C., 1934 ed., title 21, secs. 71–91; 34 Stat. 1260 et seq.).

The SPEAKER. Is a second demanded?

Mr. REECE. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. REECE. No; I am not opposed to the bill.

The SPEAKER. Does any Member opposed to the bill desire to demand a second? [After a pause.] The Chair hears none. The Chair recognizes the gentleman from Tennessee to demand a second.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CHAPMAN. Mr. Speaker, this is a measure that comes to the House with a unanimous report from the Committee on Interstate and Foreign Commerce. The Senate bill was passed in May 1935 and was referred to the House Committee on Interstate and Foreign Commerce. Rather extensive hearings were conducted by a subcommittee of which I was designated as chairman. Some 4 weeks ago this bill was reported to the House and placed upon the calendar. I asked for a rule for its consideration and keenly regret that it was not brought before the House under a rule which would have made possible appropriate and adequate debate and would have afforded the membership of the House opportunity to offer amendments. Coming before the House as it does under a motion to suspend the rules, with no opportunity to offer amendments and only 20 minutes' debate allowed to each side, it is manifestly impossible to discuss this important bill as such a complex and technical piece of legislation ought to be discussed.

I wish the membership of the House to know that the gentlemen with whom I had the privilege of being associated on the subcommittee, the gentleman from Maryland [Mr. COLE], the gentleman from New Jersey [Mr. KENNEY], and the gentleman from Tennessee [Mr. REECE], performed able, diligent, and invaluable public service in the consideration of the subject of foods, drugs, and cosmetics, both in the hearings and in executive sessions, and in actually preparing the bill which we reported as a substitute for the bill that passed the Senate more than a year ago. We heard witnesses representing all shades of opinion and from various sections of the country. I believe it is generally conceded by those who have followed the course of legislation upon this subject that the hearings conducted by our committee contain valuable information upon the various phases of food and drug legislation.

After careful consideration of the bill as reported by the subcommittee the full committee reported unanimously the bill now before the House. It strengthens materially in many important details the food and drug law written into the Federal statutes 30 years ago under the leadership of that great pioneer in food and drug legislation, the late Dr. Harvey W. Wiley. It is not a perfect measure and some of its provisions are not as I would prefer to have them, but it is the best bill that we were able, under all the circumstances, to bring to the House and I believe is a great improvements over any other food and drug bill that has ever been presented to the Congress.

FRAUD REQUIREMENT ELIMINATED

In the few minutes allotted to me I shall summarize some of the provisions which constitute outstanding improvements over the present law. This bill eliminates the fraud requirement in the present law. Under existing law the Government must prove that a patent medicine manufacturer knew that a statement on the label of his product was false, and as long as that requirement is retained in the law it will be impossible for the Government to proceed effectively against a multitude of preparations that ought to be removed from the market. If I had the time I could cite numerous instances of products that have taken their toll of human life because of the impossibility of the Government proving the elements of fraud as required by law. An outstanding example is a product called Banbar, which formerly sold for $12 per pint, but now is being retailed at the bargain price of $9 per pint as a cure for diabetes. This worthless concoction is a brew of horsetail weeds gathered around the railroad tracks in the vicinity of Pittsburgh. I have a sheaf of testimonials from people who used this product as a cure for diabetes, and for each testimonial I have a death certificate dated a few months later than the testimonial in which the cause of the death of the person signing the testimonial was named as diabetes. Yet with the fraud provision in the present law the Government has found it impossible to stop

the sale of Banbar in interstate commerce. Under the terms of this bill the manufacturer would be required to show that he had reliable scientific opinion to support his statements, and certainly every medicine manufacturer who offers to treat serious ills ought to be required by law to give that much consideration to the health and life of the people.

DRUGS DANGEROUS TO HEALTH

This bill contains prohibitions against drugs dangerous to health when taken in accordance with the directions prescribed upon the label by the manufacturer. There is no such provision in the present law. Innumerable instances are recorded in medical literature where people have been killed or their health seriously and permanently impaired by taking potent drugs in accordance with the specified directions. If this bill becomes a law the Government can prevent such tragedies.

PROTECT FROM DRUG HABIT

Few things are as horrible and as destructive of the mental, moral, and physical well-being of the human race as the drug habit. This bill requires that substances containing habit-forming drugs must bear warnings to that effect. The present law contains no such provision. The enactment of this bill into law will prevent many people from innocently acquiring the drug habit and becoming addicts to those things which undermine and destroy manhood and womanhood.

TO CONTROL DEVICES

For the first time it is proposed in a bill before Congress to control therapeutic devices in interstate commerce. There are hundreds of worthless contrivances being sold to and used by gullible people. Suffice it to say that a fake contraption for the cure of consumption is just as serious a menace to health as is a worthless drug sold for the same disease.

TOLERANCES FOR POISONS

This bill authorizes the establishment of legal tolerances for added poisons in foods. Such a provision will make definite the prohibitions against excess added poisons. Without legal tolerances the public health cannot be safeguarded.

REQUIRES REASONABLE CLEANLINESS

There is a requirement in this bill that reasonable cleanliness be observed in the manufacture and handling of foods, drugs, and cosmetics. The present law contains no effective provisions along these lines, and many serious abuses in the sale of insanitary and unclean products are constantly occurring, with consequent sickness and death in various sections of our country.

FOOD STANDARDS AUTHORIZED

The House committee has gone further than the Senate committee by including consideration of the economic aspects of the subject. We believe not only that the public health should be protected directly but that the pocketbook of the housekeepers of America is entitled also to consideration. Indirectly the health element enters into that phase of the subject also, because if the housewife pays $1 for 13 cents of food value, many illustrations of which I could show you if time permitted, such an economic cheat results in many instances in undernourishment of children and resultant impairment of strength and loss of health. The most important economic provision in this bill is the authorization of standards of identity and quality for foods. Without such a provision the integrity of our food cannot be maintained, nor can purchasers have any definite knowledge of the grade value of the articles offered on the grocers' shelves.

TO PREVENT REPETITIOUS OFFENSES

This bill would authorize the Government to enjoin manufacturers against repetitious offenses. This is an important provision, the purpose of which is to secure compliance that cannot be secured under the present law. It should relieve the Government from the necessity of instituting a multiplicity of proceedings to bring manufacturers into compliance with the law.

CONTROL OF COSMETICS

A new subject is for the first time embraced in Federal legislation. That is the subject of cosmetics. The cosmetic industry has grown to huge proportions since the original Wiley Act became a law in 1906. These products form an important part of interstate commerce, and your committee believes that they ought to be brought within the control of the law. Many harmful and dangerous cosmetics have been sold to the public and used by unsuspecting women so as to result in their permanent disfigurement and impairment of their health. One well-known product is Lash Lure. A few years ago a lady in Ohio was to be the recipient of high honor to be conferred upon her at a banquet. Her picture, which I have here, shows that she was a very attractive and personable young woman. In preparation for the banquet in her honor she permitted the use of Lash Lure on her eyelashes, with the result that her eyeballs were seared, her sight destroyed, her beauty marred, and her health permanently undermined. During the hearings on this bill a lady visited the downtown shopping district of the city of Washington and at several stores purchased this product and gave me the packages, which I have here in my possession. Under the present law such a dangerous article cannot be removed from the market or brought under control in any way. We earnestly hope that this bill will go far toward correcting such evils and affording protection in the future to those who use cosmetics, which includes millions of the finest ladies in America.

Mr. Speaker, it has been the purpose of this committee to draft a bill that would give protection to the men, women, and children of America, to give protection to the consuming public, the users of foods, drugs, and cosmetics, and at the same time give protection to the honest and legitimate manufacturers of those products from the products of the quacks and shysters in the industries affected. [Applause.]

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. CHAPMAN. I yield.

Mr. SIROVICH. My distinguished colleague from Kentucky paid a glowing tribute to the pioneer crusader of pure food and drugs, Dr. Harvey W. Wiley.

Originally this food and drug department was under the supervision of the Public Health Service of the United States. Does not my distinguished friend feel it would be much better if we had this Department under the Public Health Service of the United States and competent physicians, scientists, and others, instead of keeping it under the Agricultural Department?

Mr. CHAPMAN. Replying to the gentleman, may I say that my recollection is that when he testified before the subcommittee which conducted hearings on this bill he was not averse to having it placed where it is now, in the Department of Agriculture.

Mr. SIROVICH. I suggest the advisability it would be a good thing to keep it there.

Mr. BOYLAN. Will the gentleman yield?

Mr. CHAPMAN. I yield to the gentleman from New York.

Mr. BOYLAN. I notice on page 54, subdivision (m) the following language:

If it purports to be or is represented as any kind of whisky, and it contains alcohol derived from any source other than grain.

Mr. CHAPMAN. Yes; it shall be deemed to be misbranded.

Mr. BOYLAN. That is identical to the Murphy amendment that was defeated twice in the Senate?

Mr. CHAPMAN. Replying to the gentleman, I will say that the United States Pharmacopoeia and all authorities on whisky have long since ruled that nothing should be labeled "whisky" unless it is made of cereal grains.

Mr. BOYLAN. Further, the United States Pharmacopoeia accepts alcohol made from any material as long as it complies with their standard.

Mr. CHAPMAN. I may say to the able gentleman from New York that the United States Pharmacopoeia does not recognize alcohol as being a whisky and as eligible to be labeled as whisky unless it is made out of cereal grain.

Mr. BOYLAN. I differ with the gentleman. Furthermore, why does the gentleman not provide for domestic grain if he wants to help the farmer? He merely states "grain." That could be imported grain.

Mr. CHAPMAN. I am not as good an authority on whisky as is the gentleman from New York, but I will say that it is not whisky unless it is made from cereal grain.

Mr. BOYLAN. The gentleman from Kentucky ought to be a connoisseur on whisky, coming from that State.

Mr. CHAPMAN. I may not be a connoisseur, but I know where they make the best and the only really good whisky that is made. That is in Kentucky.

Mr. BOYLAN. There is alcohol in every whisky, but, of course, whisky itself is not pure alcohol. The gentleman knows from his experience in the mountains of Kentucky that alcohol is used in the manufacture of whisky, and when they make the celebrated "white mule", as it is called, in the mountains down there and label it "whisky", the alcohol is in there nevertheless. The alcohol is not an addition, except water and sugar.

Mr. CHAPMAN. I will say to the gentleman from New York that I do not know what his idea of whisky may be or what may be regarded as whisky by some residents of the great Empire State, but I do know that in Kentucky where they make real whisky and know what real whisky is, the moonshine or "white mule" to which he refers, is not regarded as whisky at all. Neither are alcoholic beverages made from blackstrap molasses, raisins, or pumice of grapes regarded as whisky. The distillery business in Kentucky is an important industry and the whisky produced by Kentucky distilleries is made solely of cereal grains. An alcoholic beverage derived from any other source except grain is not recognized as whisky by the United States Pharmacopoeia, which is recognized by law as the official compendium, and is not recognized as whisky by anyone who knows what whisky is, and I submit to the House that to label any other kind of distillate as whisky ought to be forbidden by law as false labelling.

Mr. BOYLAN. I am talking about the moonshiners, the best whisky makers in Kentucky.

Mr. CHAPMAN. The distilling industry has long been an important industry in Kentucky and the moonshiners referred to by the gentleman from New York are not recognized as a part of that industry, nor is their product recognized as genuine whisky. The limestone water from the blue-grass section, which it is my privilege to represent, and from some other sections of Kentucky, makes it possible to produce a quality of whisky in Kentucky that cannot be imitated anywhere else in the world, and we propose in this bill to protect the producers of the finest article from the unfair competition of those who make beverages from other sources than grain, and also to protect the millions of consumers from using the inferior product not made of grain.

Mr. DIRKSEN. Will the gentleman yield?

Mr. CHAPMAN. I yield to the gentleman from Illinois.

Mr. DIRKSEN. The gentleman's contention is that whisky, a distillate of grain, is not only established in the United States Pharmacopoeia, but also in the codes that were drawn up under the N. R. A., as well as in State laws and under the ruling of President Taft a number of years ago as to what constitutes whisky and subsequent rulings by the Attorney General?

Mr. CHAPMAN. The gentleman is correct. If any of these gentlemen want whisky that is not made from grain they are welcome to it, but down in Kentucky they know better than to buy any of that kind of whisky.

Mr. STEFAN. Will the gentleman yield?

Mr. CHAPMAN. I yield to the gentleman from Nebraska.

Mr. STEFAN. May I commend the gentleman and members of the committee. In section (m) we will save to the American corn grower the market for his corn.

Mr. CHAPMAN. Yes; the gentleman is correct. Under leave to revise and extend my remarks, I include excerpts from the report of the Committee on Interstate and Foreign Commerce on the bill under consideration.

The Committee on Interstate and Foreign Commerce, to whom was referred the act (S. 5) to prevent the adulteration, misbranding, and false advertising of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes, report favorably thereon with an amendment and recommend that the act do pass.

The committee amendment strikes out all of the Senate bill and inserts in lieu thereof a substitute which appears in the reported bill in italic type.

INTRODUCTORY STATEMENT

THE PRESIDENT'S MESSAGE

On March 22, 1935, the President sent the following message to the Congress:

To the Congress of the United States:

Every enterprise in the United States should be able to adhere to the simple principle of honesty without fear of penalty on that account. Honesty ought to be the best policy, not only for one individual, or one enterprise, but for every individual and every enterprise in the Nation. In one field of endeavor there is an obvious means to this end which has been too long neglected: The setting up and careful enforcement of standards of identity and quality for the foods we eat and the drugs we use, together with the strict exclusion from our markets of harmful or adulterated products.

The honor of the producers in a country ought to be the invariable ingredient of the products produced in it. The various qualities of goods require a kind of discrimination which is not at the command of consumers. They are likely to confuse outward appearance with inward integrity. In such a situation as has grown up through our rising level of living and our multiplication of goods, consumers are prevented from choosing intelligently and producers are handicapped in any attempt to maintain higher standards. Only the scientific and disinterested activity of government can protect this honor of our producers and provide the possibility of discriminating choice to our consumers.

These principles have long been those on which we have founded public policy. But we have fallen behind in their practical application. No comprehensive attempt at reform in the regulation of commerce in food and drugs has been made since 1906. I need not point out to you how much has happened since that time in the invention of new things and their general adoption, as well as in the increase of advertising appeals. Because of these changes loopholes have appeared in the old law which have made abuses easy.

It is time to make practical improvements. A measure is needed which will extend the controls formerly applicable only to labels to advertising also; which will extend protection to the trade in cosmetics; which will provide for a cooperative method of setting standards and for a system of inspection and enforcement to reassure consumers grown hesitant and doubtful; and which will provide for a necessary flexibility in administration as products and conditions change.

I understand this subject has been studied and discussed for the last 2 years and that full information is in the possession of the Congress.

No honest enterpriser need fear that because of the passage of such a measure he will be unfairly treated. He would be asked to do no more than he now holds himself out to do. It would merely make certain that those who are less scrupulous than I know most of our producers to be, cannot force their more honest competitors into dishonorable ways.

The great majority of those engaged in the trade in food and drugs do not need regulation. They observe the spirit as well as the letter of existing law. Present legislation ought to be directed primarily toward a small minority of evaders and chiselers. At the same time even-handed regulation will not only outlaw the bad practices of the few but will also protect the many from unscrupulous competition. It will, besides, provide a bulwark of consumer confidence throughout the business world.

It is my hope that such legislation may be enacted at this session of the Congress.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 22, 1935.*

GENERAL PURPOSES

This act seeks to set up effective provisions against abuses of consumer welfare growing out of inadequacies in the Food and Drugs Act of June 30, 1906, as amended (U. S. C., title 21, secs. 1–15). That act is popularly known as the "Wiley pure-food law" because that great pioneer in pure food and drug legislation, Dr. Harvey W. Wiley, led the fight for its enactment.

While the old law has been of incalculable benefit to American consumers, it contains serious loopholes and is not sufficiently broad in its scope to meet the requirements of consumer protection under modern conditions. In considering the measure the committee had before it a host of exhibits and examples of abuses of the consumer's health and pocketbook, against which there is now no effective restriction or no restriction at all. Among these were the following:

Worthless drugs sold for serious diseases, with accompanying death certificates showing death of users from those same diseases and evidence that their health might have been restored or lives prolonged through rational treatment.

Instances of deaths from powerful drugs bearing truthful labels, but where the directions for use called for too large or too frequent dosage or other improper use.

Potent drugs with labels that gave no warning against their probable misuse, with evidence of severe sickness and death caused by them.

Deadly drugs intended for reducing purposes or otherwise to affect the structure or function of the body, which do not fall within the narrow definition of drug in the present law.

Dangerous and worthless therapeutic devices.

Cosmetics that have caused deaths, blindness, and other bodily injury.

Poisonous foods in which the poison was a natural one and not added.

Foods contaminated with dangerous disease organisms for which no adequate control exists.

Confectionery containing metallic trinkets, with X-rays showing the trinkets lodged in the windpipes of children.

Uninformatively labeled infant and invalid foods.

Debased and cheapened foods sold under distinctive names, protected by the distinctive-name proviso in the present law.

Deceptive advertising of food, drugs, therapeutic devices, and cosmetics, resulting in innumerable abuses of consumer welfare.

These and many other illustrations before the committee demonstrate conclusively the need for prompt enactment of a measure to tighten up the provisions of the present law and extend its scope beyond its present limitations.

The committee approached the problem in a practical way. It has undertaken to provide a measure which will be an effective control for existing abuses and at the same time will impose no limitation, embarrassment, or hardship on honest industrial enterprise. The measure asks no more of honest business than what honest business now holds itself out to do. It merely sets up checks against the small but unscrupulous minority who have not chosen to observe the underlying principles of the old Wiley law and have taken advantage of its limitations to mulct the public and embarrass honest competitors.

IMPROVEMENTS OVER EXISTING LAW

The measure contains substantially all the features of the old law that have proved valuable in promoting honesty and fair dealing. But it amplifies and strengthens the provisions designed to safeguard the public health and prevent deception; it extends the scope of the law to include false advertising, cosmetics, therapeutic devices, and certain drugs that now escape regulation; and it strengthens the procedural provisions to make more certain the accomplishment of its purpose.

The principal respects in which the measure differs from the present law are:

False advertising of food, drugs, devices, and cosmetics is brought under regulation.

The adulteration and misbranding of cosmetics is prohibited.

Therapeutic devices are brought under control.

Drugs intended for diagnosing illness or for remedying underweight or overweight, or for otherwise affecting bodily structure or function are subjected to regulation.

Reasonable sanitation is required in the production of foods, drugs, and cosmetics.

Foods that are dangerous because of naturally contained poisons rather than added poisons are brought under regulation. The addition of poison to foods is prohibited except where such addition is necessary or cannot be avoided; and in such cases tolerances are provided limiting the amount of added poison to the extent necessary to safeguard the public health.

Where the other provisions of the measure are not effective to control danger to health arising from bacterial contamination of food, temporary license restrictions can be imposed until the difficulty is corrected.

Definitions and standards of identity are provided under which the integrity of food products can be effectively maintained.

Informative labeling of foods as to quality and composition is required for the information and guidance of consumers. Special emphasis is placed on the informative labeling for infant and invalid food.

The distinctive name proviso of the present law under which many debased and cheapened foods have escaped control is eliminated.

Informative labeling of distilled liquors is required to the extent that the same requirements are not imposed under the Federal Alcohol Administration Act.

The fraud joker, under which proceedings could be brought against falsely labeled patent medicines only upon evidence to prove that the manufacturer knew his labels were false, is eliminated.

Control is set up for drugs which are dangerous to health when taken in the dosage and with the frequency prescribed by the manufacturer in the labeling and advertising.

Habit-forming drugs must be labeled with warnings that they are habit forming.

Potent drugs liable to be misused must bear label warnings against probable misuse.

Special safeguards are set up for packaging and labeling deteriorating drugs.

Antiseptics must possess germ-killing power.

Authority is provided for inspection of factories making interstate shipments, without which the law could not be effectively enforced.

Carriers are required to make available for copying, records showing interstate shipments of suspected articles so that Federal jurisdiction can be established.

Increased penalties are provided for violations.

Injunction proceedings are authorized against repetitious offenses.

These and other less important provisions are contained in the bill to make the measure effective for consumer protection without imposing unnecessary burdens on industry.

EXPLANATION OF CERTAIN CHANGES MADE BY THE COMMITTEE

The Senate committee report explained the provisions of the bill in detail, and it is not believed to be necessary to repeat this explanation here.

Most of the changes from the Senate bill made by this committee are self-explanatory, but the following explanation is given with regard to some of them in order to avoid possible misunderstanding as to the intention of the committee:

Section 201 (b): The words "and not for the regulation of the legalized practice of the healing art" were omitted from the definition of drug because the committee was of the opinion that these words were unnecessary and if left in the act would merely cause confusion. The bill does not undertake to regulate the practice of the healing art. The inclusion of the words would merely give an excuse, in every proceeding involving a drug, for the claimant or the defendant to raise the question as to whether the practice of the healing art was being regulated in the particular instance. In the reference to the United States Pharmacopœia, the Homeopathic Pharmacopœia, and the National Formulary, the committee has added the word "official" before each reference in order that this reference will be understood to be to the current edition of the particular compendium. Each such compendium comes out periodically and the new issue will be the official issue.

Section 201 (c): The same words are stricken from this subsection as are stricken from subsection (b) and the same reasons for the action apply.

Section 201 (d): This paragraph defines the term "cosmetic" and the changes made by this committee are not changes of substance but are changes for the purpose of clarity, with one exception, namely, that the exception in the case of household cleansers is omitted as being surplusage.

Section 301 (a): It will be noted that the references to sections 701 and 703 are stricken out in this paragraph as well as throughout the bill. These references were stricken out because it was not necessary to refer to the sections, and in view of the problem of changing section numbers due to the striking out of certain sections in the bill it was deemed more convenient to omit the references to section 701 and section 703.

Section 302 (e): In this paragraph the words "it fails to bear" were stricken out and the words "unless it bears" were substituted therefor in order to make it more clear that both of the requirements specified are intended to apply.

Section 302 (k): In this paragraph the words "which is not prohibited by section 301" were omitted as being surplusage, and furthermore their presence created confusion as to the meaning of the words "stating that fact" which appear later in the paragraph.

Section 305 (sec. 304 of the bill as it passed the Senate): In this section the prohibition against including poisonous or deleterious substances in food is changed to a declaration that the addition of any such substance to food shall be deemed to be unsafe for the purposes of section 301 (a). This is not an actual change in policy, but this action was taken in order to avoid the possible claim that Congress was attempting to prohibit something which was not within its control.

Section 306 (sec. 305 of the bill as it passed the Senate): This section relates to emergency permit control, an extraordinary power to be exercised when food coming from a particular area is contaminated with micro-organisms and it is necessary to have some supervision of the situation until it clears up. The modifications made by the commttee are entirely for the purpose of clarity and in order to more adequately safeguard the rights of persons who will be affected, by assuring them full protection of due process of law. The prohibition against a manufacturer, processor, or packer shipping from the particular area when the permit system is in effect has been changed to a prohibition against any person so shipping. This is not actually a change in substance, since the penalty provisions are this broad in their scope in the bill as it passed the Senate. It will be noted that in this section, as well as in several succeeding sections, the words "an unsuspended, valid" have been omitted. This relates to a requirement that the manufacturer, processor, or packer hold an unsuspended, valid permit. The words have been stricken out as being unnecessary. The committee is of the opinion that when the manufacturer, processor, or packer is required to have a permit issued by the Secretary that that necessarily means a permit which is valid and in effect, and laws passed by Congress are uniformly written upon this assumption.

Section 402 (a): Under this section as it passed the Senate a representation concerning the effect of a drug or device had to be supported by demonstrable scientific facts or substantial and reliable medical or scientific opinion. The word "demonstrable" has been omitted. The Senate committee report indicated that the word was unnecessary and this committee struck it out on the ground that it added nothing to the provision. This same statement is applicable to the striking out of the same word in section 601 (a). This provision in section 402 (a), as in the case of section 601 (a), gives recognition to the right to distribute a

drug or device in interstate commerce if the representation upon its labeling regarding its effect is supported by any sound evidence. In other words, it protects the manufacturer of the article in a case where there is an honest difference of opinion among competent authorities upon the question of the effect of the drug or device.

Section 402 (g): In this paragraph as it passed the Senate a drug or device is deemed to be misbranded unless its labeling bears such warnings in such form and manner as may be adequate. The committee changed this to require such warnings as are required by regulations prescribed by the Secretary; its reason for so doing being that it believed that the requirement of the Senate bill was so vague that it might be held to be invalid. Certainly the manufacturers of drugs and devices would have had grave difficulty in telling what warnings would have been "adequate" on the labeling of many products.

Section 402 (h): This paragraph as it passed the Senate relates to the requirements that certain drugs be packaged and labeled as prescribed in the official compendium in which they are named, unless exempted under (1) of the section. The committee struck out the words "unless exempted under (1) of this section" as being surplusage.

Section 403 (a): This provision states that for the purposes of the act the term "antiseptic" shall be deemed to have the same meaning as the word "germicide." The justification for this provision is that the term "antiseptic" has more than one meaning, one of which is the same as "germicide", and it is undesirable to permit the word to be used under circumstances where it will be understood to mean the same as "germicide" without the person making representations with respect to it being held to that meaning.

Section 404 (sec. 403 of the bill as it passed the Senate): In this section the committee made a transposition of the words "and purposes of coloring only" for the purpose of clarity and with no change in meaning.

Section 601 (a): By this subsection as it was passed by the Senate it is declared that an advertisement of a food, drug, device, or cosmetic shall be deemed to be false if it is "false or misleading in a particular relevant to the purposes of this act regarding such food, drug, device, or cosmetic." The committee struck out the words "relevant to the purposes of this act" because it felt that by the retention of these words confusion and uncertainty would be caused.

It is difficult to understand in what situations an advertisement would be deemed to be false or misleading in a particular "relevant to the purposes of this act." The act relates to the adulteration and misbranding of food, drugs, devices, and cosmetics, and contains numerous procedural and implementing provisions to make those provisions effective. It also contains other provisions of a miscellaneous character. Then there is chapter VI, relating to false advertisements, in which the words above referred to appear. Nowhere in the act is there a statement of its purposes. Nothing helpful appears in the title of the bill, even if this could be considered. There is nothing in chapter VI which gives any idea as to when an advertisement would be relevant to the purposes of the act. Thus, it will be seen that if these words are included, it would be necessary to show something which is so vague, as applied to an advertisement, as to be incapable of proof. In view of these considerations, the committee thought it necessary to eliminate these words. It is felt that the test as to whether an advertisement is false or misleading in any particular regarding a food, drug, device, or cosmetic is adequate, and it is substantially the same test to be found in the provisions relating to adulterated and misbranded food, drugs, devices, and cosmetics.

Section 601 (b): In this subsection the words "for the purposes of this act the" were struck out as being surplusage.

Section 602: This section, inserted by the committee, gives the Federal Trade Commission power to proceed, by the cease and desist order machinery provided in the Federal Trade Commission Act, against (1) the dissemination of false advertisement by the mails, or interstate commerce, for the purpose of inducing directly or indirectly the purchase of food, drugs, devices, or cosmetics; and (2) the dissemination of any false advertisement by any means for the purpose of inducing directly or indirectly the purchase of food, drugs, devices, or cosmetics in interstate commerce. Various conforming amendments have been made in the bill to carry out the purposes of this new section, notably a change in the penalty section (sec. 706), which is modified so that the criminal and civil penalties will not apply in the case of false advertisements.

Section 702: The committee had several reasons for the omission of this section of the Senate bill. This section would have given to the district courts jurisdiction to restrain by injunction the enforcement of regulations, or to grant appropriate injunctive relief from any act or omission of the Secretary or his officers or employees, upon a showing that the regulation or the act or omission was unreasonable, arbitrary, or capricious, or not in accordance with the facts or law, and that the petitioner might suffer substantial damage by reason of the enforcement of the regulation or by reason of the act or omission. The committee was not aware of any precedent for such a provision. Insofar as it gave the court jurisdiction to decide whether the regulation, act, or omission was not in accordance with the facts, it was felt that this would constitute the imposition of a nonjudicial function upon the court. (See *Federal Radio Commission* v. *General Electric Co.*, 281 U. S. 464.) Aside from this consideration the court would have been authorized to grant the relief if the petitioner could show that he "may suffer substantial damage." This seemed to the committee to be a radical departure from the ordinary principles of equity under which relief may be granted where there is no adequate remedy at law and the complaining person can show that he will suffer irreparable injury.

The committee felt that there was no reason to add to the existing remedies which are applicable in the case of administrative action under the many other acts passed by Congress. There is always an appropriate remedy in equity in cases where an administrative officer has exceeded his authority and there is no adequate remedy of law, and furthermore the committee is of the opinion that ample protection is given by the so-called Declaratory Judgments Act enacted on June 14, 1934, as section 2074D of the Judicial Code (U. S. C., 1934 ed., title 28, sec. 400). Insofar as the court would, under the Senate bill, have been empowered to give relief in case a regulation or an act of the Secretary was unreasonable, arbitrary, or capricious, or not in accordance with law, this is merely the ordinary principle which the court applies in cases where an administrative official has exceeded his authority, and a person affected by an administrative official's action may always, whether in a criminal proceeding, equity proceeding, or any other proceeding, raise these issues. The provision of the Judicial Code above referred to gives the courts jurisdiction in actual controversies to declare rights and other legal relations of any interested party, and such a declaration has the force and effect of a final judgment or decree and is reviewable as such. This provision of the Judicial Code would apply to all kinds of disputes arising between parties or arising under legislation, but as stated in the report of the Judiciary Committee when it reported out the measure, "This form of preventive relief is distinguishable from curative relief in that the latter is incapable of redress until an injury has occurred or the contract broken." The remedy furnished seems to be peculiarly adapted to cases where the interests and rights of parties are affected by the acts of administrative officials. Prof. Edwin Borchard, of the Yale University School of Law, a recognized authority on this subject, stated in an article appearing in the Law Week that it is in this field that the act will have its greatest usefulness. An example of its usefulness under the present act would be in the determination of the validity of the tolerances for added poisonous and deleterious substances fixed by regulations of the Secretary under section 305.

Section 703: This section was omitted because the committee felt that the establishment of the committees provided for was unnecessary.

Section 704: This section was omitted because the committee felt that it was unnecessary to specifically authorize the committees referred to, and furthermore that the authorization for the Secretary to accept plans for self-regulation would have given rise to confusion and uncertainty, particularly in view of the rather contradictory character of the proviso appearing at the end of the section.

Section 706 (sec. 704 of the bill as it passed the Senate): The proviso at the end of this section was transferred to section 703 (a) and somewhat modified, with no substantial change in policy.

Section 705 (sec. 707 of the bill as it passed the Senate): The introductory words of this section were modified with a view to making more certain of the validity of the section and in order to avoid the possibility that in acting under it the Secretary would have to show that he was acting for the purpose of safeguarding the public health and preventing deceit upon the purchasing public. It would seem that the more simple language substituted by the committee is preferable.

Section 709 (sec. 711 of the bill as it passed the Senate): This is the section containing the Bailey amendment, which appears as a proviso at the end of subsection (a). The committee inserted a substitute for the Bailey amendment, the first part of which it is believed makes no change in policy but will avoid the embarrassment which the Secretary of Agriculture would experience if he were to begin a libel for condemnation proceeding and for some reason it was found to be impossible to have the case decided on its merits. This might occur because the Bailey amendment as it passed the Senate provides that "not more than one seizure shall be instituted" in cases of alleged misbranding, etc. There are two substantive changes made by this committee. One is that multiple seizures would be permitted in cases where the Secretary has probable cause to believe that the misbranding is in a material respect false, misleading, or fraudulent. This will permit protection of the public against such nostrums as a brew of weeds labeled as a treatment for diabetes and against innumerable other cheats and frauds which at best rob the consumer's pocketbook, and at worst rob him of health or life through his mistaken reliance upon them while his disease progresses unchecked. With this change the seizure section will continue to function as a means of "arresting the bullet in flight before it claims its victim", although the administrative agency will have materially less latitude in making multiple seizures than it has had under the present law for the past 30 years. The other change is that the provision for removal for trial to the jurisdiction of the claimant's residence has been changed to permit removal to any district adjacent to the district of the claimant's principal place of business or to any other district which may be agreed upon by stipulation between the parties.

Section 709 (f) (sec. 711 of the bill as it passed the Senate): This subsection was struck out because it seemed to the committee to be either unnecessary or else susceptible of the possible

construction that it might give each district court authority to issue injunctions which would operate throughout the United States.

Mr. Speaker, I reserve the remainder of my time.

Mr. REECE. Mr. Speaker, the subcommittee of which the distinguished gentleman from Kentucky is chairman held extensive hearings upon this bill after it was referred to the Committee on Interstate and Foreign Commerce. This subcommittee gave it unusually careful attention. After the subcommittee reached a unanimous decision it made a report to the full Committee on Interstate and Foreign Commerce, which reported the bill to the House without a dissenting vote.

The committee undertook to harmonize all conflicting opinions insofar as possible without destroying the effectiveness of the legislation, recognizing that the old Pure Food and Drug Act required strengthening in order to protect the health of our citizens. I think this bill as it now stands will protect the public.

Mr. COX. Will the gentleman yield?

Mr. REECE. I yield to the gentleman from Georgia.

Mr. COX. Is this the old Tugwell bill revamped and about which Members of Congress have been bedeviled for more than a year by the lobbyists of medicine makers, and the bill to which the little independent druggists are so bitterly opposed?

Mr. REECE. This is not a first cousin of the old Tugwell bill. It deals with the same subject matter, and that is the only connection between the two bills.

Mr. COX. Does this have in it the same provision that the original Tugwell bill had giving the Secretary of Agriculture control over the advertising of these various products?

Mr. REECE. The jurisdiction over advertising is left with the Federal Trade Commission. That is the jurisdiction which the Federal Trade Commission has heretofore had.

In my experience in the House I do not think I ever dealt with a controversial piece of legislation where the final result is as harmonious as in this case.

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. REECE. I yield.

Mr. JOHNSON of Texas. What is the difference between the House bill we are now considering and the Senate bill?

Mr. REECE. The Senate bill was revised in several particulars, one major particular being the matter that the gentleman from Minnesota referred to, whereby jurisdiction over advertising is left with the Federal Trade Commission instead of being placed in the Department of Agriculture.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield for a question?

Mr. REECE. I yield.

Mr. MARTIN of Colorado. I would like to have the gentleman conclude the remarks he was making when he stated that he had never handled a bill where the results were as harmonious as in this case. Will the gentleman please state to the House just what he means by that statement?

Mr. REECE. What I said was where the results met with such harmonious approbation of the members of the committee interested in the legislation.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield for a question?

Mr. REECE. I yield.

Mr. CRAWFORD. Does the Federal Trade Commission have any power which goes beyond the power to issue orders to cease and desist, or does its power stop with the issuance of such orders?

Mr. REECE. After a finding of facts it would first issue a cease-and-desist order, and then, if there should be a violation, further action can be taken in the courts.

Mr. CRAWFORD. At the instigation of the Federal Trade Commission?

Mr. REECE. Yes; through the courts.

Mr. ALLEN. Mr. Speaker, will the gentleman yield?

Mr. REECE. I yield.

Mr. ALLEN. Does not the gentleman think we would be better off if we would forget about all this reform legislation and do something for business, or at least let them alone for a while, in order to bring about some recovery legislation?

Mr. REECE. I think some such legislation as is proposed in the pending bill should be enacted in order to strengthen the present Food and Drugs Act.

Mr. ALLEN. As a matter of fact, it was thought that this matter was going over until the next session; but they bring it in here unexpectedly today, and no one knows anything about it except the few Members who were on the subcommittee, and I am sure the gentleman will admit that this has nothing to do with recovery and is nothing but a reform measure. A bill of 87 pages cannot be understood by many with less than 1 hour to consider it. I know this bill will pass, but I trust the House conferees will insist on eliminating Senate provisions requiring formula disclosure on labels.

Mr. REECE. This is not a reform measure.

Mr. ALLEN. Is it a recovery measure?

Mr. REECE. Neither is it a recovery measure; it is a public-health measure.

Mr. ALLEN. I reiterate that the Senate provisions relative to formula disclosures should be stricken from their bill, and I have confidence that the House conferees will insist that it be stricken; otherwise the bill will cause much hardship and will not be fair to reliable firms who are employing thousands of men and women.

Mr. REECE. I do not consider it a reform measure, but a public-health measure.

Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Speaker, I was not a member of the subcommittee of the Committee on Interstate and Foreign Commerce that handled this legislation. It is only fair to say that that subcommittee deserves a great deal of credit for the consideration it gave this bill and for the work it did in perfecting it.

Of course, a bill of its magnitude is not entirely satisfactory to anyone. There are some amendments in the bill which different people would prefer not to have in it and others would like to see some amendments made to it as it was reported by the committee, but on the whole I think it can be said it is a very creditable piece of work and fairly satisfactory to those who have given careful consideration to it. I am in favor of the passage of the bill. It is late in the session to do much with it in conference, but it may be that it can be perfected some more in conference. I dislike to see a bill of this importance brought up under suspension of the rules at the close of the session, with no opportunity to offer amendments on the floor, but I do not know of any way to dispense with the last few days of any session of the Congress, and as long as we cannot dispense with them, it is a great deal better that we pass legislation which has been given the consideration that this bill has had rather than let the legislation go by the board entirely. I think it would be unfortunate if this session of the Congress should adjourn sine die without passing this bill because of the work that has been done upon it and because of the great improvement which the passage of it will make over existing law, and for one I am in favor of the motion of the gentleman from Kentucky to suspend the rules and pass the bill. [Applause.]

Mr. CHAPMAN. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. KENNEY].

Mr. KENNEY. Mr. Speaker, it is gratifying to have served with the able members of the subcommittee of the Committee on Interstate and Foreign Commerce in the consideration of this bill which will come to be known as the Federal Food, Drug, and Cosmetic Act. Our work commenced in August 1935, under the direction of the gentleman from Kentucky, who is chiefly responsible for the bill as it now comes before the House. I would recommend to the House the reading of the hearings and particularly the cross-examination by the chairman [Mr. CHAPMAN] of one witness who appeared, a man who represented patent-medicine concerns on the one side and church papers on the other, he having exclusive control over the advertisements that went into those papers, and being the sole agency of the patent-medi-

cine houses to deal with these papers. That cross-examination will bring out forcibly that which the membership of the House already knows, that the chairman of this subcommittee [Mr. CHAPMAN] is not only an able lawyer, one of the first quality, but that he is a thorough, searching, excellent legislator, who adduced facts that furnished a large part of the groundwork upon which the bill in its present form is based.

This bill is a good consumers' bill, and one that is fair to the trade. The subcommittee had before it the old Wiley act, 30 years old, which was amended only two or three times in minor particulars.

There was before the committee, of course, the Copeland bill, S. 5. But the Wiley act was very carefully considered in all its phases as were the bills on the subject matter introduced by the gentleman from New York [Dr. SIROVICH], the gentleman from New York [Mr. MEAD], and the gentlewoman from Indiana [Mrs. JENCKES].

Time does not serve to review the bill in any essential detail. It is hoped by the committee that it will accomplish its purposes which are to protect the pocketbook and, what is more, the health of the public.

Every effort was made by the subcommittee to bring in a bill which would be fair to the trade in all matters which did not conflict with the interest of the purchasing public.

The Food and Drug Administration of the Department of Agriculture has done and is still doing much to protect the purchasing public from false, fraudulent, and exaggerated claims for foods and drugs. Prohibited by the administration from false labeling under the Wiley Act, manufacturers of foods and drugs have carried the selfsame false, fraudulent, and exaggerated claims to the public through advertisements in newspapers and magazines thereby avoiding control of the law under the Wiley Act. This bill will bring advertising under control of the law for the protection of purchasers of foods and drugs. It will also give supervision to the Government over devices and cosmetics in interstate commerce where there has been no supervision or control whatever, although it is conceded that there is absolute need for governmental regulation.

It would be wise for the Members of this House and all visitors to the National Capital to call at the Food and Drug Administration and there view the exhibits which have given rise to the appellation of the quarters containing their "Chamber of Horrors."

The study and considerations of this bill to preview the adulteration, misbranding, and false advertising of foods, drugs, devices, and cosmetics in interstate commerce have led me into a field of revelation. The public generally would readily appreciate the underlying purpose of this bill if they could but see and hear what I have seen and heard.

The SPEAKER. The time of the gentleman from New Jersey has expired.

(By unanimous consent Mr. KENNEY was granted leave to extend his remarks in the RECORD.)

Mr. KENNEY. The bill, designed to safeguard effectively the public health and to prevent deceit upon the purchasing public I sincerely trust will do so.

Among other things it will do:

(a) Prohibit false advertising of food, drugs, therapeutic devices, and cosmetics.

(b) Require cosmetics—other than soap—which was finally excluded from the act except when curative properties are claimed—to be truthfully sold and outlaws those injurious to health.

(c) Prohibit traffic in food which may render it dangerous to health. (The present law permits regulation of dangerous food only in the event that the poison is added.)

(d) Prohibit addition of poison to food except where such addition is required or cannot be avoided in production; authorizes limitation to point of safety of added poisons that are required or cannot be avoided.

(c) Authorize emergency license control of food that may be imminently dangerous because of contamination with micro-organisms, but a license can only be required when public health cannot be protected otherwise.

(d) Forbid traffic in confectionery containing metallic trinkets and other inedible substances which have been found to be a menace to the health of children.

(e) Require label declaration of artificial colors and artificial flavors in all food.

(f) Require fully informative labeling of infant and invalid food.

(g) Provide for the promulgation of standards of identity and a reasonable standard of quality for food. (A standard of quality is authorized by the present law for canned food only.)

(h) Require the labeling of unstandardized food to disclose the ingredients by name, except colorings and flavorings, which may be declared simply as coloring and flavoring.

(i) Prohibit traffic in drugs and devices which are dangerous to health under the conditions of use prescribed in the labeling or advertising.

(j) Require habit-forming drugs to bear warning labels.

(k) Require adequate directions for use of drugs and devices and appropriate warnings against their probable misuse through overdosage or by children or in disease conditions where they may be dangerous.

(l) Require that claims of effect of drugs and devices be supported by reliable medical or scientific opinion. (The present law makes fraud—that is, willful intent to deceive—an element of the offense; unwarranted therapeutic claims resulting from sheer ignorance of the manufacturer are not actionable.)

(m) Make the Homeopathic Pharmacopoeia of the United States the legal standard for homeopathic drugs.

(n) Require that official drugs recognized by the United States Pharmacopoeia, the National Formulary, and the Homeopathic Pharmacopoeia be packaged and labeled as required by these books.

(o) Require that antiseptics possess germicidal power.

(p) Proscribe the use of poisonous containers for food, drugs, and cosmetics.

(q) Require that food, drugs, and cosmetics be prepared and handled under conditions of reasonable cleanliness.

(r) Forbid the use of uncertified and impure coal-tar colors in food, drugs, and cosmetics.

(s) Proscribe slack filling and the use of deceptive containers for food and drugs.

(t) Provide for factory inspection and the procurement of records needed to prove Federal jurisdiction.

(u) Provide increased penalties for violations.

(v) Authorize the Federal courts to enjoin repetitious violations.

(w) Authorize seizure of only one interstate shipment in a case of misbranding unless the article is so misbranded as to render it imminently dangerous to health, or unless the misbranding has been the subject of a prior court judgment in favor of the Government. (The present law makes no such restriction on seizure; through seizure of multiple shipments in the channels of interstate distribution the public has been protected against the consequences of misbrandings involving not only imminent danger to health but lesser degrees of injury and also definite cheats.)

(x) Provide for trial of seizure cases in district adjoining manufacturer's home jurisdiction or, at the option of the claimant, the jurisdiction where the goods are seized. (Under the present law the courts and juries in the consuming rather than the manufacturing jurisdiction determine the issues in seizure cases.)

Mr. REECE. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. COOPER].

Mr. COOPER of Ohio. Mr. Speaker, while I was not a member of the subcommittee that had this bill under consideration, I am a member of the full committee, and after the subcommittee reported it to the full committee we gave it very careful consideration. For years there has been a crying need for a strengthening of our Pure Food and Drugs

Act. This bill was given careful consideration. The committee was unanimous in reporting it. I believe it is a good measure, and while I regret there is not more time to consider an important bill like this, with only 40 minutes for discussion, nevertheless I believe Congress ought to consider it favorably. The Federation of Women's Clubs, legitimate merchants, and those who are endeavoring to sell pure food and drugs are actively behind this bill, and I hope that it will pass.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. COOPER of Ohio. Yes.

Mr. BIERMANN. On page 74 of the bill there is a list of prohibited acts and penalties. Subsection 5 provides:

> The dissemination of a false advertisement by any means for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics in interstate commerce.

What kind of an obligation does that impose on a country newspaper, for example?

Mr. COOPER of Ohio. I have never heard that question raised. The gentleman from Tennessee [Mr. REECE], a member of the subcommittee, probably can reply to that.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. BIERMANN. If a country newspaper is going to be held responsible for the act of every advertiser, it is a very severe law.

Mr. CHAPMAN. Mr. Speaker, I yield now to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Speaker, first I pay my respects to the subcommittee and compliment it on the splendid work it has accomplished and the very earnest care it has given this most complex subject. We are indebted to the members of this subcommittee for the splendid work they have done. In 1905 a start was made in the protection of the public by the passage of the bill sponsored by Dr. Wiley, which covered food and drugs. We are now, by the passage of this measure, taking control of advertising and exercising jurisdiction over the cosmetic industry. We give to the Federal Trade Commission authority to regulate advertising, for the reason that they have the machinery, and for the added reason that conferring this jurisdiction on the Department of Agriculture the Food and Drug Commission would make that agency the jury, the judge, the policeman, and the district attorney. This measure will protect the consumer to a larger degree than ever before. It is a step in the right direction, and it covers the entire field. It protects those who were neglected in the past by reason of the lack of control over the manufacture of cosmetics. It protects the public from fraudulent advertising. It is a good bill, but by no means a perfect bill, though a step in the right direction, and I hope it receives the approval of the House.

Mr. CHAPMAN. Mr. Speaker, I yield now to the gentleman from Maryland [Mr. COLE].

Mr. COLE of Maryland. Mr. Speaker, as a member of the subcommittee on this bill I am glad to find, even at this late hour, the House leadership permitting its consideration. It is obviously impossible to discuss the bill in the fashion that I should like, due to the limited time for debate. At a later date I hope to extend my remarks more fully. The commerce committee of the American Bar Association, composed of five distinguished lawyers, studied this bill for 5 days. One of those lawyers is the present Assistant Attorney General of the United States, the Honorable John Dickinson. I ask unanimous consent to include the report of that committee in an extension of my remarks.

The SPEAKER. Is there objection?

There was no objection.

The report is as follows:

To the EXECUTIVE COMMITTEE:

The Commerce Committee has completed holding public hearings in New York on April 29, 30, and May 1, 1936.

There are now pending before Congress revisions to the Federal Food and Drugs Act and to section 2 of the Clayton Antitrust Act.

Our information is that each of these bills is likely to pass at this session of Congress. Any recommendations, therefore, that the committee has to offer must be made promptly before the annual meeting of the association in August.

Therefore our committee has made a preliminary report respecting the revision of the Federal Food and Drugs Act and to section 2 of the Clayton Antitrust Act.

"REVISION OF THE FEDERAL FOOD AND DRUGS ACT

"The Committee on Commerce has considered S. 5, to revise this act in the form it passed the Senate and is now before the House.

"The committee reiterates its approval of the public purposes and general principles of this bill; and it expresses the hope that this bill may be enacted, in due form, at the present session of Congress. For undoubtedly the public interest is promoted by an early and proper revision of this act to cure its defects, to bring it abreast modern needs, and to make it a stronger and adequate instrument of consumer protection.

"The committee again declares its opinion that this bill should not be amended to transfer the enforcement of its provisions against false advertisement from the Department of Agriculture to the Federal Trade Commission. It is too clear for argument that the administration of this vastly important new law should not be divided between two different Government agencies, whereby one agency enforces it against adulteration and misbranding and the other enforces it against false advertisement, with respect to the same products. And the agency of the Federal Government which is best equipped, experienced, and positioned to administer this revised act is the Department of Agriculture, which has always administered the Federal food and drug law. In making this statement the committee has in mind the application of section 5 of the Federal Trade Commission Act against false advertisement which constitutes an unfair method of competition; and it recommends no limitation of the application of this section accordingly."

The committee further declares the following additional opinion:

First. This bill should be amended to provide for a division of the official product sample taken for analysis, to enable a check analysis by the manufacturer of such product at its own expense. This as a matter of plain justice, in order to prevent the administration of the revised act, upon the basis of one-sided evidence and to preclude its misadministration upon the basis of an erroneous Government analysis.

Second. This bill should be amended to exempt proprietary food from the requirement that each food shall be labeled to declare all its ingredients, provided the manufacturer of such proprietary food fully and correctly discloses its ingredients to the Secretary of Agriculture. To require proprietary food so to declare its composition will be to permit, encourage, and validate its unfair and injurious competitive misappropriation and to sanction an effective labeling device for the deceptive palming off of an inferior food for a superior one. The present act has always expressly safeguarded the composition of proprietary food; the revised act will outlaw any injurious adulteration and any false or deceptive representation with respect to proprietary food; and the aforesaid filing requirement will give the Secretary of Agriculture all the information he may require to enforce the act against adulterated, misbranded or falsely advertised proprietary food. This amendment will require an additional amendment against the official misuse of the information so filed.

Third. This bill should be amended to provide for an impartial administrative board of review independent of the Department of Agriculture, created and empowered as follows:

"A board created and acting under rules prescribed by the President and empowered, upon cause shown, to review any decision by the Secretary of Agriculture to institute a criminal prosecution or a civil penalty proceeding with respect to an 'opinion representation.' The bill now empowers the Secretary to review his own decisions. But the point of this amendment is to secure an impartial review of that decision. This amendment arises out of the fact that the revised act regulates advertising which largely consists of opinion representations, which, in turn, are bound to present an honest difference of construction under the act. It is designed to prevent the misadministration of the act with respect to such representations, and it is duly safeguarded. This board will be an especially valuable remedy to smaller manufacturers who cannot afford the expense of defending court proceedings under the act. And there is ample precedent for it in the plan of this bill for advisory committees which are empowered to approve the basic regulations under the act before the Secretary can promulgate them."

Action on the above reports if delayed until the annual meeting of the association in August will be academic if, as contemplated, the bills above referred to are passed at this session of Congress.

The committee requests that it be authorized in the name of the association to make the views hereinabove expressed known to the appropriate committees of Congress.

Mr. Dickinson, a member of the committee, has stated that, because of his position in the Department of Justice, he expresses no opinion on the bill dealing with the amendments to the antitrust laws.

Mr. Roy F. Shields, of Portland, Oreg., was not present at the meeting of our committee in New York or the meeting of the committee this week in Washington.

Respectfully submitted.

HAROLD J. GALLAGHER, *Chairman*.
RUSH C. BUTLER.
JOHN DICKINSON.
CHARLES R. FOWLER.

Authority granted May 7, 1936.

Mr. COLE of Maryland. Mr. Speaker, this is a most important bill. Highly technical and not entirely as I would like to see it. In the many nights and days our committee spent in considering it, there was a spirit of compromise looking to a bill, not perfect, but strengthening existing law and bringing under the Food and Drug Administration cosmetics and devices and regulating the advertising of all. It is my prediction that when the bill comes from conference and is finally passed it will be generally accepted as a wonderful contribution to the needs of the day we have attempted to solve. I hope some recent critics of the bill who have gone to the extreme of attacking those of us on the committee who have been demanding protection to the consuming public will be men enough to admit it.

Mr. REECE. Mr. Speaker, I now yield to the gentleman from Wisconsin [Mr. O'MALLEY].

Mr. O'MALLEY. Mr. Speaker, I rise at this time to protest the attempt to pass a bill of this involved nature under this kind of procedure. Here is a bill of 87 pages, with a report of some 18 pages. It would be obviously impossible for any Member of this House to read even a portion of the 87 pages in the bill and the 18-page report in the 40 minutes allowed for debate and passage. This bill will affect practically every business in the United States. It will affect the newspaper business, the advertising business, and practically every manufacturer of drugs and cosmetics, the canner of foods, the farmer and fruit grower, and the producer of every conceivable product in the field of human consumption.

It is impossible to ask any questions about this bill. It is impossible to find out whether it is the old Tugwell bill, dehydrated or with a major operation performed on it. It is impossible to find out whether or not the bill has good mixed with bad, or, in short, to find out anything about it, because we do not even have time to ask questions.

This is a bill that will affect many businesses. I have heard gentlemen on the Republican side say we should not pass legislation at this time that might be used to harass business. This is a bill that could be used, under some of the wide powers delegated two departments, to harass small country newspapers, the businessman in every field, if the powers in the bill were abused. There is a section in this bill that makes it impossible for the publisher of even a small newspaper to know whether or not he is liable if he takes an ad from some concern by mail from a long distance away. He would have to conduct all kinds of extensive correspondence trying to find out whether he could or could not accept any food, drug, or cosmetic advertising. This bill should not be passed under this procedure. It has been here in one form or another for 4 years, and we should spend some time on it before acting on it, because it deserves intelligent, orderly attention. I have always favored stringent food and drug laws to protect our people from unscrupulous manufacturers, advertisers, and nostrum peddlers. But to pass a bill of this kind, with so many far-reaching powers, under suspension of the rules, which allows for no amendments or adequate discussion, may cause us to do more harm to the good manufacturers and ethical advertisers than we may realize. More than 6 months have passed since this bill was brought up. To rush it through in 40 minutes without crossing a "t" or dotting an "i" is a sad commentary on parliamentary government.

[Here the gavel fell.]

Mr. CHAPMAN. Mr. Speaker, I yield one-half minute to the gentleman from New York [Mr. PEYSER].

Mr. PEYSER. Mr. Speaker, I want to refer briefly to the new section in the bill we are discussing, applying to cosmetics, which was not in any previous drug act. For the benefit of the Members present who may have had some of their constituents approach them regarding this section of the bill that I have been advised by the Association of Cosmetic Dealers and Manufacturers in the United States, as well as others that are interested, that this bill, as drawn, is entirely to their satisfaction and that every objection has been met, and I sincerely hope the bill will be passed.

[Here the gavel fell.]

Mr. CHAPMAN. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado. Mr. Speaker, while I am a member of the Committee on Interstate and Foreign Commerce, which reported out this bill, I do not know much about it, except in a general way, but I am in a position, I think, to give a reassuring word to the other Members of this House who are in the same situation; and that is that this bill was gone over section by section and paragraph by paragraph in the full committee for several days, and the debate that was carried on between the eight able members of the subcommittee which brought out this bill was one of the best I have listened to in the full committee. I can assure you that the subcommittee which handled this bill know what is in it. They displayed thorough knowledge of it, and I felt justified as a result of what I heard in the discussion carried on by the subcommittee in giving my support to this very important piece of legislation.

The SPEAKER. The time of the gentleman from Colorado has expired.

Mr. REECE. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, reference has been made to two or three elements in this legislation. One question has been raised upon the floor apropos of the so-called Tugwell bill. I think I am not far wrong in saying that the bill reported by the Committee on Interstate and Foreign Commerce bears no resemblance to the original Tugwell bill. It cannot be recognized. As a matter of fact, the subcommittee, after weeks and weeks of work, revamped the legislation completely and wrote a new bill, which is not 87 pages long. It is less than half that length. I feel sure that the objectionable elements contained in the Tugwell bill do not appear in this one.

Mr. MARTIN of Colorado. About all they left was the title of the old bill?

Mr. WADSWORTH. That is about all. The subcommittee examined into the problem of the country newspapers and the full committee discussed it at length. The false-advertising section is found on page 66. I think if the Members will read section 601, commencing in line 21 on page 66, they will find that that language will not impose upon the country newspapers or any other newspapers any undue burden. It is true it does place them upon notice. They are already on notice. They must be careful in accepting advertisements which are sent to them, but they are careful. They have machinery of their own to inform them as to false advertisements, and if they will just be careful they will not suffer. We have left the administration of the false-advertising section to the Federal Trade Commission, which already has built up a series of opinions sustained by the courts in relation to false advertisements in connection with unfair business practices. The staff of the Federal Trade Commission can be trusted to administer that section in fairness.

[Here the gavel fell.]

Mr. REECE. Mr. Speaker, I yield the balance of my time, 1 minute, to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. Speaker, it is unfortunate that this bill comes to us with no opportunity for amendment. I feel sure that if the bill should be passed by the House and it goes to conference, the matter in which those who use sprays for fruits and vegetables will be taken care of. The House bill eliminates section 702 of the Senate bill. Section 702 gave the producer of fruits and vegetables using a spray a day in court on the reasonableness of a department regulation. This bill does not.

I have read with care page 8 of the committee report accompanying S. 5, dealing with the reasons for the elimination of section 702. I respectfully submit that the general provisions of law referred to on page 8 do not give a complainant his day in court on the facts to which I think every citizen is entitled where a criminal penalty is involved.

It is to be borne in mind that the present proposed bill is a radical departure from existing law with reference to tolerances and regulations. The Secretary now has no power to fix tolerances, the violation of which involve seizure, condemnation, and destruction of property and criminal penalties for the violation of tolerances promulgated by the Secretary. Under the present law the Secretary can merely give notice that if a commodity shows in excess of whatever figure the Secretary announces that the goods will be subject to seizure and the owners to prosecution. Therefore, under the present law whenever the Secretary makes a seizure or commences a prosecution he must in every case prove affirmatively that what he alleges to have found in or on a commodity is or may be injurious to health. The defendant then has the right to bring in witnesses to prove to the contrary. The defendant, therefore, has his day in court on the facts.

The underlying principle of the proposed bill is contrary to the present law, in that the Secretary is authorized to fix and promulgate tolerances by regulation. Having once promulgated them, all that he has to do in the case of a seizure or in a case of prosecution for the penalties is to prove the promulgation of the tolerances and that the goods contain more than the tolerance so fixed.

With section 702 omitted the defendant would have no opportunity to contest the soundness of the regulation promulgating the tolerance on the facts, providing there was substantial evidence to support the Secretary's tolerance at the time of its promulgation. The Supreme Court, in the case of *I. C. C.* v. *Union Pacific Railroad Co.* (222 U. S. 541), held, with respect to a review of the reasonableness of departmental regulations under general statutes, that the court can review the law under which the administrative agency acted but cannot review the facts if it appears that there are any substantial facts to sustain the regulations. In other words, with respect to the facts, the petitioner comes before the court as on a demurrer to the evidence. In that case Justice Lamar said:

> The courts will not examine the facts further than to determine whether there was substantial evidence to sustain the order.

The danger to which fruit growers would be subjected under the above situation and under the proposed law, with section 702 eliminated, was well illustrated in the spring of 1933 when, against the unanimous protest of all of the apple producers of the United States, Dr. Tugwell issued an announcement that he would seize and prosecute if he found fruit containing more than 0.014 grain of lead per pound. The growers knew they could not reach that low level and were forced to turn to other types of spray material much less efficient, or, to greatly reduce their spray program. But, even so, they still had their day in court on the facts because, as I have stated, the Secretary would have been required to prove affirmatively in each case that anything in excess of 0.014 was or might be injurious to health.

About 3 months later, or, on June 20, 1933, Secretary Wallace, in effect, raised the so-called tolerance to 0.02 grain by issuing an announcement that seizures and prosecutions would take place if the commodity showed in excess of that amount. It should be apparent to you that if the announcement by Secretary Wallace on June 20 was in accordance with the facts, then the announcement by Assistant Secretary Tugwell on April 2, 1933, was not in accordance with the facts. This whole vital principle affects several hundred thousand commercial growers and countless other thousands of growers of vegetables and similar fruits.

It is not sufficient that a review be had only on the ground that a regulation is unreasonable, arbitrary, or capricious. As pointed out in the case of I. C. C. against Union Pacific Railroad Co., cited above, if there is any substantial evidence to support the regulation of the Secretary, it could not be held either unreasonable, arbitrary, or capricious. At the same time, however, it might actually be contrary to the great weight of scientific information, and the facts or scientific information might well have changed, which it frequently does.

I do not agree with your legal adviser that Congress could not confer upon a constitutional court the right to consider the facts involved in a regulation carrying a criminal penalty. Under the Perishable Agricultural Commodities Act (48 Stat. 584) the Secretary of Agriculture (sec. 7 (a)) is empowered to determine damages sustained by virtue of violation of certain provisions of the act and to issue reparation orders, and the findings and orders of the court are made prima-facie evidence of the facts therein stated. However, any party aggrieved by such order can appeal direct to the district court and, quoting from the act (sec. 7 (c)):

> Such suits shall be a trial de novo and shall proceed in all respects like other civil suits for damages, except that the findings of fact or orders of the Secretary shall be prima-facie evidence of the facts therein stated.

It will be observed that under the above the defendant or aggrieved party has his full day in court on the facts under any order or findings issued by the Secretary.

I further feel that section 702 is distinguishable from the case cited in the report, Federal Radio Commission against General Electric Co. In that case the Radio Commission was authorized to pass on the question of certificates of convenience and public necessity, and its decision was to be final. In the first place, the Federal Radio Commission is supposed to be a board of experts, the same as the Interstate Commerce Commission and the Federal Trade Commission, and not a single administrative officer. In the next place, the case in question did not involve a criminal penalty.

The Federal Food and Drugs Act is a criminal statute, and I, therefore, feel that citizens must have their proper day in court on the facts as well as the law.

I think section 702 as passed by the Senate should be incorporated in the House bill, or language used similar to that in the Perishable Agricultural Commodities Act, whereby a defendant can appeal to the district court, and that on such appeal the suit shall proceed as a trial de novo, subject, if you deem best, that the findings of fact and the order or orders of the Secretary be prima-facie evidence of the facts therein stated.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. CHAPMAN. Mr. Speaker, I yield the remainder of my time to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, I think everything that has been said about the work of this subcommittee is justified. I want to say this in respect to some remarks made here about what this bill does:

This bill, in my opinion, is a very great improvement on the present law. It is not anything like the original Tugwell or Copeland bills which were introduced in the House. The pending bill does this in the main, it protects a public that trusts advertisements in newspapers and advertisements and labels on bottles and packages from being imposed upon in the future as they have been so very much imposed upon in the past. In my opinion it is a forward step in protecting the stomachs and the lives of the people of this country.

[Here the gavel fell.]

The SPEAKER. The question is on the motion of the gentleman from Kentucky to suspend the rules and pass the bill.

The question was taken; and on a division (demanded by Mr. O'MALLEY) there were—ayes 151, noes 27.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 639. Joint resolution to provide certain administrative expenses for the Division of Territories and Island

Possessions, Department of the Interior, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 3925. An act for the relief of Mrs. Lulu M. Peiper; and

S. 4786. An act to authorize the Secretary of Agriculture to make such adjustments and revisions found to be due on contracts entered into by the Government with crop producers under the Agricultural Adjustment Act.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2456) entitled "An act to provide for the appointment of an additional judge for the northern and southern districts of West Virginia."

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 4699. An act to provide a commissioned strength for the Corps of Engineers, United States Army, for the efficient performance of military and other statutory duties assigned to that corps.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8555. An act to develop a strong merchant marine, to promote the commerce of the United States, to aid in national defense, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. COPELAND, Mr. SHEPPARD, Mr. GUFFEY, Mr. MCNARY, and Mr. GIBSON to be conferees on the part of the Senate.

NAVAL AIR STATION, ALAMEDA, CALIF.

Mr. GREENWOOD. Mr. Speaker, I call up House Resolution 531.

The Clerk read as follows:

House Resolution 531

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 4020, an act to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. GREENWOOD. Mr. Speaker, House Resolution 531 makes in order the consideration of the bill (S. 4020) to authorize the acquisition of land in the city of Alameda, Calif., as a site for a naval air station and to authorize the construction and installation of the naval air station.

The committee in charge of the bill asked me to take time enough briefly to explain the bill in order to facilitate its passage without too much time being consumed.

Mr. Speaker, the bill authorizes the Secretary of the Navy to acquire this site for an airport and operating base on San Francisco Bay. Admiral Standley, Chief of Naval Operations, has conferred with several members of the committee, and I conferred with him, and he assures me that he and his staff have made a critical examination of the necessity and of the facilities that are offered here for this operating base and that it is vitally needed. The administration, as I understand, the Chief Executive and the Bureau of the Budget, approve of the taking over of this piece of land for this naval air station.

The city of Alameda held an election and by that election decided to convey this land, some 95 acres above the high-water mark and some that is covered by water at certain stages of the tide. As originally provided in the Senate bill, $296,000 was required to satisfy a leasehold held by the Curtiss-Wright Co. This item of expense is eliminated in this bill. The city of Alameda at first desired $4,000 to cover the expenses of the election which was held. This amount, too, has been eliminated; and, so far as the cost to the United States Government for the land is concerned, there is no cost.

The bill does provide, however, that before December 31, 1939, the United States Government will expend at least $1,000,000 toward the construction and the completion of this air base.

The necessity of this site is that the station must be located so that ships can land to bring supplies and planes can be delivered in knocked-down condition, and where there can be complete cooperation between the air forces and the naval forces. Admiral Standley, Chief of Operations, assures me his staff considers this the best location from the standpoint of water front, higher land, and the other purposes to be filled by this character of air base as an operating base. There is an operating base at San Diego, Calif., and another one can be provided in Puget Sound, but these are several hundred miles away and are at the extreme limits of the territory to be protected. San Francisco, on the other hand, is centrally located and will offer full protection for all the lanes of transportation to the Hawaiian Islands and the Orient. This station, in addition, will be within a few miles of the naval base at Mare Island, with its repair shop, and with which there will be full cooperation. I have given you a summary of the bill and its purposes. I think if you will read the report of the committee you will reach the conclusion that for the defense by means of an air force of this western coast, and especially of San Francisco Bay, which is centrally located, that no objection will be raised to the acceptance of this gift of land from the city of Alameda because of its location and because of its advantages as has been recommended by the committee.

If there are no questions, Mr. Speaker, I move the previous question on agreeing to the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that the bill (S. 4020) to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon, be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to purchase in behalf of the United States as a site for a naval air station, at a cost not to exceed $1, and to accept the title in fee simple to all that certain piece or parcel of land situate, lying and being south of the Alameda Mole, in the city of Alameda, county of Alameda, State of California, and more particularly described as follows: Commencing at a point on the United States bulkhead line, said point being distant due south thereon 202.1 feet from point "k" as said line and point are delineated and so designated upon that certain map entitled "Harbor Line Survey, San Francisco Bay, 1910, Sheet No. 6", on file in the United States Engineer's Office, customhouse, San Francisco; and running thence north 73°58′ west 409.95 feet to a point, said line being parallel with and distant southerly 122.7 feet measured at right angles from center line of the South Pacific Coast Railway Co.'s right-of-way; thence north 83°28′ west 342 feet to a point; thence north 76°5′ west 500 feet to a point; thence north 81°15′ west 680 feet to a point; thence north 89°50′ west 1,687.88 feet to a point on the United States Pierhead Line; thence south 47°50′53″ west 482.14 feet to a point, which point is the intersection of the United States Pierhead Line with the southwesterly line of the city of Alameda (also easterly line of the city and county of San Francisco); thence south 27°50′ east 11,529 feet along the southwesterly boundary line of the city of Alameda to a point, which point is the intersection with the westerly line of Benton Field; thence north 16°2′ east 9,344.13 feet to a point; thence north 73°58′ west 4,190.05 feet to the point of beginning, containing 929.337 acres, more or

less, free from all encumbrances, except a certain lease entered into by and between the city of Alameda and the Alameda Airports, Inc., a subsidiary of the Curtiss-Wright Corporation. Title to the above referred to property is accepted by the United States upon the understanding that at least $1,000,000 will be expended by the Government of the United States in development work by December 31, 1939, otherwise title to said lands will revest to the city of Alameda.

With the following committee amendment:

Page 3, line 15, after the word "all" strike out "encumbrances, except a certain lease entered into by and between the city of Alameda and the Alameda Airports, Inc., a subsidiary of the Curtiss Wright Corporation. Title to the above-referred to property is accepted by the United States upon the understanding that at least $1,000,000 will be expended by the Government of the United States in development work by December 31, 1939, otherwise title to said lands will revert to the city of Alameda" and insert "encumbrances: *Provided, however,* That at least $1,000,000 be expended for or contracted to be expended in the actual work of development of said naval air base by December 31, 1939, otherwise said lands shall automatically revert back to said city of Alameda."

The committee amendment was agreed to.

Mr. UMSTEAD. Mr. Speaker, I move to strike out the last word.

I should like to propound an inquiry to the chairman of the Naval Affairs Committee in reference to this bill. What is the estimated cost of the project that is being authorized in this bill?

Mr. DELANEY. At the present time there is in here the authorization for an expenditure of a million dollars between now and 1939.

Mr. UMSTEAD. I understand, but that is not the question. I would like to know what the estimated cost of this project will be when completed.

Mr. DELANEY. Of course, it depends entirely on the time the work will be done. That is the problem. No one can tell what may be spent there.

This is a project in California which is necessary, according to the recommendation of the Navy, and it is intended to proceed with the work at once, but spend very little money now. The gentleman, who is a member of the Appropriations Committee, will have control of the amount of money spent there between now and 1939.

Mr. UMSTEAD. Is it not a fact that a number of years ago an effort was made to have this land accepted by the Federal Government for the purpose of establishing a naval base?

Mr. VINSON of Georgia. I may say to the gentleman from North Carolina that in 1924 the city of Alameda offered this identical property to the Government for the purpose of having established thereon a navy yard and not a naval air base. The committee rejected the offer on account of the fact that there is a navy yard in the vicinity of Alameda; that is, at Mare Island. A navy yard and a naval air station are horses of a different color.

Mr. UMSTEAD. At the time that proposal was pending before the Congress is it not a fact that the evidence showed test borings were made, and after going down to a depth 250 feet they were unable to find any solid foundation?

Mr. VINSON of Georgia. I may say to the gentleman that may have been true, but the purpose at that time was to use the property for the construction of dry docks. That is not the purpose under this bill. This provides for an air base.

Mr. UMSTEAD. Is this not for the purpose of building a naval air station and a naval stores depot?

Mr. VINSON of Georgia. Not at all. There is no naval depot in connection with this. This is for a naval air base and no other naval activity.

Mr. UMSTEAD. In the construction of a naval air base is it not necessary to find somewhere a substructure which is sufficient to hold the superstructure?

Mr. VINSON of Georgia. Not at all; not in a case of this kind.

Mr. UMSTEAD. May I ask the gentleman another question. I believe this purports to take over 929⅓ acres of land?

Mr. VINSON of Georgia. I may say it involves approximately 85 acres of upland and 885 acres of what is known as submarginal land.

Mr. UMSTEAD. Does not the bill say that the tract of land contains 929.337 acres?

Mr. VINSON of Georgia. Whatever the bill says is correct.

Mr. UMSTEAD. That is approximately 929⅓ acres of land.

Mr. VINSON of Georgia. The gentleman is correct.

Mr. UMSTEAD. I will ask the chairman of the committee if it is not true that at this time only about 75 acres of the land is above water?

Mr. VINSON of Georgia. I think it is about 85 acres. It will cost approximately six or seven million dollars to build a sea wall around this area in order to make it into an air base, both for lighter-than-air craft and amphibian airplanes.

Mr. UMSTEAD. Then the gentleman admits the United States Government is about to take title to what purports to be 929⅓ acres of land, but, as a mater of fact, it is only 85 acres of land and the balance water?

Mr. VINSON of Georgia. May I say to the gentleman this piece of property today is bringing to the city of Alameda $1,000 a month from the corporation that is carrying on the clipper service between San Francisco and the Hawaiian Islands. This is the most valuable property for the purpose for which it is intended to be used that can be found on the Pacific coast.

Mr. UMSTEAD. That is the gentleman's opinion, but I am asking him some questions——

Mr. VINSON of Georgia. And I am giving the gentleman my opinion.

Mr. UMSTEAD. But the gentleman is not giving me his opinion on the questions I have asked, but on the general proposition. Is it not a fact, since the gentleman has mentioned the contract existing with this company that the company is exceedingly anxious to get rid of its contract and is willing to give the land provided its contract is canceled?

Mr. VINSON of Georgia. The company has not anything whatever to do with the giving of the land. The land belongs to the city of Alameda and the people voted by an overwhelming majority to make this contribution to the national defense of the country.

Mr. UMSTEAD. Is it not true that under the contract between the city and the company, the company is obligated to make certain improvements and expenditures of money of which they will be relieved by the passage of this bill?

Mr. VINSON of Georgia. I may state to the gentleman that I know absolutely nothing whatever about any contract between the city of Alameda and any aviation corporation.

[Here the gavel fell.]

The Clerk read as follows:

SEC. 2. The Secretary of the Navy is further authorized to construct, install, and equip at said naval air station such buildings and utilities, technical buildings and utilities, landing field and mats, and all utilities and appurtenances necessary for the operation, maintenance, and repair of landplanes and seaplanes, including ammunition storage, fuel and oil storage, and distribution systems therefor, roads, walks, aprons, seaplane ramps, docks, runways, sewer, water, power, station and aerodrome lighting, telephone and signal communications, and other essentials, including the necessary bulkheading, dredging, grading, and filling and the removal and remodeling of existing structures and installations.

Mr. DELANEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELANEY: Page 4, line 5, after the word "install", insert the word "acquire."

The amendment was agreed to.

Mr. UMSTEAD. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the purpose of my questions a few moments ago was to call the attention of the House to some of the

apparent unreasonable elements involved in this proposition. Unfortunately, I am not familiar with all the evidence, as are the gentlemen on the Naval Affairs Committee, and I do not, of course, undertake to express an opinion to the House based upon as much knowledge as they have of this matter. However, it is my opinion that this project, when completed, will cost a minimum of $40,000,000.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. UMSTEAD. I will.

Mr. VINSON of Georgia. I should like for the gentleman from North Carolina to furnish the House and the committee with his basis for that statement.

Mr. UMSTEAD. The basis I have for the statement is the opinion of the clerk of the Subcommittee on Appropriations for the Navy Department, for whose opinion I have the highest regard and respect.

Mr. VINSON of Georgia. May I ask the gentleman whether he thinks it is right and proper to come before the Congress and make the statement that a project is going to cost a certain amount of money when he has no evidence to support the correctness of such a statement.

Mr. UMSTEAD. How much does the gentleman from Georgia say it will cost?

Mr. VINSON of Georgia. I may state to the gentleman what the hearings show. The hearings show that approximately $15,000,000 will be the outside cost of hangars, runways, water, and everything else, and I may say further——

Mr. UMSTEAD. I do not yield to the gentleman further until I have asked another question. I now ask the chairman of the Committee on Naval Affairs if he did not himself say that the cost would be not less than $15,000,000 and not more than $30,000,000?

Mr. VINSON of Georgia. I stated to the gentleman it would cost approximately $7,000,000 to put up what are known as bulkheads and do the pumping in connection with this marshland.

Mr. UMSTEAD. I do not refer to the gentleman's statement made today, but a statement made to me on another occasion.

Mr. VINSON of Georgia. I do not recall the occasion, but whatever I stated was the fact as I understood it; and let me say to the gentleman from North Carolina that he is confusing this proposition with another matter pending before the Naval Affairs Committee.

Mr. UMSTEAD. Mr. Speaker, I cannot yield for a statement about all those matters. I am anxious to have my questions answered. The gentleman has questioned my statement——

Mr. VINSON of Georgia. I questioned the gentleman's statement that it would cost $40,000,000, and the gentleman should submit some proof in addition to a mere declaration by our esteemed friend, Mr. Pugh, a member of the staff of the Appropriations Committee.

Mr. UMSTEAD. Mr. Speaker, I do not yield further if that is the best answer that the chairman of the House Naval Affairs Committee can give this House.

I submit, Mr. Speaker, in the absence of a particle of evidence from those in charge of this bill as to what this project will cost, we are entitled to take the information I have obtained from a man who is in a position to know, and I have no apology to offer either to the chairman of the Committee on Naval Affairs or to the membership of this House.

One further thing and I am through. I know that this bill will pass this House, but I am reminding those Members of the House who are becoming alarmed over the size of naval expenditures that on occasions like this is the time to register opposition.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. UMSTEAD. Not now. I say these matters should have very careful consideration. This proposal has not been discussed here on the floor. The chairman of the Committee on Naval Affairs did not use any of his hour that was given to him under the resolution for the discussion of the bill. He did not come here and show the House the details of this proposition and what it would cost, and now he resents my suggestion that it will cost a stupendous sum of money. My experience has been that you can add on 33 percent and sometimes 50 percent of the estimated cost of naval projects, and then be well within what the final appropriation will have to be.

Mr. Speaker, I have nothing more to say about it. I feel it is my duty to call this matter to the attention of the House. The Navy Department proposes to go out there and take 87 acres of land, build a retaining wall, without being able to find any foundation after boring 250 feet, and build up over 800 acres of land in order to get a place to have a naval base. [Applause.]

Mr. VINSON of Georgia. Mr. Speaker, I rise in opposition to the amendment.

There is no Member of this House who entertains a higher esteem and admiration and regard for the gentleman who furnished my colleague from North Carolina [Mr. UMSTEAD] the information than I do. There is no more competent, better-informed clerk of the House than Mr. Pugh, who advised the gentleman from North Carolina; but Mr. Pugh, as well as the gentleman from North Carolina, is absolutely in error, according to the testimony before our committee, and I invite my distinguished friend's attention to page 2595 of the hearings. Mr. MAAS, a member of the committee, propounded this question to Admiral King:

> Will you tell us what the complete project will cost in the way of authorization?
>
> Admiral TAUSSIG. I don't know whether the plans are far enough along.
>
> Admiral KING. Fifteen million dollars.

Mr. UMSTEAD. I ask the gentleman if a bill was not passed by this House to build a drydock, and the evidence was it would cost $10,000,000, and if in less than 12 months the Navy Department did not come back and say it would cost $15,000,000?

Mr. VINSON of Georgia. I cannot remember everything the gentleman asks me.

Mr. UMSTEAD. No; the gentleman has a convenient memory.

Mr. VINSON of Georgia. I will say this: That it is estimated on the acceptance of this property, which today is bringing to the city of Alameda $1,000 a month, it will cost, when fully developed, approximately $15,000,000. Let me point out to the gentleman from North Carolina the error into which he falls. There has been before the Naval Affairs Committee a bill to authorize an expenditure of some $15,000,000 or $16,000,000 for the purpose of building a naval depot in the vicinity of San Francisco Bay. The gentleman is of opinion that the naval depot is going to be built on the site which is now being acquired. I may say to the gentleman that the bill has not even been heard; there is no information as to where the site will be acquired. It has absolutely no connection whatever with the development of a hydroairplane base.

Mr. UMSTEAD. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Not now. It has no connection whatsoever with this matter at all. This is for the purpose of carrying out our definite policy with reference to the expansion of our air forces, and to have an adequate base in San Francisco Bay. This project has been recommended by the Budget, has the approval of the administration, and has unanimously been approved by the committee and has been passed by the Senate. Some 15 or 16 years ago the Navy Department sought to acquire this identical piece of property for the purpose of building a navy yard. The committee refused to accept this piece of property for that purpose, because it would have been a duplication of a navy yard within 5 miles of Mare Island Navy Yard, and it so happened that soundings were taken with reference to the construction of a drydock, and it was found that the soil did not have the stability to justify the building of a drydock. There is nothing of that character whatsoever in respect of this property. This is simply an aviation proposition and no navy yard proposition at all.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. BUCK. Mr. Speaker, I move to strike out the last four words. In support of what the chairman of the Naval Affairs Committee has just stated, I assure the House that I have—and I ask permission to insert it in the RECORD at the end of my remarks—a written official statement from the Acting Secretary of the Navy, Admiral W. H. Standley, to the effect that it is not the intention of the Navy Department to use this Alameda property for anything but an air base.

The House knows the interest that I have taken in Mare Island Navy Yard, referred to by the gentleman from North Carolina, and the care with which I have guarded it. Naturally I wanted to be assured that the Navy Department did not contemplate duplicating facilities that now exist at Mare Island, or establishing additional facilities which had better be added to that yard. Hence I have asked and obtained a definite assurance along those lines from the Department.

I am informed that it is not contemplated to duplicate the facilities at Mare Island Navy Yard. It is not contemplated to include therein the bases of supply that the chairman of the Naval Affairs Committee spoke about.

Mr. Speaker, I now ask unanimous consent to append to my remarks the letter referred to.

The SPEAKER. Is there objection?

There was no objection.

The letter referred to follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, May 19, 1936.

MY DEAR MR. BUCK: With respect to H. R. 11039, to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon, I wish to let you know that the title of the bill accurately expresses the intent of the Navy Department in regard to the use of this site when it is acquired.

In connection with this I desire to call your attention to the hearings before the Subcommittee on Aeronautics of the Committee on Naval Affairs held on April 6, 1936, and especially to the testimony of Rear Admiral Taussig and Rear Admiral King, parts of which I quote herewith:

"Mr. ANDREW. What else would be required in this base besides docking facilities for plane carriers?

Admiral TAUSSIG. Only everything that is necessary for the handling and operation of repairs of aircraft, which will mean some shops, some barracks, and some quarters—things of that sort.

* * * * * * *

Mr. ANDREW. Would there be any competition with Mare Island?

Admiral TAUSSIG. None whatever.

* * * * * * *

Mr. DELANEY. This will in no way retard the development of the navy yard at Vallejo?

Admiral KING. It is not to be a navy yard at all.

Mr. DELANEY. Only an airport. It would not conflict with the work now at Mare Island either?

Admiral KING. Mare Island retains its status in regard to ships of the United States. This will be for planes. They have no planes there (Mare Island).

* * * * * * *

Mr. ANDREW. We could turn over from the Navy part of this land to some other branch?

"Admiral KING. In time of emergency, yes; but it certainly is not contemplated in peacetime, because this area will be all of it required for the naval air base that is to be developed there."

These statements of Admiral Taussig, who, as Assistant Chief of Naval Operations, was representing me during my absence, and of Admiral King, Chief of the Bureau of Aeronautics, clearly express the intent of the Navy Department to employ the Alameda site solely as a naval air station, and for no other purposes.

The Navy Department is in full accord with these statements, and I wish to express to you the official viewpoint of the Secretary of the Navy as concurring with the statements expressed in the hearings to the effect that the acquisition of the Alameda site for a naval air station will not in any way interfere with the Mare Island Navy Yard.

Sincerely yours,

W. H. STANDLEY,
Acting Secretary of the Navy.

Hon. FRANK H. BUCK,
House of Representatives, Washington, D. C.

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I rise in opposition to the pro-forma amendment.

Mr. Speaker, this bill has absolutely no limitation on its cost. It is not customary for this House to pass bills for the construction of projects without limitation.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. VINSON of Georgia. The same thought has been running through my mind and it was when this matter was considered. The reason I hesitated to put a limitation in the bill was on account of the fact that in all probability the expenditure would be under that amount. If the gentleman from New York desires to put a limitation of $15,000,000 in the bill, which would be the maximum amount of the cost, I am perfectly willing to accept it, but when we do that we make it almost absolutely sure that they will spend $15,000,000. With the Appropriations Committee having jurisdiction of this matter, I think it is in the interest of economy to let the Appropriations Committee determine whether or not a certain sum should be spent.

Mr. TABER. I believe we ought not to pass any bill of this character without a limitation as to cost. I believe that sound business requires that when we pass a bill of this sort there be at least enough information about it before we pass it so that we can put a limitation in it; and if they are not far enough along with the project to know what it is going to cost and to be able to justify it on the basis of knowing what it is going to cost, and that it is a feasible proposition, it ought not to be before the Congress.

Mr. VINSON of Georgia. Will the gentleman offer an amendment to limit the appropriation to $15,000,000?

Mr. TABER. I will.

Mr. VINSON of Georgia. And I will gladly accept it.

Mr. REILLY. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. REILLY. Suppose it develops that it will cost more?

Mr. TABER. The Appropriations Committee will not go into this thing and get it started unless they believe it can be done for $15,000,000.

Mr. VINSON of Georgia. I am willing to accept the amendment.

[Here the gavel fell.]

The Clerk read as follows:

SEC. 3. There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the following sums: (a) Not to exceed $296,000 for the purpose of acquiring the Curtiss-Wright Corporation leasehold interest and all improvements of every kind and nature on said tract of land; (b) $4,000 to be paid to the city of Alameda, Calif., to reimburse said city for the expenses of a special election held for the purpose of authorizing the city council of the city of Alameda to convey to the United States the above-described parcel of land for the above-specified purpose, and for incidental expenditures in connection with such conveyance; and (c) $1,000,000 to be used for any of the purposes as set forth in section 2 of this act.

With the following committee amendment:

Page 4, line 19, after the word "appropriated" strike out the remainder of the bill and insert "such sums as may be necessary to effectuate the purposes of this act."

Mr. TABER. Mr. Speaker, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER to the committee amendment: Page 5, line 6, after the word "act" insert "but not over $15,000,000."

Mr. DELANEY. Mr. Speaker, the committee accepts the amendment to the amendment.

The SPEAKER. The question is on the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The SPEAKER. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. UMSTEAD) there were—ayes 45, noes 47.

Mr. VINSON of Georgia. Mr. Speaker, I object to the vote on the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 171, nays 122, not voting 130, as follows:

[Roll No. 127]

YEAS—171

Allen	Evans	Kvale	Ransley
Andresen	Faddis	Lea, Calif.	Reece
Arends	Farley	Lehlbach	Reed, Ill.
Barry	Fenerty	Lesinski	Reilly
Beam	Fitzpatrick	Lewis, Colo.	Richards
Bell	Flannagan	Lewis, Md.	Risk
Blackney	Focht	Lundeen	Robertson
Bland	Ford, Calif.	McCormack	Robinson, Utah
Boileau	Fuller	McGehee	Rogers, Mass.
Boland	Gambrill	McGrath	Ryan
Boylan	Gavagan	McKeough	Sabath
Brown, Ga.	Gearhart	McLaughlin	Scott
Buck	Gehrmann	McLeod	Scrugham
Burnham	Gilchrist	McReynolds	Seger
Caldwell	Goodwin	McSwain	Shanley
Carlson	Granfield	Maas	Short
Carpenter	Greenway	Main	Smith, Wash.
Carter	Greenwood	Mansfield	Somers, N. Y.
Castellow	Greever	Mapes	Spence
Celler	Griswold	Merritt, Conn.	Stack
Church	Guyer	Merritt, N. Y.	Starnes
Colden	Halleck	Michener	Stubbs
Cole, Md.	Hancock, N. Y.	Millard	Sutphin
Cole, N. Y.	Harlan	Monaghan	Sweeney
Cooper, Ohio	Hart	Norton	Tarver
Costello	Hartley	O'Connell	Taylor, Tenn.
Cox	Hess	O'Connor	Thurston
Crawford	Higgins, Mass.	O'Leary	Tonry
Cullen	Hill, Ala.	Palmisano	Treadway
Curley	Holmes	Patman	Turpin
Darrow	Hope	Patton	Vinson, Ga.
Delaney	Houston	Peterson, Fla.	Wadsworth
Dempsey	Huddleston	Peterson, Ga.	Wallgren
Dietrich	Johnson, W. Va.	Pfeifer	Walter
Dingell	Kahn	Pierce	Welch
Dirksen	Keller	Pittenger	Whelchel
Dockweiler	Kelly	Plumley	White
Dorsey	Kennedy, Md.	Powers	Wigglesworth
Driscoll	Kennedy, N. Y.	Rabaut	Wilcox
Duffy, N. Y.	Kloeb	Ramsay	Withrow
Dunn, Pa.	Kniffin	Ramspeck	Wolverton
Ekwall	Knutson	Randolph	Woodrum
Ellenbogen	Kramer	Rankin	

NAYS—122

Adair	Duncan	McAndrews	Sanders, Tex.
Ashbrook	Eckert	McLean	Schaefer
Barden	Edmiston	McMillan	Shannon
Biermann	Eicher	Mahon	Sisson
Binderup	Engel	Marcantonio	Smith, Conn.
Blanton	Fletcher	Marshall	Smith, W. Va.
Brown, Mich.	Ford, Miss.	Martin, Colo.	Snell
Buchanan	Frey	Mason	South
Buckler, Minn.	Fulmer	Massingale	Steagall
Burdick	Gillette	Meeks	Stefan
Cannon, Mo.	Gingery	Miller	Taber
Cartwright	Goldsborough	Mitchell, Ill.	Taylor, S. C.
Chandler	Gray, Ind.	Mitchell, Tenn.	Terry
Christianson	Gregory	Moran	Thom
Citron	Haines	Moritz	Thomason
Clark, N. C.	Hancock, N. C.	Murdock	Thompson
Coffee	Hennings	O'Brien	Tinkham
Colmer	Hildebrandt	O'Day	Turner
Cooley	Hook	O'Malley	Umstead
Cooper, Tenn.	Hull	O'Neal	Utterback
Cravens	Jenkins, Ohio	Parsons	Vinson, Ky.
Creal	Johnson, Okla.	Patterson	Wearin
Crosser, Ohio	Johnson, Tex.	Pearson	Werner
Crowe	Kenney	Pettengill	West
Daly	Lambertson	Peyser	Whittington
Dickstein	Lambeth	Polk	Williams
Dondero	Lamneck	Rich	Wolcott
Doughton	Lord	Rogers, N. H.	Wolfenden
Doutrich	Lucas	Rogers, Okla.	Young
Doxey	Luckey	Romjue	
Driver	Ludlow	Russell	

NOT VOTING—130

Amlie	Bolton	Carmichael	Connery
Andrews	Boykin	Cary	Corning
Ayers	Brennan	Casey	Crosby
Bacharach	Brewster	Cavicchia	Cross, Tex.
Bacon	Brooks	Chapman	Crowther
Beiter	Buckley, N. Y.	Claiborne	Culkin
Berlin	Bulwinkle	Clark, Idaho	Cummings
Bloom	Burch	Cochran	Darden
Boehne	Cannon, Wis.	Collins	Dear
Deen	Harter	McFarlane	Schneider, Wis.
DeRouen	Healey	McGroarty	Schuetz
Dies	Higgins, Conn.	Maloney	Schulte
Disney	Hill, Knute	Martin, Mass.	Sears
Ditter	Hill, Samuel B.	Maverick	Secrest
Dobbins	Hobbs	May	Sirovich
Drewry	Hoeppel	Mead	Smith, Va.
Duffey, Ohio	Hoffman	Montague	Snyder, Pa.
Dunn, Miss.	Hollister	Montet	Stewart
Eagle	Imhoff	Mott	Sullivan
Eaton	Jacobsen	Nelson	Sumners, Tex.
Englebright	Jenckes, Ind.	Nichols	Taylor, Colo.
Ferguson	Jones	Oliver	Tobey
Fernandez	Kee	Owen	Tolan
Fiesinger	Kerr	Parks	Warren
Fish	Kinzer	Quinn	Weaver
Gasque	Kleberg	Rayburn	Wilson, La.
Gassaway	Kocialkowski	Reed, N. Y.	Wilson, Pa.
Gifford	Kopplemann	Richardson	Wood
Gildea	Lanham	Robsion, Ky.	Woodruff
Gray, Pa.	Larrabee	Sadowski	Zimmerman
Green	Lee, Okla.	Sanders, La.	Zioncheck
Gwynne	Lemke	Sandlin	
Hamlin	McClellan	Sauthoff	

So the bill was passed.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Warren with Mr. Crowther.
Mr. Sullivan with Mr. Ditter.
Mr. Boehne with Mr. Woodruff.
Mr. Mead with Mr. Robsion of Kentucky.
Mr. Kleberg with Mr. Brewster.
Mr. Chapman with Mr. Gifford.
Mr. Smith of Virginia with Mr. Kinzer.
Mr. Cochran with Mr. Cavicchia.
Mr. Bloom with Mr. Fish.
Mr. Jones with Mr. Higgins of Connecticut.
Mr. Kerr with Mr. Mott.
Mr. Weaver with Mr. Culkin.
Mr. Burch with Mr. Gwynne.
Mr. Nelson with Mr. Englebright.
Mr. Darden with Mr. Hoffman.
Mr. Snyder of Pennsylvania with Mr. Lemke.
Mr. Disney with Mr. Tobey.
Mr. Owen with Mr. Stewart.
Mr. Beiter with Mr. Nichols.
Mr. Jacobsen with Mr. Casey.
Mr. Schuetz with Mr. Hobbs.
Mrs. Jenckes of Indiana with Mr. Boykin.
Mr. Dobbins with Mr. Quinn.
Mr. Claiborne with Mr. Kocialkowski.
Mr. Kee with Mr. Sandlin.
Mr. Connery with Mr. Gray of Pennsylvania.
Mr. Tolan with Mr. Healey.
Mr. Zimmerman with Mr. Clark of Idaho.
Mr. McGroarty with Mr. DeRouen.
Mr. Sirovich with Mr. Gildea.
Mr. Wilson of Louisiana with Mr. Knute Hill.
Mr. Imhoff with Mr. Harter.

Mr. CREAL, Mr. COLE of Maryland, Mr. TAYLOR of Tennessee, Mr. DUFFY of New York, and Mrs. GREENWAY changed their votes from "nay" to "yea."

Mr. SCHAEFER and Mr. GREGORY changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

DELAWARE VALLEY TERCENTENARY COMMISSION

The SPEAKER. The Chair lays before the House the following appointment to a committee.

The Clerk read as follows:

Pursuant to the provisions of Public Resolution 102, Seventy-fourth Congress, the Chair appoints as members of the United States Delaware Valley Tercentenary Commission the following Members of the House of Representatives: Mr. BOLAND, Mr. HAINES, Mr. WALTER, Mr. HOLMES, and Mr. STEWART.

THE LEGISLATIVE ACHIEVEMENTS OF HON. JOHN J. DEMPSEY, OF NEW MEXICO

Mr. McREYNOLDS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the services of the gentleman from New Mexico [Mr. DEMPSEY] and to include therein the titles of certain bills with which he has been connected.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McREYNOLDS. Mr. Speaker, before the gavel falls to signify the adjournment sine die of the Seventy-fourth Congress, it is my desire as a Member who has served through seven successive Congresses to offer a few comments and to make a few personal observations with respect to a friend

and colleague, the Honorable JOHN J. DEMPSEY, the lone Congressman in this House from New Mexico.

That Mr. DEMPSEY, as a first-term Member, has been able to initiate and obtain favorable legislative action on so many measures of benefit to the people of New Mexico in the circumstances of a busy session of Congress concerned with great national problems, is truly an amazing record and must be gratifying to him and to his constituents.

"JACK" DEMPSEY, as he is popularly known to his friends in Washington, has endeared himself to all by his inate modesty and conscientious work. For what he has accomplished, however, he would be the last man to claim the full credit that is his due. He has told me that his tasks would have been more difficult and his achievements, perhaps, less noteworthy had it not been for the courtesy and consideration of the Members of the House and the officials of the various executive departments and emergency agencies of the Government with whom the business of the State of New Mexico has kept him in constant contact.

As chairman of the Committee on Foreign Affairs, I know something of Mr. DEMPSEY's legislative record. He has frequently been before our committee on matters affecting the interests of his State, which he has so ably represented.

I recall the splendid and successful fight he made to obtain authorization of Rio Grande canalization project. I know also of his active leadership in obtaining Federal funds for the Conchas Dam project, the Caballo Dam, and the Alamogordo Dam.

He has consistently supported appropriations for the Federal Emergency Administration of Public Works, and with Representative BEITER, of New York, and others was instrumental in obtaining an additional appropriation from the Seventy-fourth Congress for continuation of the worthy program administered by Secretary of the Interior Harold L. Ickes. For his own State he was instrumental in obtaining favorable action on P. W. A. applications for a loan and grant of $688,569 for the University of New Mexico, a loan and grant of $306,000 for the new supreme court building at Santa Fe, and for a number of other worth-while P. W. A. projects.

Mr. DEMPSEY has supported the war veterans on every occasion. He voted for payment of the bonus every time it came before the House, voting to override the President's veto.

At all times he supported the program of the farm leaders. He also voted for the Wagner labor relations bill and the Railroad Retirement Act.

A measure of great importance to water users in New Mexico was Mr. DEMPSEY's bill to extend relief by a moratorium to water users on United States reclamation projects and on Indian irrigation projects. He was responsible for amending the Senate bill eliminating the 2-percent interest charge to water users on deferred payments.

Mr. DEMPSEY did most effective work in obtaining funds for the Conchas Dam. Early in 1935, Senators HATCH and CHAVEZ and Congressman DEMPSEY, working in cooperation with Mr. Arch Hurley, of Tucumcari, a representative of the Arkansas River Authority, contacted all departments in Washington concerned, and after months of hard work obtained approval of the President for allocation of funds from the work-relief appropriation.

The Conchas Dam in New Mexico is a flood-control project estimated to cost $12,000,000. An initial allotment of $4,500,000 was made from Emergency Relief Act funds on July 23, 1935. This allotment, made to the Army Corps of Engineers, subsequently was reduced to $2,280,000. Later, it was found necessary to receive congressional authority and an appropriation. There was considerable opposition, but Mr. DEMPSEY prevailed upon the conferees and the Members of the House and finally an appropriation of $3,500,000 and authority to continue the project was carried in the War Department deficiency appropriation measure. In the past few days Mr. DEMPSEY secured the approval of the Reclamation Service under the direction of the Secretary of Interior for a survey on the irrigation district near Tucumcari, N. Mex. This survey will cost something in excess of $30,000 and as a result will make extremely valuable the lands which will be irrigated in northeastern New Mexico.

A better idea of what Mr. DEMPSEY has accomplished in the national legislative halls will be obtained from the following brief résumé of action on House bills and resolutions sponsored by the gentleman from New Mexico during the Seventy-fourth Congress:

H. J. Res. 58. To provide for defraying the expenses of the American Section International Boundary Commission, United States and Mexico, and authorizing an appropriation in the amount of $60,000 for engineering investigations. This was the first measure introduced by Mr. DEMPSEY and was referred to the Committee on Foreign Affairs. Mr. DEMPSEY had a conference with the Director of the Budget and Dr. Carr, of the State Department, and secured their approval, and it was favorably reported by the committee and passed February 6, 1935.

H. R. 3715. Authorizing the reimbursement of Edward B. Wheeler and the State Investment Co. for the loss of certain lands in the Mora grant, New Mexico. Mr. DEMPSEY appeared before the Claims Committee in behalf of this measure, which had received adverse departmental report, and obtained favorable consideration and report by the committee. S. 427 was substituted and passed by the House.

H. R. 3814. To further extend the period of time during which final proof may be offered by homestead and desert-land entrymen. S. 1065 identical to the House bill was substituted and passed.

H. R. 4372. For the relief of Charles L. Graves. S. 1502 identical to the House bill was substituted and passed.

H. R. 4373. For the relief of Albert Gonzales. Passed the House May 20 and passed the Senate June 6. Now awaiting Presidential approval.

H. R. 4541. To extend the provisions of section 2 of the act of February 28, 1925, authorizing reservations of timber, minerals, or easements to exchanges of lands in the State of New Mexico, under the act of February 14, 1923, and the act of February 7, 1929. S. 1066, identical to the House bill, was substituted and passed.

H. R. 5075. Providing for the appointment of Harry T. Herring, formerly a lieutenant colonel in the United States Army, as a lieutenant colonel in the United States Army and his retirement in that grade. S. 1426 was substituted and passed in lieu.

H. R. 5696. To authorize the Secretary of the Interior to provide by agreement with Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, for maintenance and operation on newly reclaimed Pueblo Indian lands in the Rio Grande Valley, New Mexico, reclaimed under previous acts of Congress, and authorizing an annual appropriation to pay the cost thereof for a period of not to exceed 5 years. S. 1832 was substituted and passed in lieu.

H. R. 5797. To amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory and supplementary thereto. An identical Senate bill was substituted and passed.

H. R. 6162. For the relief of Anna Hathaway. Passed the House amended and Senate concurred in House amendment.

H. R. 6163. For the relief of Mrs. Murray A. Hintz. Passed House and was amended in the Senate; the House later concurred in Senate amendment.

H. R. 6143. To extend the time during which domestic animals which have crossed the boundary line into foreign countries may be returned duty free. Passed both Houses of Congress and was approved May 21, 1936.

H. R. 6160. Authorizing adjustment of the claim of Korber Realty, Inc. An identical Senate bill was substituted and passed by the House.

H. R. 6141. Transferring certain national-forest lands to the Zuni Indian Reservation, N. Mex. Passed both Houses of Congress and was approved June 20, 1935.

H. R. 6258. For the relief of D. E. Woodward. Passed House and was amended in the Senate, and the House later concurred in Senate amendment.

H. R. 6538. For the relief of the State of New Mexico. S. 2206 was substituted and passed in lieu.

H. R. 6871. Directing the conveyance of certain lands to the regents of the University of New Mexico. S. 2247, identical to the House bill, was substituted and passed in lieu.

H. R. 6969. For the relief of Russell J. Vaughan. Passed the House January 7, 1936, and is now pending in the Senate.

H. R. 7054. To provide for the protection of land resources against soil erosion, and for other purposes. This measure established the Soil Conservation Service. It passed the House April 2, 1935, and was approved April 27, 1935.

H. R. 7741. To authorize an appropriation to pay non-Indian claimants whose claims have been extinguished under the act of June 7, 1924, but who have been found entitled to awards under said act as supplemented by the act of May 31, 1933. S. 2603, identical to the House bill, was substituted and passed in lieu.

H. Res. 213. Resolved that the House has heard with profound sorrow of the death of Hon. Bronson Cutting, a Senator of the United States from the State of New Mexico. Adopted by the House May 6, 1935.

H. R. 7024. To authorize the sale by the United States to the municipality of Hot Springs, N. Mex., of the north half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, New Mexico

principal meridian, New Mexico. Amended in the Senate, and House concurred in Senate amendments March 30, 1936.

H. R. 8679. To eliminate the requirement of cultivation in connection with certain homestead entries. S. 2577 identical to the House bill was substituted and passed.

H. R. 8692. Authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing appropriation for that purpose. The measure was referred to the Committee on Foreign Affairs, who received an adverse report from the Department of State. On August 9 Congressman DEMPSEY had a conference with Department officials and prevailed upon the State Department to reconsider and favorably report the measure. The Foreign Affairs Committee then favorably reported the bill and considerable work was done during the closing days of the first session by Mr. DEMPSEY to get this bill before the House for consideration ahead of some of the measures already on the overcrowded calendar. It passed the House August 25, 1935, under suspension of the rules.

H. R. 9009. To make lands in drainage, irrigation, and conservancy districts eligible for loans by the Federal land banks and other Federal agencies loaning on farm lands, notwithstanding the existence of prior liens of assessments made by such districts, and for other purposes. Passed the House April 6 and the Senate June 2.

H. R. 10751. To further extend relief to water users on United States reclamation projects and on Indian irrigation projects. Mr. DEMPSEY was the only Member of the House who would introduce this measure. It was later amended providing 50-percent moratorium when Mr. DEMPSEY obtained assurance that the Department of the Interior would not object to a 50-percent moratorium. The 100-percent moratorium was opposed by the Director of the Budget as well as Department of Interior. A similar Senate bill was substituted and passed amended providing a 100-percent moratorium for 6 months making first payment fall due in September 1927, and striking a 2-percent charge; also providing an appropriation of $5,000 for an investigation of existing contracts.

H. R. 11768. Authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing an appropriation for that purpose. Passed the House May 4 and the Senate June 1; approved June 4, 1936.

H. R. 12058. To provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama. S. 3488, identical to the House bill, was substituted and passed amended.

H. R. 12604. Authorizing the coinage of 50-cent pieces in commemoration of the four hundredth anniversary of the journey and exploration of Francisco Vasquez de Coronado. This was the last measure of this type favorably reported by the Committee on Coinage, Weights, and Measures. Passed the House June 2, 1936.

H. R. 6453. To amend the act of May 13, 1924, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande", etc., as amended by the public resolution of March 3, 1927. Favorably reported from Foreign Affairs Committee and passed the House April 1, 1935. Passed the Senate amended, June 24, 1935, and sent to conference July 12. Senate and House agreed to conferees' report, and measure was approved August 19, 1935.

From the above it will be noted that there has been enacted a total of 30 bills in the Seventy-fourth Congress which were introduced by Mr. DEMPSEY, a first termer, which would be an outstanding achievement for any Member, irrespective of the number of years of service.

REGULATION OF STEAM BOILERS, DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 2953) to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none and appoints the following conferees: Mr. PALMISANO, Mr. PATMAN, and Mr. DIRKSEN.

GRAND HAVEN, MICH.

Mr. MAPES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12971) to amend the act of Congress approved May 27, 1935, authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), is hereby amended to read as follows:

"That the Secretary of Commerce is hereby authorized to convey to the city of Grand Haven, State of Michigan, for use for street and park purposes, all of the Grand Haven Lighthouse Reservation, Mich., which is not required to be retained for lighthouse purposes. The Secretary of Commerce shall describe by metes and bounds in the deed of conveyance the exact portions of the reservation transferred. The deed of conveyance shall also contain a provision that should the city of Grand Haven, State of Michigan, cease to use the property for the purpose for which it is conveyed, title thereto shall revert to the United States.

"SEC. 2. The United States reserves the rights-of-way over, underground, or across the area to be transferred for any use whatsoever in conducting the Lighthouse Service or other activities of the Government, and, further reserves the right to be furnished by the city of Grand Haven, any and all services, conveniences, and utilities at established rates, such as transportation, gas or electric lighting facilities, water connections and sewer connections, and such other utilities as may be installed in the vicinity of, and accessible to the reservation."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECESS

Mr. O'CONNOR. Mr. Speaker, I move that the House do now stand in recess until 7:30 o'clock this evening.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p. m.), the House stood in recess until 7:30 o'clock p. m.

EVENING SESSION

The recess having expired the House was called to order by the Speaker at 7:30 p. m.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 4780. An act to extend the laws governing inspection of vessels, and for other purposes.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 5) entitled "An act to prevent the adulteration, misbranding, and false advertising of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COPELAND, Mr. BAILEY, Mrs. CARAWAY, Mr. CLARK, Mr. MCNARY, Mr. VANDENBERG, and Mr. GIBSON to be the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 4641. An act authorizing the President to present a gold medal to George M. Cohan;

H. R 13001. An act to eliminate unnecessary expense in the administration of estates of deceased and incompetent veterans, and for other purposes; and

H. J. Res. 532. Joint resolution for the establishment of a commission in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg in 1938.

PARTICIPATION BY THE UNITED STATES IN COMMEMORATION OF THE SEVENTY-FIFTH ANNIVERSARY OF THE BATTLE OF ANTIETAM

Mr. LEWIS of Maryland. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 255, to provide for the participation of the United States in commemoration of the seventy-fifth anniversary of the Battle of Antietam.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. SNELL. Mr. Speaker, reserving the right to object, may we be advised what this is about?

Mr. LEWIS of Maryland. Mr. Speaker, the Battle of Antietam, well known, of course, to all of us, has its seventy-fifth anniversary in the coming year, 1937. The Senate passed a bill authorizing the appointment of a commission

to give Federal recognition to the event. The Senate bill, however, carries an appropriation.

The House committee has reported a bill striking out any appropriation or obligation on the part of the Government, and it is my purpose to substitute the House bill for the Senate bill, thus giving recognition by the Government to the celebration itself, with no appropriation.

Mr. SNELL. Of course, the gentleman well knows if we authorize this, an appropriation will have to be made to carry out the provisions of the resolution?

Mr. LEWIS of Maryland. No; that is not true in this instance. May I say to the gentleman from New York this authorizes no appropriation whatever and none is intended.

Mr. SNELL. How much was carried in the Senate resolution?

Mr. LEWIS of Maryland. Five thousand dollars, or perhaps more.

Mr. SNELL. The gentleman says positively there is no appropriation provided in this bill?

Mr. LEWIS of Maryland. I can give the gentleman from New York that assurance.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Resolved, etc., That there is hereby established a commission to be known as the United States Antietam Celebration Commission (hereinafter referred to as the commission) and to be composed of seven commissioners, as follows: Three persons to be appointed by the President of the United States; two Senators, by the President of the Senate; and two Representatives, by the Speaker of the House of Representatives. The commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. It shall be the duty of the commission to arrange, in cooperation with State, county, and other organizations, an appropriate observance and celebration to take place during the week of September 12, 1937, of the seventy-fifth anniversary of the Battle of Antietam.

SEC. 3. (a) Without regard to the civil-service laws or the Classification Act of 1923, as amended, the commission is authorized to appoint and prescribe the duties and fix the compensation of such employees as are necessary in the execution of its functions.

(b) The commission may make such expenditures (including expenditures for personal services at the seat of government and elsewhere, for office supplies, and for printing and binding) as may be necessary in the execution of the functions of the commission. All expenditures of the commission, including necessary traveling expenses and subsistence expenses (not in excess of $ per day) incurred by the commissioners and employees of the commission while traveling on the business of the commission, shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the chairman of the commission.

(c) The commission shall cease to exist within thirty days after the date of the expiration of the celebration.

SEC. 4. There is authorized to be appropriated the sum of $15,000, or so much thereof as may be necessary, to carry out the purposes of this joint resolution.

Mr. LEWIS of Maryland. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Strike out all after the enacting clause of Senate joint resolution 255 and insert in lieu thereof the following:

That there is hereby established a commission to be known as the United States Antietam Celebration Commission (hereinafter referred to as the Commission) and to be composed of seven Commissioners, as follows: Three persons to be appointed by the President of the United States; two Senators, by the President of the Senate; and two Representatives, by the Speaker of the House of Representatives. The Commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. It shall be the duty of the Commission to arrange, in cooperation with State, county, and other organizations, an appropriate observance and celebration, to take place during the week of September 12, 1937, of the seventy-fifth anniversary of the Battle of Antietam.

SEC. 3. The Commission shall cease to exist within thirty days after the date of the expiration of the celebration.

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House resolution (H. J. Res. 571) was laid on the table.

ADJUSTMENT OF BOUNDARY OF THE FORT MARION NATIONAL MONUMENT, FLORIDA

Mr. WILCOX. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12220) to authorize the adjustment of the boundary of the Fort Marion National Monument, Florida, in the vicinity of Fort Marion Circle, and for other purposes, with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

After line 13 insert:

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to accept donations of land, interests in land or buildings, structures, and other property adjacent to and within a distance of 1,500 feet of the boundary of the Fort Marion National Monument in the vicinity of Fort Marion Circle and the Old City Gates, and donations of funds for the purchase and maintenance thereof, the title and evidence of title to lands acquired to be satisfactory to the Secretary of the Interior: *Provided*, That he may acquire on behalf of the United States out of any donated funds, by purchase at prices deemed by him reasonable or by condemnation under the provisions of the act of August 1, 1888, such tracts of land adjacent to the boundary of the Fort Marion National Monument in the vicinity of Fort Marion Circle and the Old City Gates as may be deemed desirable by him for addition to the monument.

SEC. 3. That any lands acquired on behalf of the United States under the provisions of this act shall be, and the same are hereby, added to the Fort Marion National Monument and shall be subject to the laws, rules, and regulations applicable to said monument.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to consider was laid on the table.

PRELIMINARY EXAMINATION OF THE INTRACOASTAL WATERWAY IN FLORIDA

Mr. WILCOX. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12458) authorizing a preliminary examination of the intracoastal waterway throughout Broward County, Fla.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to cause a preliminary examination to be made of the intracoastal waterway throughout Broward County, Fla., with a view to the control of floods in the said intracoastal waterway, in accordance with the provisions of section 3 of the act entitled, "An act to provide for control of floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION AND RENEWAL OF LEASE TO THE CHICAGO, MILWAUKEE & ST. PAUL RAILWAY

Mr. MURDOCK. Mr. Speaker, on behalf of the gentleman from Montana [Mr. AYERS], I ask unanimous consent for the immediate consideration of the bill (S. 4567) to authorize the Secretary of Agriculture to extend and renew for the term of 10 years a lease to the Chicago, Milwaukee & St. Paul Railway Co. of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, and for a right-of-way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 9, 1926.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

Mr. SNELL. Mr. Speaker, reserving the right to object, I think the gentleman better tell us what this bill is all about.

Mr. MURDOCK. I spoke to the gentleman this morning about the bill. This is merely an authorization for the

Department of Agriculture to renew a lease on certain gravel land in the State of Montana to the Chicago, Milwaukee & St. Paul Railroad Co.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized, in his discretion, to extend and renew for a term of 10 years that certain lease to the Chicago, Milwaukee & St. Paul Railway Co., bearing date the 26th day of June 1926, of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, containing an approximate area of 241.67 acres, and also a strip of land for a right-of-way to said tract, executed by the Secretary of Agriculture under the authority of the act of Congress approved June 9, 1926, upon the terms and conditions contained in said lease, or such other terms and conditions as the Secretary of Agriculture may deem proper; said renewal and extension to inure to the benefit of Chicago, Milwaukee, St. Paul & Pacific Railroad Co. (successor of said railway company), its trustees in bankruptcy, and of the corporation succeeding to the ownership of its railroad and property.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 12694) was laid on the table.

CONTRACTS UNDER THE AGRICULTURAL ADJUSTMENT ACT

Mr. DRIVER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4786) to authorize the Secretary of Agriculture to make such adjustments and revisions found to be due on contracts entered into by the Government with crop producers under the Agricultural Adjustment Act.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, I would like to ask the gentleman a question. As I understand the situation, this bill is purely local and entails no additional burden on the Treasury.

Mr. DRIVER. None whatever.

Mr. SNELL. It is simply a readjustment of claims among the gentleman's own people.

Mr. DRIVER. It authorizes the Secretary of Agriculture to make adjustments of the claims among our local people within the quota limits and without the cost of an additional dollar.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the third sentence of the item "Payments for agricultural adjustment" contained in the Supplemental Appropriation Act, fiscal year 1936 (Public, No. 440, 74th Cong.), is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "and the determination of the Secretary as to the correct base acreage and production figures (regardless of the figures on which the contract was based) and as to the person or persons entitled to receive such fair and equitable payments shall be final and conclusive."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTESTED-ELECTION CASE OF LANZETTA *v.* MARCANTONIO

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent for the present consideration of a joint resolution, which I send to the Clerk's desk, making appropriations for the payment of expenses incurred in the election contest for a seat in the House of Representatives from the Twentieth Congressional District of the State of New York.

The Clerk read the title of the joint resolution.

There being no objection, the Clerk read the joint resolution, as follows:

House Joint Resolution 641

Resolved, etc., That the following sums, respectively, are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for payment to the contestant and the contestee for expenses incurred in the contested-election case of Lanzetta against Marcantonio, Twentieth Congressional District of the State of New York, as audited and recommended by the Committee on Elections No. 1 of the House of Representatives, namely:

To James J. Lanzetta, contestant, $2,000.

To Vito Marcantonio, contestee, $1,739.83.

The foregoing sums to be disbursed by the Clerk of the House of Representatives.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOLDING COURT FOR THE EASTERN DISTRICT OF NORTH CAROLINA

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12796) to amend the act entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina", approved May 10, 1928, as amended (U. S. C., 1934 ed., title 28, sec. 179; U. S. C., Supp. I, title 28, sec. 179).

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina", approved May 10, 1928, as amended (U. S. C., 1934 ed., title 28, sec. 179; U. S. C., Supp. I, title 28, sec. 179), is amended to read as follows:

"That the terms of the District Court for the Eastern District of North Carolina shall be held at Raleigh, a 1-week civil term, on the second Mondays in September and March; and at the following places on each succeeding Mondays thereafter: Fayetteville, Elizabeth City, Washington, New Bern, Wilson, Wilmington, and Raleigh, the term at Raleigh being a criminal term only."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANDREW JOHNSON

Mr. BUCK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4364) for the relief of Andrew Johnson, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the Senate amendment, as follows:

Page 1, line 5, strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

INVESTIGATION OF CORPORATIONS ENGAGED IN MANUFACTURE, SALE, OR DISTRIBUTION OF AGRICULTURAL IMPLEMENTS AND MACHINERY

Mr. LEA of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 277) to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery.

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That the Federal Trade Commission be, and it is hereby, directed under the authority of and in pursuance of the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914, as amended, to investigate and report to the Congress the facts relating to—

(a) Whether any corporation engaged in the manufacture, sale, or distribution of agricultural implements and machinery, of whatever kind and description is, or within the past 3 years has been, violating any of the antitrust acts of the United States, and the nature, extent, and effects of any such violation;

(b) The existence and effect of any contract, agreement, combination, or conspiracy in unlawful restraint of trade and the existence of any unfair methods of trade or competition in connection with the manufacture, sale, and distribution of said agricultural implements and machinery;

(c) Whether and to what extent methods of price fixing, price maintenance, and price discrimination in violation of the antitrust acts exist in connection with the manufacture, sale, and distribution of said agricultural implements and machinery;

(d) Any developments and tendencies in the direction of monopoly and concentration of ownership or control of the means of the manufacture, sale, or distribution of said agricultural implements and machinery;

(e) The existence of any combination to restrict or control the manufacture or supply of agricultural implements or machinery or to raise or control the price thereof, or to restrict credit in the sale thereof;

(f) Whether and to what extent the present prces of agricultural implements and machinery are due to any violations of any of the antitrust laws;

(g) Whether and to what extent costs and profits of any corporation engaged in the manufacture, sale, or distribution of agricultural implements and machinery have been affected, enhanced, or maintained by unlawful combinations, agreements, or understandings, or any other violations of the antitrust laws, and whether and to what extent costs and profits of any such corporations have been misstated or misrepresented to conceal or promote violations of the antitrust laws;

(h) The extent of concentration of control of manufacture and distribution of such equipment in the hands of particular manufacturers and the basis thereof;

(i) The costs, prices, and profits of manufacturers and distributors of agricultural implements and machinery;

(j) The distribution methods and dealer price spreads of margins entering into prices paid by farmers for agricultural machinery and equipment;

(k) The facts regarding the relative price movements of farm machinery and farm products since 1914;

(l) The facts regarding the relative price movements of farm machinery and implements and some of the machinery and implements of somewhat comparable material and labor;

(m) Any other pertinent facts regarding the present prices of agricultural implements and machinery, and the cause thereof; and

(n) What measures, legislative or otherwise, in the opinion of the Commission are needed to correct conditions in the farm-implement industry adversely affecting the interest of farmers.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

CONTROL OF GRASSHOPPERS

Mr. JONES. Mr. Speaker, I ask unanimous consent for the immediate consideration of a joint resolution, H. J. Res. 642, by the gentleman from Oklahoma [Mr. MASSINGALE], to enable the Secretary of Agriculture to apply such methods of control of grasshoppers as in his judment may be necessary, which I send to the Clerk's desk.

The Clerk read the joint resolution, as follows:

House Joint Resolution 642

Resolved, etc., That for the application of such methods of control of grasshoppers as, in the judgment of the Secretary of Agriculture, may be necessary, in cooperation with such authorities of the States concerned, organizations, or individuals as he may deem essential to accomplish such purposes, including the employment of persons and means in the District of Columbia and elsewhere, printing and binding, rent outside of the District of Columbia, and for other expenses, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $250,000, to remain available until June 30, 1937: *Provided*, That this appropriation shall be used for expenditures of general administration and supervision, purchase and transportation of poisoned bait, or materials for its manufacture, and such other expenses as in the discretion of the Secretary of Agriculture may be deemed necessary and that the cooperating States shall be responsible for the local distribution and utilization of such bait on privately owned lands, including full labor costs: *Provided further*, That, in the discretion of the Secretary of Agriculture, no part of this appropriation shall be expended for grasshopper control in any State until such State has provided the necessary organization for the cooperation herein indicated: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of farm animals, farm crops, or other property injured or destroyed: *Provided further*, That procurements under this appropriation may be made by open-market purchases notwithstanding the provisions of section 3709 of the Revised Statutes of the United States (U. S. C., title 41, sec. 5).

Mr. JONES. Mr. Speaker, this makes available to the Secretary of Agriculture a certain amount of money for the purpose of furnishing materials for the poisoning of grasshoppers in a number of States. I think there are some 12 or 13 States where the pests exist. There is a limit of $250,000 on the total to be expended, and only for material.

Mr. MARTIN of Colorado. Is Kansas among those 12 or 13 States?

Mr. JONES. I understand so.

The SPEAKER. Is there objection?

Mr. WADSWORTH. Mr. Speaker, I reserve the right to object. Does this provide for a new appropriation?

Mr. JONES. It provides for a new appropriation. The first resolution was introduced to make available unexpended balances, but it was found that the appropriation had a time limit of December 31, 1935. Therefore, the unexpended balance has reverted to the Treasury. There is more than enough from the old appropriation for other pests to furnish this amount, but, as I say, it has reverted to the Treasury.

Mr. SNELL. How much did we appropriate last year?

Mr. JONES. Two million dollars.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object. Will the gentleman yield?

Mr. JONES. Yes.

Mr. RICH. How much does the gentleman say this is going to require?

Mr. JONES. Not to exceed $250,000.

Mr. RICH. And it is new money?

Mr. JONES. Yes; because the other had reverted to the Treasury.

Mr. RICH. The trouble of it is, can you tell us where we can get the money?

Mr. JONES. Out of the savings of the new over the old administration. A very small percentage of the additional profits and values under the New Deal over and above values and profits of the previous administration would far more than cover all of these appropriations.

The SPEAKER. Is there objection?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SOIL CONSERVATION

Mr. JONES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate Joint Resolution 291 and for its present consideration.

The SPEAKER. The gentleman from Texas asks unanimous consent for the present consideration of Senate Joint Resolution 291, amending section 11 of the Soil Conservation and Domestic Allotment Act, which the Clerk will report.

The Clerk read as follows:

Senate Joint Resolution 291

Resolved, etc., That section 11 of the Soil Conservation and Domestic Allotment Act (Public, No. 461, 74th Cong.) is amended by striking out the period at the end thereof and adding the following: "And for payments to committees or associations of producers in any region or regions to cover the estimated administrative expenses to be incurred by any such committee or association in cooperating in carrying out this act: *Provided*, That the Secretary may prescribe that all or part of such estimated expenses of any such committee or association may be deducted pro rata from the payments or grants made to the members thereof: *And provided further*, That the Secretary may make such payments in advance of determination of performance."

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, what is this?

Mr. JONES. This simply enables them to pay the county and community committees in administering the soil-conservation program, and to pay them currently. In section 11 of the Soil Conservation Act they are authorized to use the various agencies of the Government, but unless they make these direct employees of the Government of the United States, they are unable to pay them until after the program is finished. They pay them only a small amount and they want to turn it over to the local associations as they did under the old act.

Mr. SNELL. And distribute more money for election purposes.

Mr. JONES. No; it has not anything to do with that. In fact, these committees are selected by the farmers themselves. They are selected, not as party men, but as farmers.

The SPEAKER. Is there objection?

There was no objection.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WAR MINERALS RELIEF ACT

Mr. COX. Mr. Speaker, I ask unanimous consent for the present consideration of S. 1567, to amend section 5 of

the act of March 2, 1919, generally known as the War Minerals Relief Act.

The SPEAKER. Is there objection?

Mr. SNELL. As I understand, that is the bill that the gentleman spoke to me about, for which he has a rule?

Mr. COX. Yes.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That no person who filed a claim in accordance with the provisions of section 5 of the act entitled "An act to provide relief in cases of contracts connected with prosecution of the war, and for other purposes", approved March 2, 1919, shall be deprived of any of the benefits of said act as amended by the act of February 13, 1929, by reason of failure to file suit under said amendment in the Supreme Court of the District of Columbia or through abatement of any suit so filed.

Upon petition to the Secretary of the Interior in such abated suits, and in claims wherein no suits were filed under the said amendment, the Secretary is hereby authorized and directed to review all such claims upon matters of fact and, in the light of decisions of the Supreme Court of the District of Columbia in similar cases, and in accordance with the provisions of the said act, as amended, to make awards or additional awards in said claims as he may determine to be just and equitable.

SEC. 2. The rights of any deceased claimant under section 5 of said act shall be held and considered to descend to the legal representatives as personal property of such deceased claimant.

SEC. 3. This act shall not authorize payment to be made of any claim not presented to the Secretary of the Interior within 6 months after its approval.

The SPEAKER. Is there objection?

There was no objection.

Mr. CRAVENS. Mr. Speaker, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. CRAVENS: In line 3, section 1, substitute the word "claimant" for "person"; after the word "and", at the end of line 4, page 2, insert "any newly presented evidence or facts not before his predecessors and except where in conflict with the provisions of this act"; and for "Supreme Court of the District of Columbia", in lines 5 and 6, page 2, substitute "courts."

After the word "claimant" in line 13, section 2, insert: "The rights of any corporation which filed a claim under section 5 of the act of March 2, 1919, but which ceased to exist at any time after filing such claim, shall be held and considered to descend

"(1) to the persons who at the time such corporation ceased to exist were entitled under the laws of the State of incorporation to share in the assets of such corporation upon the dissolution thereof, or if any such person be dead, or dies after the enactment of this act but before he receives the benefits of this act, to his legal representative as personal property; and

"(2) to any officer, director, or stockholder of such corporation at the time it ceased to exist as trustee for the persons or legal representatives referred to in clause (1); and such persons or their legal representatives and such officers, directors, and stockholders shall be entitled to the benefits of this act."

The SPEAKER. The question is on the amendment offered by the gentleman from Arkansas [Mr. CRAVENS].

Mr. CRAVENS. Mr. Speaker, this bill is for the relief of certain prospectors and miners who, during the period of the World War, attemted to produce the mineral necessary for the proper carrying on of the war. They were provided for in a bill which was enacted in 1929. There are practically 94 claims affecting probably 275 claimants. When notices were sent out to these people of their right to file their suits in the Supreme Court of the District of Columbia, they had removed from their former residences and the notices mailed out to them were returned to such an extent that the Department stopped sending out the notices. These old miners received no notice of their right to prosecute their claims in the District of Columbia Supreme Court.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. CRAVENS. I yield.

Mr. HOLMES. Had these miners at that time surrendered their rights in the property involved?

Mr. CRAVENS. I do not understand the gentleman's question.

Mr. HOLMES. Had they vacated the property? Were they the owners of the property at the time the notices were sent out?

Mr. CRAVENS. These miners and prospectors had attempted to develop mining which would produce the necessary ores and minerals for the war. At the cessation of the war they abandoned their claims and moved away. Their addresses were not known. These are the only claimants, as I understand it, who have not received from the Government recognition.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. CRAVENS. I yield.

Mr. DONDERO. How much is involved in the bill?

Mr. CRAVENS. About $75,000. It is already provided for. It does not require any appropriation.

Mr. HOLMES. Will the gentleman yield further?

Mr. CRAVENS. Yes; I yield.

Mr. HOLMES. Have these miners received anything at all for the prospecting they did and the work they did on the claims?

Mr. CRAVENS. Nothing at all.

Mr. HOLMES. And they abandoned the claims?

Mr. CRAVENS. After the necessity for mining they did; yes.

Mr. HOLMES. They did abandon the claims?

Mr. CRAVENS. Yes.

Mr. MAPES. Mr. Speaker, will the gentleman yield?

Mr. CRAVENS. I yield.

Mr. MAPES. The Committee on Rules granted a rule to make this bill in order, and to save time unanimous consent was granted to bring up the bill without the addition of the rider. Nothing was said before the Committee on Rules about the amendment which the gentleman has introduced, and the amendment seems to be as long, if not longer, than the bill itself. The gentleman has not yet said anything about what the amendment provides. All I could gather from the reading of the amendment was that it gave jurisdiction to courts other than the Supreme Court of the District of Columbia to hear these claims?

Mr. CRAVENS. The gentleman is mistaken.

Mr. MAPES. Will the gentleman tell us just what the amendment proposes? Does it enlarge the scope of the bill?

Mr. CRAVENS. No, sir; it does not.

Mr. MAPES. Will the gentleman tell us what it does do?

Mr. COX. The gentleman might read the statement prepared by the agency having to do with these claims.

Mr. CRAVENS. I thank the gentleman for his suggestion. These amendments, as I understand it, were prepared by the Department. This bill meets with the approval of the Department and also the War Minerals Board, as I am informed, and is reported unanimously by the Committee on Mines and Mining.

Mr. MAPES. What effect do the amendments have upon the bill?

Mr. CRAVENS. None at all except to clarify it.

Mr. RICH. Will the gentleman yield?

Mr. CRAVENS. I yield.

Mr. RICH. Is this for a direct payment, or is it for permission to go before the courts?

Mr. CRAVENS. It gives them permission to go before the Secretary of the Interior.

The SPEAKER. The time of the gentleman from Arkansas [Mr. CRAVENS] has expired.

Mr. JENKINS of Ohio. Mr. Speaker, I rise in opposition to the amendment, not that I am especially opposed to it, but it strikes me that this bill should not have been brought up under unanimous consent, because it carries with it an adverse report by the Secretary of the Interior. And it provides for the payment of $75,000 of outlawed claims. This is the stepchild of an old bill that has been in this House for 15 or 20 years. I should like to know from the gentleman who introduced the amendment whether the claim of the Ashcrafts, down in Atlanta, Ga., is included in this?

Mr. CRAVENS. I do not understand the gentleman's question.

Mr. JENKINS of Ohio. I want to know whether the claim of the Ashcrafts, who claimed seven or eight hundred thousand dollars for war minerals claims in this same group, is included in this bill?

Mr. COX. There is no connection whatever.

The SPEAKER. Will the gentleman permit the Chair to answer? It is a little irregular, I know, but the Ashcrafts are not involved in this bill. The Chair knows that.

Mr. CRAVENS. The total amount involved in this is only $75,000.

Mr. JENKINS of Ohio. I should like to know if these claims are in the same group as the Ashcraft claim? The old bill provided for payment by the Government of nearly a million dollars, the majority part of which was to one group at Atlanta, Ga., I believe, by the name of Ashcraft. They were to get some seven or eight hundred thousand dollars, which represented practically nothing but back interest on a claim which had been adjudicated in full before.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. Yes; I yield.

Mr. COX. The gentleman is not correctly informed. It does not do any such thing. I know that case. It is in no wise related to any of the cases that are embraced in this bill.

Mr. JENKINS of Ohio. I know the Ashcraft bill and I know that what I am saying about that is correct.

Mr. COX. I know the bill, too, and I know the gentleman is in error.

Mr. JENKINS of Ohio. I do not want to get into any argument with the gentleman with reference to that, because I am satisfied with my own conclusions. We had that up in Congress many times, and I know we were able to defeat it every time it came up. I had a very active part in its defeat. I should like to know something more about the details of the pending bill as it applies to the Ashecraft claim if anyone can tell me about it.

Mrs. GREENWAY. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. Yes; I yield if the gentlewoman can answer my question.

Mrs. GREENWAY. I cannot answer the gentleman's question, because I know nothing about that bill, but I do know something about this bill.

Mr. JENKINS of Ohio. Then I yield to somebody who can answer me.

Mr. COX. Why does not the gentleman let the gentlewoman complete her statement.

Mr. JENKINS of Ohio. She can make it in her own time.

Mr. COX. Let her give her answer.

Mr. JENKINS of Ohio. She says she does not know about it. I want to know whether the pending bill has anything to do with the Ashcraft bill.

Mr. MILLER. If the gentleman will yield I will tell the gentleman.

Mr. JENKINS of Ohio. I yield to the gentleman from Arkansas.

Mr. MILLER. This bill simply covers the claims of 94 miners and has nothing whatever to do with the Ashcraft case. As the gentleman knows I opposed that bill.

The pending bill applies to these 94 miners, itinerant miners, you might call them, who went in there to develop that property during the war, relying upon the War Minerals Act. Then they disappeared, and this represents money they actually expended in development of the property at the request of the Government.

Mr. JENKINS of Ohio. Now, let me ask the gentleman a question. The gentleman remembers the Ashcraft case?

Mr. MILLER. I remember it.

Mr. JENKINS of Ohio. The gentleman says this case has no relationship to that. Those cases, as the gentleman will remember, had been adjudicated in the courts, some of them going to the Supreme Court. Have any of these cases been adjudicated in any court? If they have not, then they may have some merits which we should consider. Now, I should like to know whether any of these claims have ever been considered in any court.

Mr. MILLER. No. Absolutely not. This bill relates to 94 "one gallus" miners; that is all; it just applies to them.

Mr. SNELL. Mr. Speaker, will the gentleman from Ohio yield that I may ask the gentleman from Arkansas a question?

Mr. JENKINS of Ohio. I yield to the distinguished gentleman from New York, my floor leader.

Mr. SNELL. Why were these claims not included in the amendment to the war minerals relief bill we passed 2 or 3 weeks ago?

Mr. MILLER. No; because they come under a different heading. These fellows never did get the notice and never did in fact file their claims, and there was no adjudication of any kind of any of these particular 94 claims.

Mr. SNELL. This is the third or fourth time we have passed legislation taking care of miners. The gentleman can assure the House that this absolutely and finally closes it up?

Mr. MILLER. I will say I think so.

Mr. SNELL. God be praised!

The SPEAKER. The question is on the amendment of the gentleman from Arkansas.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and House Resolution 540 were laid on the table.

MEDICAL ADMINISTRATIVE CORPS

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4390) to amend the National Defense Act relating to the Medical Administrative Corps.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. McSWAIN. Mr. Speaker, this bill merely proposes to modify the law with regard to the Medical Administrative Corps so that 16 of the Medical Administrative Corps officers may be commissioned as pharmacists. The bill requires that those who are so commissioned must have graduated from a regularly recognized pharmaceutical college after a 4-year course. It will not cost one single additional cent. The bill has the approval of the Bureau of the Budget and is urgently and insistently requested by the Surgeon General of the Army.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the third sentence of section 24e of the National Defense Act, as amended by the act of June 4, 1920 (41 Stat. 759, 774), is hereby amended by striking out that portion relating to the qualifications for appointment in the Medical Administrative Corps, which reads, "enlisted men of the Medical Department between the ages of 21 and 32 years, who have had at least 2 years' service", and substituting therefor the following: "pharmacists between the ages of 21 and 32 years who are graduates of recognized schools or colleges of pharmacy requiring 4 years of instruction for graduation, under such regulations and after such examination as the Secretary of War shall prescribe: *And provided further*, That the number of such pharmacists in the Medical Administrative Corps shall not exceed 16."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LITTLE ROCK CONFEDERATE CEMETERY, ARK.

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4190) to amend the act approved February 7, 1913, so as to remove restrictions as to the use of the Little Rock Confederate Cemetery, Ark., and for other purposes. I do not think there can be any objection to this bill. It will take but a moment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. SNELL. I am constrained to object to the consideration of this bill, Mr. Speaker.

THE TAX BILL

Mr. DOUGHTON submitted the following conference report on the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes:

Mr. DOUGHTON submitted the following report:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 44, 45, 47, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 71, 72, 73, 74, 75, 76, 77, 79, 80, 81, 85, 86, 87, 88, 90, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 111, 113, 116, 117, 119, 122, 123, 124, 125, 126, 129, 131, 134, 135, 136, 139, 140, 141, 142, 143, 144, 145, 148, 149, 150, 151, 155, 156, 157, 158, 166, 167, 168, 169, 171, 172, 173, 174, 175, 176, 177, 178, 180, 181, 182, 183, 184, 186, 187, 188, 189, 192, 193, 194, 195, 196, 197, 199, 200, 201, 202, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 221, 223, 224, 225, 226, 227, 228, 229, 230, 231, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 244, 247, 248, 249, 266, 267, 269, 270, 271, 275, 276, 277, 278, 279, 280, 282, 283, 284, 285, 287, and 288, and agree to the same.

That the Senate recede from its amendments numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 68, 82, 83, 115, 120, 127, 146, 152, 159, 160, 161, 191, 198, 220, 222, 243, 250, 251, 260, 261, 264, and 289.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 13. NORMAL TAX ON CORPORATIONS.

"(a) Definition.—As used in this title the term 'normal-tax net income' means the net income minus the sum of—

"(1) Interest on Obligations of the United States and Its Instrumentalities.—The credit provided in section 26 (a).

"(2) Dividends Received.—The credit provided in section 26 (b). Such credit shall not be allowed in the case of a mutual investment company, as defined in section 48.

"(3) Dividends Paid.—In the case of a mutual investment company the credit provided in section 27, computed without the benefit of subsection (b) thereof (relating to dividend carryover).

"(b) Imposition of Tax.—There shall be levied, collected, and paid for each taxable year upon the normal-tax net income of every corporation, a normal tax as follows:

"Upon normal-tax net incomes not in excess of $2,000, 8 per centum.

"$160 upon normal-tax net incomes of $2,000; and upon normal-tax net incomes in excess of $2,000 and not in excess of $15,000, 11 per centum in addition of such excess.

"$1,590 upon normal-tax net incomes of $15,000; and upon normal-tax net incomes in excess of $15,000 and not in excess of $40,000, 13 per centum in addition of such excess.

"$4,840 upon normal-tax net incomes of $40,000; and upon normal-tax net incomes in excess of $40,000, 15 per centum in addition of such excess.

"(c) Exempt Corporations.—For corporations exempt from taxation under this title, see section 101.

"(d) Banks and Trust Companies.—For rate of tax on certain banks and trust companies, see section 104.

"SEC. 14. SURTAX ON UNDISTRIBUTED PROFITS.

"(a) Definitions.—As used in this title—

"(1) The term 'adjusted net income' means the net income minus the sum of—

"(A) The normal tax imposed by section 13.

"(B) The credit provided in section 26 (a), relating to interest on certain obligations of the United States and Government corporations.

"(C) In the case of a holding company affiliate (as defined in section 2 of the Banking Act of 1933), the amount allowed as a credit under section 26 (d).

"(D) In the case of a national mortgage association created under Title III of the National Housing Act, the amount allowed as a credit under section 26 (e).

"(2) The term 'undistributed net income' means the adjusted net income minus the sum of the dividends paid credit provided in section 27 and the credit provided in section 26 (c), relating to contracts restricting dividends.

"(b) Imposition of Tax.—There shall be levied, collected, and paid for each taxable year upon the net income of every corporation a surtax equal to the sum of the following, subject to the application of the specific credit as provided in subsection (c):

"7 per centum of the portion of the undistributed net income which is not in excess of 10 per centum of the adjusted net income.

"12 per centum of the portion of the undistributed net income which is in excess of 10 per centum and not in excess of 20 per centum of the adjusted net income.

"17 per centum of the portion of the undistributed net income which is in excess of 20 per centum and not in excess of 40 per centum of the adjusted net income.

"22 per centum of the portion of the undistributed net income which is in excess of 40 per centum and not in excess of 60 per centum of the adjusted net income.

"27 per centum of the portion of the undistributed net income which is in excess of 60 per centum of the adjusted net income.

"(c) Adjusted Net Income Less Than $50,000—

"(1) Specific Credit.—If the adjusted net income is less than $50,000, there shall be allowed a specific credit equal to the portion of the undistributed net income which is in excess of 10 per centum of the adjusted net income and not in excess of $5,000, such credit to be applied as provided in paragraph (2).

"(2) Application of Specific Credit.—If the corporation is entitled to a specific credit, the tax shall be equal to the sum of the following:

"(A) A tax computed under subsection (b) upon the amount of the undistributed net income reduced by the amount of the specific credit, plus

"(B) 7 per centum of the amount of the specific credit.

"(d) Exemption From Surtax.—The following corporations shall not be subject to the surtax imposed by this section:

"(1) Banks as defined in section 104.

"(2) Domestic corporations which for any portion of the taxable year are in bankruptcy under the laws of the United States, or are insolvent and in receivership in any court of the United States or of any State, Territory, or the District of Columbia.

"(3) Insurance companies subject to the tax imposed under section 201, 204, or 207.

"(4) Foreign corporations.

"(5) Corporations which, by reason of deriving a large portion of their gross income from sources within a possession of the United States, are entitled to the benefits of section 251.

"(6) Corporations organized under the China Trade Act, 1922.

"(7) Joint Stock Land Banks organized under the Federal Farm Loan Act, as amended.

"(e) Exempt Corporations.—For corporations exempt from taxation under this title, see section 101.

"(f) Tax on Personal Holding Companies.—For surtax on personal holding companies, see section 351.

"(g) Improper Accumulation of Surplus.—For surtax on corporations which accumulate surplus to avoid surtax on stockholders, see section 102."

And the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48 ,and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 26. CREDITS OF CORPORATIONS.

"In the case of a corporation the following credits shall be allowed to the extent provided in the various sections imposing tax—

"(a) Interest on Obligations of the United States and Its Instrumentalities.—The amount received as interest upon obligations of the United States or of corporations organized under Act of Congress which is allowed to an individual as a credit for purposes of normal tax by sections 25 (a) (1) or (2).

"(b) Dividends Received.—85 per centum of the amount received as dividends from a domestic corporation which is subject to taxation under this title. The credit allowed by this subsection shall not be allowed in respect of dividends received from a corporation organized under the China Trade Act, 1922, or from a corporation which under section 251 is taxable only on its gross income from sources within the United States by reason of its receiving a large percentage of its gross income from sources within a possession of the United States.

"(c) Contracts Restricting Payment of Dividends.—

"(1) Prohibition on Payment of Dividends.—An amount equal to the excess of the adjusted net income over the aggregate of the amounts which can be distributed within the taxable year as dividends without violating a provision of a written contract executed by the corporation prior to May 1, 1936, which provision expressly deals with the payment of dividends. If a corporation would be entitled to a credit under this paragraph because of a contract provision and also to one or more credits because of other contract provisions, only the largest of such credits shall be allowed, and for such purpose if two or more credits are equal in amount only one shall be taken into account.

"(2) Disposition of Profits of Taxable Year.—An amount equal to the portion of the earnings and profits of the taxable year which is required (by a provision of a written contract executed by the corporation prior to May 1, 1936, which provision expressly deals with the disposition of earnings and profits of the taxable year) to be paid within the taxable year in discharge of a debt, or to be irrevocably set aside within the taxable year for the discharge of a debt; to the extent that such amount has been so paid or set aside. For the purposes of this paragraph, a requirement to pay or set aside an amount equal to a percentage of earnings and profits shall be considered a requirement to pay or set aside such percentage of earnings and profits. As used in this paragraph, the word 'debt' does not include a debt incurred after April 30, 1936.

"(3) Double Credit Not Allowed.—If both paragraph (1) and paragraph (2) apply, the one of such paragraphs which allows the greater credit shall be applied; and, if the credit allowable under each paragraph is the same, only one of such paragraphs shall be applied.

"(d) Bank Affiliates.—In the case of a holding company affiliate (as defined in section 2 of the Banking Act of 1933), the amount of the earnings or profits which the Board of Governors of the Federal Reserve System certifies to the Commissioner has been

devoted by such affiliate during the taxable year to the acquisition of readily marketable assets other than bank stock in compliance with section 5144 of the Revised Statutes. The aggregate of the credits allowable under this subsection for all taxable years shall not exceed the amount required to be devoted under such section 5144 to such purposes.

"(e) National Mortgage Associations.—In the case of a national mortgage association created under Title III of the National Housing Act, the amount of the earnings or profits which the Federal Housing Administrator certifies to the Commissioner has been devoted by such association during the taxable year to the acquisition of such reserves as the Administrator may require under the provisions of section 303 of that Act."

And the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert "and Title IA"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"(18) Religious or apostolic associations or corporations, if such associations or corporations have a common treasury or community treasury, even if such assciations or corporations engage in business for the common benefit of the members, but only if the members thereof include (at the time of filing their returns) in their gross income their entire pro-rata shares, whether distributed or not, of the net income of the association or corporation for such year. Any amount so included in the gross income of a member shall be treated as a dividend received."

And the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows: On page 79 of the House bill strike out lines 7 to 11, both inclusive, and insert the following:

"(1) In the case of corporations not subject to the surtax on undistributed profits imposed by section 14, a surtax equal to the sum of the following:

"25 per centum of the amount of the retained net income not in excess of $100,000, plus

"35 per centum of the amount of the retained net income in excess of $100,000.

"(2) In the case of corporations subject to the surtax on undistributed profits imposed by section 14, a surtax equal to the sum of the following:

"15 per centum of the amount of the retained net income not in excess of $100,000, plus

"25 per centum of the amount of the retained net income in excess of $100,000."

And the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(c) Definitions.—As used in this title—

"(1) Special Adjusted Net Income.—The term 'special adjusted net income' means the net income minus the sum of—

"(A) Taxes.—Federal income, war-profits, and excess-profits taxes paid or accrued during the taxable year, to the extent not allowed as a deduction by section 23, but not including the tax imposed by this section or a corresponding section of a prior income-tax law.

"(B) Disallowed Charitable, etc., Contributions.—Contributions or gifts, not otherwise allowed as a deduction, to or for the use of donees described in section 23(o), for the purposes therein specified.

"(C) Disallowed Losses.—Losses from sales or exchanges of capital assets which are disallowed as a deduction by section 117(d).

"(D) Bank Affiliates.—In the case of a holding company affiliate (as defined in section 2 of the Banking Act of 1933), the amount allowed as a credit under section 26(d).

"(E) National Mortgage Associations.—In the case of a national mortgage association created under Title III of the National Housing Act, the amount allowed as a credit under section 26 (e).

"(2) Retained Net Income.—The term 'retained net income' means the special adjusted net income minus the sum of the dividends paid credit provided in section 27 and the credit provided in section 26 (c), relating to contracts restricting dividends. For the purposes of this subsection, such credits shall be computed by substituting in section 26 (c) and in section 27 for the words 'adjusted net income' wherever appearing in such sections the words 'special adjusted net income.' "

And the Senate agree to the same.

Amendment numbered 84: That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(e) Tax on Personal Holding Companies.—For surtax on personal holding companies, see section 351."

And the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 104. BANKS AND TRUST COMPANIES.

"(a) (Definition: As used in this section the term 'bank' means a bank or trust company incorporated and doing business under the laws of the United States (including laws relating to the District of Columbia), of any State, or of any Territory, a substantial part of the business of which consists of receiving deposits and making loans and discounts, or of exercising fiduciary powers similar to those permitted to national banks under section 11 (k) of the Federal Reserve Act, as amended, and which is subject by law to supervision and examination by State or Federal authority having supervision over banking institutions.

"(b) Rate of tax: Banks shall be taxable in the same manner as other corporations, except that they shall not be subject to the surtax imposed by section 14, and except that the normal tax imposed by section 13 shall be at the rate of 15 per centum instead of at the rates provided in such section."

And the Senate agree to the same.

Amendment numbered 91: That the House recede from its disagreement to the amendment of the Senate numbered 91 and agree to the same with an amendment as follows:

On page 17, line 7, of the Senate engrossed amendments strike out "104" and insert 105; and the Senate agree to the same.

Amendment numbered 92: That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(6) Property Received by Corporation on Complete Liquidation of Another.—No gain or loss shall be recognized upon the receipt by a corporation of property distributed in complete liquidation of another corporation. For the purposes of this paragraph a distribution shall be considered to be in complete liquidation only if—

"'(A) the corporation receiving such property was, on the date of the adoption of the plan of liquidation, and has continued to be at all times until the receipt of the property, the owner of stock (in such other corporation) possessing at least 80 percent of the total combined voting power of all classes of stock entitled to vote and the owner of at least 80 percent of the total number of shares of all other classes of stock (except nonvoting stock which is limited and preferred as to dividends), and was at no time on or after the date of the adoption of the plan of liquidation and until the receipt of the property the owner of a greater percentage of any class of stock than the percentage of such class owned at the time of the receipt of the property; and

"'(B) no distribution under the liquidation was made before the first day of the first taxable year of the corporation beginning after December 31, 1935; and either

"(C) the distribution is by such other corporation in complete cancelation or redemption of all its stock, and the transfer of all the property occurs within the taxable year; in such case the adoption by the stockholders of the resolution under which is authorized the distribution of all the assets of such corporation in complete cancelation or redemption of all its stock, shall be considered an adoption of a plan of liquidation, even though no time for the completion of the transfer of the property is specified in such resolution; or

"(D) such distribution is one of a series of distributions by such other corporation in complete cancelation or redemption of all its stock in accordance with a plan of liquidation under which the transfer of all the property under the liquidation is to be completed within 3 years from the close of the taxable year during which is made the first of the series of distributions under the plan, except that if such transfer is not completed within such period, or if the taxpayer does not continue qualified under subparagraph (A) until the completion of such transfer, no distribution under the plan shall be considered a distribution in complete liquidation.

If such transfer of all the property does not occur within the taxable year the Commissioner may require of the taxpayer such bond, or waiver of the statute of limitations on assessment and collection, or both, as he may deem necessary to insure, if the transfer of the property is not completed within such three-year period, or if the taxpayer does not continue qualified under subparagraph (A) until the completion of such transfer, the assessment and collection of all income, war-profits, and excess-profits taxes then imposed by law for such taxable year or subsequent taxable years, to the extent attributable to property so received. A distribution otherwise constituting a distribution in complete liquidation within the meaning of this paragraph shall not be considered as not constituting such a distribution merely because it does not constitute a distribution or liquidation within the meaning of the corporate law under which the distribution is made; and for the purposes of this paragraph a transfer of property of such other corporation to the taxpayer shall not be considered as not constituting a distribution (or one of a series of distributions) in complete cancellation or redemption of all the stock of such other corporation, merely because the carrying out of the plan involves (i) the transfer under the plan to the taxpayer by such other corporation of property, not attributable to shares owned by the taxpayer, upon an exchange described in paragraph (4) of this subsection, and (ii) the complete cancellation or redemption under the plan, as

a result of exchanges described in paragraph (3) of this subsection, of the shares not owned by the taxpayer."

And the Senate agree to the same.

Amendment numbered 110: That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment as follows: On page 23 of the Senate engrossed amendments, strike out line 6 and insert "resident alien, foreign partnership, or foreign corporation, not engaged in trade or business within the United States,"; and the Senate agree to the same.

Amendment numbered 112: That the House recede from its disagreement to the amendment of the Senate numbered 112, and agree to the same with an amendment as follows: On page 23 of the Senate engrossed amendments, line 16, strike out "14 (c) (2)" and insert "14 (d) (2)"; and the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "(except that such rate shall be reduced, in the case of a resident of a contiguous country, to such rate, not less than 5 per centum, as may be provided by treaty with such country)"; and the Senate agree to the same.

Amendment numbered 118: That the House recede from its disagreement to the amendment of the Senate numbered 118, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "except that such rate shall be reduced, in the case of a nonresident alien individual a resident of a contiguous country, to such rate (not less than 5 per centum) as may be provided by treaty with such country: *Provided*, That no such deduction or withholding shall be required in the case of dividends paid by a foreign corporation unless (1) such corporation is engaged in trade or business within the United States or has an office or place of business therein, and (2) more than 85 per centum of the gross income of such corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence) was derived from sources within the United States as determined under the provisions of section 119: *Provided further*"; and the Senate agree to the same.

Amendment numbered 121: That the House recede from its disagreement to the amendment of the Senate numbered 121, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "except that in the case of dividends the rate shall be 10 per centum, and except that in the case of corporations organized under the laws of a contiguous country such rate of 10 per centum with respect to dividends shall be reduced to such rate (not less than 5 per centum) as may be provided by treaty with such country"; and the Senate agree to the same.

Amendment numbered 128: That the House recede from its disagreement to the amendment of the Senate numbered 128, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 169. COMMON TRUST FUNDS.

"(a) Definitions.—The term 'common trust fund' means a fund maintained by a bank (as defined in section 104)—

"(1) exclusively for the collective investment and reinvestment of moneys contributed thereto by the bank in its capacity as a trustee, executor, administrator, or guardian; and

"(2) in conformity with the rules and regulations, prevailing from time to time, of the Board of Governors of the Federal Reserve System pertaining to the collective investment of trust funds by national banks.

"(b) Taxation of Common Trust Funds.—A common trust fund shall not be subject to taxation under this title, Title IA, or section 105 or 106 of the Revenue Act of 1935, and for the purposes of such titles and sections shall not be considered a corporation.

"(c) Income of Participants in Fund.—Each participant in the common trust fund shall include in computing its net income its proportionate share, whether or not distributed and whether or net distributable, of the net income of the common trust fund. The net income of the common trust fund shall be computed in the same manner and on the same basis as in the case of an individual. The proportionate share of each participant in the amount of interest specified in section 25 (a) received by the common trust fund shall for the purposes of this Supplement be considered as having been received by such participant as such interest.

"(d) Admission and Withdrawal.—No gain or loss shall be realized by the common trust fund by the admission or withdrawal of a participant. The withdrawal of any participating interest by a participant shall be treated as a sale or exchange of such interest by the participant.

"(e) Returns by Bank.—Every bank (as defined in section 104) maintaining a common trust fund shall make a return under oath for each taxable year, stating specifically, with respect to such fund, the items of gross income and the deductions allowed by this title, and shall include in the return the names and addresses of the participants who would be entitled to share in the net income if distributed and the amount of the proportionate share of each participant. The return shall be sworn to as in the case of a return filed by the bank under section 52.

"(f) Different Taxable Years of Common Trust Fund and Participant.—If the taxable year of the common trust fund is different from that of a participant, the proportionate share of the net income of the common trust fund to be included in computing the net income of the participant for its taxable year shall be based upon the net income of the common trust fund for any taxable year of the common trust fund (whether beginning on, before, or after January 1, 1936) ending within the taxable year of the participant."

And the Senate agree to the same.

Amendment numbered 130: That the House recede from its disagreement to the amendment of the Senate numbered 130, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) Imposition of Tax.—

"(1) In General.—In lieu of the tax imposed by sections 13 and 14, there shall be levied, collected, and paid for each taxable year upon the normal-tax net income of every life insurance company a tax of 15 per centum of the amount thereof.

"(2) Normal-Tax Net Income of Foreign Life Insurance Companies.—In the case of a foreign life insurance company, the normal-tax net income shall be an amount which bears the same ratio to the normal-tax net income, computed without regard to this paragraph, as the reserve funds required by law and held by it at the end of the taxable year upon business transacted within the United States bear to the reserve funds held by it at the end of the taxable year upon all business transacted.

"(3) No United States Insurance Business.—Foreign life insurance companies not carrying on an insurance business within the United States and holding no reserve funds upon business transacted within the United States, shall not be taxable under this section but shall be taxable as other foreign corporations."

And the Senate agree to the same.

Amendment numbered 132: That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment as follows: On page 28 of the Senate engrossed amendments, lines 15 and 16, strike out "a tax at the rates specified in section 13" and insert "a tax of 15 per centum of the amount thereof"; and the Senate agree to the same.

Amendment numbered 133: That the House recede from its disagreement to the amendment of the Senate numbered 133, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(2) Normal-Tax Net Income of Foreign Companies.—In the case of a foreign insurance company (other than a life or mutual insurance company), the normal-tax net income shall be the net income from sources within the United States minus the sum of—

"(A) Interest on obligations of the United States and its instrumentalities.—The credit provided in section 26 (a).

"(B) Dividends received.—The credit provided in section 26 (b).

"(3) No United States Insurance Business.—Foreign insurance companies not carrying on an insurance business within the United States shall not be taxable under this section but shall be taxable as other foreign corporations."

And the Senate agree to the same.

Amendment numbered 137: That the House recede from its disagreement to the amendment of the Senate numbered 137, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(a) Application of Title.—Mutual insurance companies, other than life insurance companies, shall be taxable in the same manner as other corporations, except as hereinafter provided in this section, and except that they shall not be subject to the surtax imposed by section 14, and except that the normal tax imposed by section 13 shall be at the rate of 15 per centum instead of at the rates provided in such section, and such normal tax shall be applicable to foreign corporations as well as domestic corporations; but foreign insurance companies not carrying on an insurance business within the United States shall be taxable as other foreign corporations."

And the Senate agree to the same.

Amendment numbered 138: That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: ", except that such rate shall be reduced, in the case of a resident of a contiguous country, to such rate (not less than 5 per centum) as may be provided by treaty with such country"; and the Senate agree to the same.

Amendment numbered 147: That the House recede from its disagreement to the amendment of the Senate numbered 147, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "except that in the case of dividends the rate shall be 10 per centum, and except that in the case of corporations organized under the laws of a contiguous country such rate of 10 per centum with respect to dividends shall be reduced to such rate (not less than 5 per centum) as may be provided by treaty with such country"; and the Senate agree to the same.

Amendment numbered 153: That the House recede from its disagreement to the amendment of the Senate numbered 153, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(c) Tax in Case of Corporations.—In the case of a domestic corporation entitled to the benefits of this section the normal tax

imposed by section 13 shall be at the rate of 15 per centum instead of at the rates provided in such section, and such a corporation shall not be subject to the surtax imposed by section 14"; and the Senate agree to the same.

Amendment numbered 154: That the House recede from its disagreement to the amendment of the Senate numbered 154, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 261. TAXATION IN GENERAL.

"In the case of a corporation organized under the China Trade Act, 1922, the normal tax imposed by section 13 shall be at the rate of 15 per centum instead of at the rates provided in such section, and such a corporation shall not be subject to the surtax imposed by section 14"; and the Senate agree to the same.

Amendment numbered 162: That the House recede from its disagreement to the amendment of the Senate numbered 162, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE IA—ADDITIONAL INCOME TAXES

"SEC. 351. SURTAX ON PERSONAL HOLDING COMPANIES.

"(a) Imposition of tax.—There shall be levied, collected, and paid, for each taxable year (in addition to the taxes imposed by Title I), upon the undistributed adjusted net income of every personal holding company a surtax equal to the sum of the following:

"(1) 8 per centum of the amount thereof not in excess of $2,000; plus

"(2) 18 per centum of the amount thereof in excess of $2,000 and not in excess of $100,000; plus

"(3) 28 per centum of the amount thereof in excess of $100,000 and not in excess of $500,000; plus

"(4) 38 per centum of the amount thereof in excess of $500,000 and not in excess of $1,000,000; plus

"(5) 48 per centum of the amount thereof in excess of $1,000,000.

"(b) Definitions.—As used in this title—

"(1) The term "personal holding company" means any corporation (other than a corporation exempt from taxation under section 101, and other than a bank, as defined in section 104, and other than a life-insurance company or surety company) if—(A) at least 80 per centum of its gross income for the taxable year is derived from royalties, dividends, interest, annuities, and (except in the case of regular dealers in stock or securities) gains from the sale of stock or securities, and (B) at any time during the last half of the taxable year more than 50 per centum in value of its outstanding stock is owned, directly or indirectly, by or for not more than five individuals. For the purpose of determining the ownership of stock in a personal holding company—(C) stock owned, directly or indirectly, by a corporation, partnership, estate, or trust shall be considered as being owned proportionately by its shareholders, partners, or beneficiaries; (D) an indivdual shall be considered as owning, to the exclusion of any other individual, the stock owned, directly or indirectly, by his family, and this rule shall be applied in such manner as to produce the smallest possible number of individuals owning, directly or indirectly, more than 50 per centum in value of the outstanding stock; and (E) the family of an individual shall include only his brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants.

"(2) The term 'undistributed adjusted net income' means the adjusted net income minus the sum of:

"(A) 20 per centum of the excess of the adjusted net income over the amount of dividends received from personal holding companies which are allowable as a credit for the purposes of the tax imposed by section 13 or 204;

"(B) Amounts used or set aside to retire indebtedness incurred prior to January 1, 1934, if such amounts are reasonable with reference to the size and terms of such indebtedness; and

"(C) The amount of the dividends paid credit provided in section 27, computed without the benefit of subsection (b) thereof (relating to the dividend carry-over).

"(3) The term 'adjusted net income' means the net income minus the sum of:

"(A) Federal income, war-profits, and excess-profits taxes paid or accrued during the taxable year to the extent not allowed as a deduction by section 23, but not including the tax imposed by this section or a corresponding section of a prior income-tax law;

"(B) Contributions or gifts, not otherwise allowed as a deduction, to or for the use of donees described in section 23 (o) for the purposes therein specified, including, in the case of a corporation organized prior to January 1, 1936, to take over the assets and liabilities of the estate of a decedent, amounts paid in liquidation of any liability of the corporation based on the liability of the decedent to make any such contribution or gift, to the extent such liability of the decedent existed prior to January 1, 1934; and

"(C) Losses from sales or exchanges of capital assets which are disallowed as a deduction by section 117 (d).

"(4) The terms used in this section shall have the same meaning as when used in Title I.

"(c) Administrative Provisions.—All provisions of law (including penalties) applicable in respect of the taxes imposed by Title I of this Act, shall insofar as not inconsistent with this section, be applicable in respect of the tax imposed by this section, except that the provisions of section 131 of that title shall not be applicable.

"(d) Payment of Surtax on Pro Rata Shares.—The tax imposed by this section shall not apply if (1) all the shareholders of the corporation include (at the time of filing their returns) in their gross income their entire pro rata shares, whether distributed or not, of the adjusted net income of the corporation for such year, and (2) 90 per centum or more of such adjusted net income is so included in the gross income of shareholders other than corporations. Any amount so included in the gross income of a shareholder shall be treated as a dividend received. Any subsequent distribution made by the corporation out of earnings or profits for such taxable year shall, if distributed to any shareholder who has so included in his gross income his pro rata share, be exempt from tax in the amount of the share so included.

"(e) Improper Accumulation of Surplus.—For surtax on corporations which accumulate surplus to avoid surtax on stockholders, see section 102."

And the Senate agree to the same.

Amendment numbered 163: That the House recede from its disagreement to the amendment of the Senate numbered 163, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 401. CAPITAL STOCK TAX.

"(a) Section 105 of the Revenue Act of 1935 is amended by striking out '$1.40' wherever appearing therein and inserting in lieu thereof '$1.'

"(b) Subsection (c) of such section is amended by striking out '1934' and inserting in lieu thereof '1936', and by striking out ', as amended' wherever appearing in such subsection."

And the Senate agree to the same.

Amendment numbered 164: That the House recede from its disagreement to the amendment of the Senate numbered 164, and agree to the same with an amendment as follows: On page 38 of the Senate engrossed amendments, line 12, strike out "(b) section 105 (f) (4) of such act" and insert "(c) Subsection (f) (4) of such section"; and the Senate agree to the same.

Amendment numbered 165: That the House recede from its disagreement to the amendment of the Senate numbered 165, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 402. EXCESS-PROFITS TAX.

"(a) Section 106 (b) of the Revenue Act of 1935 is amended by striking out 'except that there shall be deducted the amount of income tax imposed for such year by section 13 of the Revenue Act of 1934, as amended' and inserting in lieu thereof 'computed without the deduction of the tax imposed by this section, but with a credit against net income equal to the credit for dividends received provided in section 26 (b) of the Revenue Act of 1936.'

"(b) The amendment made by subsection (a) shall not apply to an income-tax taxable year beginning before January 1, 1936."

And the Senate agree to the same.

Amendment numbered 170: That the House recede from its disagreement to the amendment of the Senate numbered 170, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) The net income (specified in subsection (a) (1)) from the sale of articles with respect to which the Federal excise tax was not paid, and the net income specified in subsection (a) (2) or (3), shall not include the net income from the sale of any article, from reimbursement with respect to any article, or from refund or credit of Federal excise tax with respect to any article (1) if such article (or the articles processed therefrom) were not sold by the taxpayer on or before the date of the termination of the Federal excise tax; (2) if the taxpayer made a tax adjustment with respect to such article (or the articles processed therefrom) with his vendee; or (3) if under the terms of any statute the taxpayer would have been entitled to a refund from the United States of the Federal excise tax with respect to the article otherwise than as an erroneous or illegal collection (assuming, in case the tax was not paid, that it had been paid)."

And the Senate agree to the same.

Amendment numbered 179: That the House recede from its disagreement to the amendment of the Senate numbered 179, and agree to the same with an amendment as follows: On page 43 of the Senate engrossed amendments, lines 19 to 21, inclusive, strike out "any payments or credits with respect to the articles made to purchasers as specified in subsection (f) (3)" and insert "the portion of the amount of the Federal excise tax (or of the reimbursement specified in subsection (a) (2)) with respect to the articles which is paid or credited by the taxpayer to any purchasers as specified in subsection (f) (3)"; and the Senate agree to the same.

Amendment numbered 185: That the House recede from its disagreement to the amendment of the Senate numbered 185, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "articles"; and the Senate agree to the same.

Amendment numbered 190: That the House recede from its disagreement to the amendment of the Senate numbered 190, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "June 1, 1936, or thereafter in the bona fide settlement of a written agreement"; and the Senate agree to the same.

Amendment numbered 203: That the House recede from its disagreement to the amendment of the Senate numbered 203, and agree to the same with an amendment as follows: On page 46 of the Senate engrossed amendments, lines 23 and 24, strike out "the thirtieth day after the date of the enactment of this Act" and insert "June 1, 1936"; and the Senate agree to the same.

Amendment numbered 232: That the House recede from its disagreement to the amendment of the Senate numbered 232, and agree to the same with an amendment as follows: Restore the matter proposed to be stricken out by the Senate amendment; and the Senate agree to the same.

Amendment numbered 245: That the House recede from its disagreement to the amendment of the Senate numbered 245, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 701. TAX ON CERTAIN OILS.

"The first sentence of section 601 (c) (8) of the Revenue Act of 1932, as amended, is amended to read as follows:

"'(8) Whale oil (except sperm oil), fish oil (except cod oil, cod-liver oil, and halibut-liver oil), marine-animal oil, tallow, inedible animal oils, inedible animal fats, inedible animal greases, fatty acids derived from any of the foregoing, and salts of any of the foregoing; all the foregoing, whether or not refined, sulphonated, sulphated, hydrogenated, or otherwise processed, 3 cents per pound; sesame oil provided for in paragraph 1732 of the Tariff Act of 1930, sunflower oil, rapeseed oil, kapok oil, hempseed oil, perilla oil, fatty acids derived from any of the foregoing or from linseed oil, and salts of any of the foregoing; all the foregoing, whether or not refined, sulphonated, sulphated, hydrogenated, or otherwise processed, 4½ cents per pound; any article, merchandise, or combination (except oils specified in section 602½ of the Revenue Act of 1934, as amended), 10 per centum or more of the quantity by weight of which consists of, or is derived directly or indirectly from, one or more of the products specified above in this paragraph or in section 602½ of the Revenue Act of 1934, as amended, a tax at the rate or rates per pound equal to that proportion of the rate or rates prescribed in this paragraph or such section 602½ in respect of such product or products which the quantity by weight of the imported article, merchandise, or combination, consisting of or derived from such product or products, bears to the total weight of the imported article, merchandise, or combination; hempseed, perilla seed, rapeseed, sesame seed, and kapok seed, 2 cents per pound.'"

And the Senate agree to the same.

Amendment numbered 246: That the House recede from its disagreement to the amendment of the Senate numbered 246, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 702. PROCESSING TAX ON CERTAIN OILS.

"(a) The first sentence of section 602½ of the Revenue Act of 1934 is amended to read as follows:

"'(a) There is hereby imposed upon the first domestic processing of coconut oil, palm oil, palm-kernel oil, fatty acids derived from any of the foregoing oils, salts of any of the foregoing (whether or not such oils, fatty acids, or salts have been refined, sulphonated, sulphated, hydrogenated, or otherwise processed), or any combination or mixture containing a substantial quantity of any one or more of such oils, fatty acids, or salts, a tax of 3 cents per pound to be paid by the processor, but the tax under this section shall not apply (1) with respect to any fatty acid or salt resulting from a previous first domestic processing taxed under this section or upon which an import tax has been paid under section 601 (c) (8) of the Revenue Act of 1932, as amended, or (2) with respect to any combination or mixture by reason of its containing an oil, fatty acid, or salt with respect to which there has been a previous first domestic processing or upon which an import tax has been paid under section 601 (c) (8).'"

"(b) Notwithstanding the provisions of subsection (a) of this section, the first domestic processing of sunflower oil or sesame oil (or any combination of mixture containing a substantial quantity of sunflower oil or sesame oil), if such oil or such combination or mixture or such oil contained therein was imported prior to the effective date of this title, shall be taxed in accordance with the provisions of section 602½ of the Revenue Act of 1934 in force on the date of the enactment of this Act."

And the Senate agree to the same.

Amendment numbered 252: That the House recede from its disagreement to the amendment of the Senate numbered 252, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"SEC. 801. EXEMPTION FROM ADMISSIONS TAX OF CERTAIN CONCERTS.

"Section 500 (b) (2) of the Revenue Act of 1926 is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: 'and any admissions to concerts conducted by a civic or community membership association if no part of the net earnings thereof inures to the benefit of any stockholders or members of such association.'"

And the Senate agree to the same.

Amendment numbered 253: That the House recede from its disagreement to the amendment of the Senate numbered 253, and agree to the same with an amendment as follows: On page 61 of the Senate engrossed amendments, line 16, strike out "804" and insert "802"; line 19, insert a period after "3207"; and, on page 62, line 9, strike out "subject" and insert "subjected"; and the Senate agree to the same.

Amendment numbered 254: That the House recede from its disagreement to the amendment of the Senate numbered 254, and agree to the same with an amendment as follows: On page 63 of the Senate engrossed amendments, line 11, strike out "805" and insert "803"; and the Senate agree to the same.

Amendment numbered 255: That the House recede from its disagreement to the amendment of the Senate numbered 255, and agree to the same with an amendment as follows: On page 63, line 19, of the Senate engrossed amendments, strike out "806" and insert "804"; and the Senate agree to the same.

Amendment numbered 256: That the House recede from its disagreement to the amendment of the Senate numbered 256, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 805. ESTATE TAXES—REVOCABLE TRANSFERS.

"(a) Section 302 (d) (1) of the Revenue Act of 1926, as amended, is amended to read as follows:

"'(d) (1) To the extent of any interest therein of which the decedent has at any time made a transfer (except in case of a bona-fide sale for an adequate and full consideration in money or money's worth), by trust or otherwise, where the enjoyment thereof was subject at the date of his death to any change through the exercise of a power (in whatever capacity exercisable) by the decedent alone or by the decedent in conjunction with any other person (without regard to when or from what source the decedent acquired such power), to alter, amend, revoke, or terminate, or where any such power is relinquished in contemplation of decedent's death.'

"(b) Except in the case of transfers made after the date of the enactment of this Act, no interest of the decedent of which he has made a transfer shall be included in the gross estate under such section 302 (d) (1) unless it was includible under such section before its amendment by this section."

And the Senate agree to the same.

Amendment numbered 257: That the House recede from its disagreement to the amendment of the Senate numbered 257, and agree to the same with an amendment as follows: On page 65, line 2, of the Senate engrossed amendments, strike out "808" and insert "806"; and the Senate agree to the same.

Amendment numbered 258: That the House recede from its disagreement to the amendment of the Senate numbered 258, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"SEC. 807. RECONSIDERATION OF REFUND CLAIMS.

"(a) Section 3226 of the Revised Statutes, as amended, is amended by adding at the end thereof the following new sentence: 'Any consideration, reconsideration, or action by the Commissioner with respect to such claim following the mailing of a notice by registered mail of disallowance shall not operate to extend the period within which suit may be begun.'

"(b) The amendment made by subsection (a) shall not operate (1) to bar a suit or proceeding in respect of a claim reopened prior to the date of the enactment of this act, if such suit or proceeding was not barred under the law in effect prior to the date of the enactment of this act, or (2) to prevent the suspension of the statute of limitations for filing suit under section 608 (b) (2), as amended, of the Revenue Act of 1928."

And the Senate agree to the same.

Amendment numbered 259: That the House recede from its disagreement to the amendment of the Senate numbered 259, and agree to the same with an amendment as follows:

On page 67 of the Senate engrossed amendments, line 8, strike out "810" and insert "808"; and the Senate agree to the same.

Amendment numbered 262: That the House recede from its disagreement to the amendment of the Senate numbered 262, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 809. TERMINATION OF JEWELRY TAX.

"The tax imposed by section 605 of the Revenue Act of 1932 shall not apply to any article sold by the manufacturer, producer, or importer after the date of the enactment of this Act."

And the Senate agree to the same.

Amendment numbered 263: That the House recede from its disagreement to the amendment of the Senate numbered 263, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 810. TAX ON FURS.

"(a) Effective after the date of the enactment of this Act, section 604 of the Revenue Act of 1932 is amended by striking out '10 percentum' and inserting in lieu thereof '3 per centum'.

"(b) The exemption of articles sold for less than $75, provided by section 608 of the Revenue Act of 1934, shall not apply to articles sold after the date of the enactment of this Act."

And the Senate agree to the same.

Amendment numbered 265: That the House recede from its disagreement to the amendment of the Senate numbered 265, and agree to the same with an amendment as follows: On page 70, line 5, of the Senate engrossed amendments, strike out "816" and insert "811"; and the Senate agree to the same.

Amendment numbered 268: That the House recede from its disagreement to the amendment of the Senate numbered 268, and agree to the same with an amendment as follows: On page 71 of

the Senate engrossed amendments, in line 24, strike out "section 6" and insert "section 906"; and the Senate agree to the same.

Amendment numbered 272: That the House recede from its disagreement to the amendment of the Senate numbered 272, and agree to the same with an amendment as follows: On page 76 of the Senate engrossed amendments, in line 17, strike out "division" and insert "divisions"; and on page 78, line 4, strike out "cross examine" and insert "cross-examine"; and the Senate agree to the same.

Amendment numbered 273: That the House recede from its disagreement to the amendment of the Senate numbered 273, and agree to the same with an amendment as follows: On page 87 of the Senate engrossed amendments, line 9, strike out "Commission" and insert "Commissioner"; and the Senate agree to the same.

Amendment numbered 274: That the House recede from its disagreement to the amendment of the Senate numbered 274, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 908. LIMITATIONS ON ALLOWANCE OF CLAIMS AND INTEREST.

"(a) No claim shall be allowed under this title in an amount less than $10.

"(b) No interest shall be allowed by the Commissioner or by any court with respect to any amount paid or collected as tax under the Agricultural Adjustment Act, except with respect to amounts, refund of which is made or allowed under this title."

And the Senate agree to the same.

Amendment numbered 286: That the House recede from its disagreement to the amendment of the Senate numbered 286, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the Senate amendment, and on page 60 of the House bill, after line 26, insert the following:

"(e) Mutual Investment Companies.—

"(1) General Definition.—The term 'mutual investment company' means any corporation (whether chartered or created as an investment trust, or otherwise), other than a personal holding company as defined in section 351, if—

"(A) It is organized for the purpose of, and substantially all its business consists of, holding, investing, or reinvesting in stock or securities; and

"(B) At least 95 per centum of its gross income is derived from dividends, interest, and gains from sales or other disposition of stock or securities; and

"(C) Less than 30 per centum of its gross income is derived from the sale or other disposition of stock or securities held for less than six months; and

"(D) An amount not less than 90 per centum of its net income is distributed to its shareholders as taxable dividends during the taxable year; and

"(E) Its shareholders are, upon reasonable notice, entitled to redemption of their stock for their proportionate interests in the corporation's properties, or the cash equivalent thereof less a discount not in excess of 3 per centum thereof.

"(2) Limitations: Despite the provisions of paragraph (1) a corporation shall not be considered as a mutual investment company if, subsequent to a date thirty days after the date of the enactment of this Act, at any time during the taxable year—

"(A) More than 5 per centum of the gross assets of the corporation, taken at cost, was invested in stock or securities, or both, of any one corporation, government, or political subdivision thereof, but this limitation shall not apply to investments in obligations of the United States or in obligations of any corporation organized under general Act of Congress if such corporation is an instrumentality of the United States; or

"(B) It owned more than 10 per centum of the outstanding stock or securities, or both, of any one corporation; or

"(C) It had any outstanding bonds or indebtedness in excess of 10 per centum of its gross assets taken at cost; or

"(D) It fails to comply with any rule or regulation prescribed by the Commissioner, with the approval of the Secretary, for the purpose of ascertaining the actual ownership of its outstanding stock."

And the Senate agree to the same.

Amend the Table of Contents to read as follows:

"TABLE OF CONTENTS

"TITLE I—INCOME TAX

"SUBTITLE A—INTRODUCTORY PROVISIONS

"1. Application of title.
"2. Cross references.
"3. Classification of provisions.
"4. Special classes of taxpayers.

"SUBTITLE B—GENERAL PROVISIONS

"PART I—RATES OF TAX

"Sec. 11. Normal tax on individuals.
"Sec. 12. Surtax on individuals.
"Sec. 13. Normal tax on corporations.
"Sec. 14. Surtax on undistributed profits.

"PART II—COMPUTATION OF NET INCOME

"Sec. 21. Net income.
"Sec. 22. Gross income.
"Sec. 23. Deductions from gross income.
"Sec. 24. Items not deductible.
"Sec. 25. Credits of individual against net income.
"Sec. 26. Credits of corporations.
"Sec. 27. Corporation credit for dividends paid.

"PART III—CREDITS AGAINST TAX

"Sec. 31. Taxes of foreign countries and possessions of United States.
"Sec. 32. Taxes withheld at source.
"Sec. 33. Credit for overpayments.

"PART IV—ACCOUNTING PERIODS AND METHODS OF ACCOUNTING

"Sec. 41. General rule.
"Sec. 42. Period in which items of gross income included.
"Sec. 43. Period for which deductions and credits taken.
"Sec. 44. Installment basis.
"Sec. 45. Allocation of income and deductions.
"Sec. 46. Change of accounting period.
"Sec. 47. Returns for a period of less than twelve months.
"Sec. 48. Definitions.

"PART V—RETURNS AND PAYMENT OF TAX

"Sec. 51. Individual returns.
"Sec. 52. Corporation returns.
"Sec. 53. Time and place for filing returns.
"Sec. 54. Records and special returns.
"Sec. 55. Publicity of returns.
"Sec. 56. Payment of tax.
"Sec. 57. Examination of return and determination of tax.
"Sec. 58. Additions to tax and penalties.
"Sec. 59. Administrative proceedings

"PART VI—MISCELLANEOUS PROVISIONS

"Sec. 61. Laws made applicable.
"Sec. 62. Rules and regulations.
"Sec. 63. Taxes in lieu of taxes under 1934 Act.
"Sec. 64. Short title.

"SUBTITLE C—SUPPLEMENTAL PROVISIONS

"SUPPLEMENT A—RATES OF TAX

"Sec. 101. Exemptions from tax on corporations.
"Sec. 102. Surtax on corporations improperly accumulating surplus.
"Sec. 103. Rates of tax on citizens and corporations of certain foreign countries.
"Sec. 104. Banks and trust companies.
"Sec. 105. Sale of oil or gas properties.

"SUPPLEMENT B—COMPUTATION OF NET INCOME

"Sec. 111. Determination of amount of, and recognition of, gain or loss.
"Sec. 112. Recognition of gain or loss.
"Sec. 113. Adjusted basis for determining gain or loss.
"Sec. 114. Basis for depreciation and depletion.
"Sec. 115. Distributions by corporations.
"Sec. 116. Exclusions from gross income.
"Sec. 117. Capital gains and losses.
"Sec. 118. Loss from wash sales of stock or securities.
"Sec. 119. Income from sources within United States.
"Sec. 120. Unlimited deduction for charitable and other contributions.
"Sec. 121. Deduction of dividends paid on certain preferred stock of certain corporations.

"SUPPLEMENT C—CREDITS AGAINST TAX

"Sec. 131. Taxes of foreign countries and possessions of United States.

"SUPPLEMENT D—RETURNS AND PAYMENT OF TAX

"Sec. 141. Consolidated returns of railroad corporations.
"Sec. 142. Fiduciary returns.
"Sec. 143. Withholding of tax at source.
"Sec. 144. Payment of corporation income tax at source.
"Sec. 145. Penalties.
"Sec. 146. Closing by Commissioner of taxable year.
"Sec. 147. Information at source.
"Sec. 148. Information by corporations.
"Sec. 149. Returns of brokers.
"Sec. 150. Collection of foreign items.

"SUPPLEMENT E—ESTATES AND TRUSTS

"Sec. 161. Imposition of tax.
"Sec. 162. Net income.
"Sec. 163. Credits against net income.
"Sec. 164. Different taxable years.
"Sec. 165. Employees' trusts.
"Sec. 166. Revocable trusts.
"Sec. 167. Income for benefit of grantor.
"Sec. 168. Taxes of foreign countries and possessions of United States.
"Sec. 169. Common trust funds.

"SUPPLEMENT F—PARTNERSHIPS

"Sec. 181. Partnership not taxable.
"Sec. 182. Tax of partners.
"Sec. 183. Computation of partnership income.
"Sec. 184. Credits against net income.
"Sec. 185. Earned income.
"Sec. 186. Taxes of foreign countries and possessions of United States.
"Sec. 187. Partnership returns.
"Sec. 188. Different taxable years of partner and partnership.

"SUPPLEMENT G—INSURANCE COMPANIES

"Sec. 201. Tax on life insurance companies.
"Sec. 202. Gross income of life insurance companies.
"Sec. 203. Net income of life insurance companies.
"Sec. 204. Insurance companies other than life or mutual.
"Sec. 205. Taxes of foreign countries and possessions of United States.
"Sec. 206. Computation of gross income.
"Sec. 207. Mutual insurance companies other than life.

"SUPPLEMENT H—NONRESIDENT ALIEN INDIVIDUALS

"Sec. 211. Tax on nonresident alien individuals.
"Sec. 212. Gross income.
"Sec. 213. Deductions.
"Sec. 214. Credits against net income.
"Sec. 215. Allowance of deductions and credits.
"Sec. 216. Credits against tax.
"Sec. 217. Returns.
"Sec. 218. Payment of tax.
"Sec. 219. Partnerships.

"SUPPLEMENT I—FOREIGN CORPORATIONS

"Sec. 231. Tax on foreign corporations.
"Sec. 232. Deductions.
"Sec. 233. Allowance of deductions and credits.
"Sec. 234. Credits against tax.
"Sec. 235. Returns.
"Sec. 236. Payment of tax.
"Sec. 237. Foreign insurance companies.
"Sec. 238. Affiliation.

"SUPPLEMENT J—POSSESSIONS OF THE UNITED STATES

"Sec. 351. Income from sources within possessions of United States.
"Sec. 252. Citizens of possessions of United States.

"SUPPLEMENT K—CHINA TRADE ACT CORPORATIONS

"Sec. 261. Taxation in general.
"Sec. 262. Credit against net income.
"Sec. 263. Credits against the tax.
"Sec. 264. Affiliation.
"Sec. 265. Income of shareholders.

"SUPPLEMENT L—ASSESSMENT AND COLLECTION OF DEFICIENCIES

"Sec. 271. Definition of deficiency.
"Sec. 272. Procedure in general.
"Sec. 273. Jeopardy assessments.
"Sec. 274. Bankruptcy and receiverships.
"Sec. 275. Period of limitation upon assessment and collection.
"Sec. 276. Same—Exceptions.
"Sec. 277. Suspension of running of statute.

"SUPPLEMENT M—INTEREST AND ADDITIONS TO THE TAX

"Sec. 291. Failure to file return.
"Sec. 292. Interest on deficiencies.
"Sec. 293. Additions to the tax in case of deficiency.
"Sec. 294. Additions to the tax in case of nonpayment.
"Sec. 295. Time extended for payment of tax shown on return.
"Sec. 296. Time extended for payment of deficiency.
"Sec. 297. Interest in case of jeopardy assessments.
"Sec. 298. Bankruptcy and receiverships.
"Sec. 299. Removal of property or departure from United States.

"SUPPLEMENT N—CLAIMS AGAINST TRANSFEREES AND FIDUCIARIES

"Sec. 311. Transferred assets.
"Sec. 312. Notice of fiduciary relationship.

"SUPPLEMENT O—OVERPAYMENTS

"Sec. 321. Overpayment of installment.
"Sec. 322. Refunds and credits.

"TITLE IA—ADDITIONAL INCOME TAXES

"Sec. 351. Surtax on personal holding companies.

"TITLE II—CAPITAL STOCK AND EXCESS-PROFITS TAX

"Sec. 401. Capital stock tax.
"Sec. 402. Excess-profits tax.

"TITLE III—TAX ON UNJUST ENRICHMENT

"Sec. 501. Tax on net income from certain sources.
"Sec. 502. Credit for other taxes on income.
"Sec. 503. Administrative provisions.
"Sec. 504. Taxable years to which title is applicable.
"Sec. 505. Application of title to possessions.
"Sec. 506. Closing agreements.

"TITLE IV—EXPORT, CHARITABLE, ETC., REFUNDS AND FLOOR STOCKS ADJUSTMENT UNDER AGRICULTURAL ADJUSTMENT ACT

"Sec. 601. Refunds under Agricultural Adjustment Act on exports, deliveries for charitable distribution or use, etc.
"Sec. 602. Floor stocks as of January 6, 1936.
"Sec. 603. Proclamations, etc., made applicable.
"Sec. 604. Repeals.

"TITLE V—AMENDMENTS TO TAXES ON CERTAIN OILS

"Sec. 701. Tax on certain oils.
"Sec. 702. Processing tax on certain oils.
"Sec. 703. Miscellaneous provisions.
"Sec. 704. Effective date.

"TITLE VI—MISCELLANEOUS PROVISIONS

"Sec. 801. Exemption from admissions tax of certain concerts.
"Sec. 802. Suits to enforce liens for taxes.
"Sec. 803. Interest on erroneous refunds.
"Sec. 804. Interest on overpayments.
"Sec. 805. Estate taxes—Revocable transfers.
"Sec. 806. Registration under the narcotic laws.
"Sec. 807. Reconsideration of refund claims.
"Sec. 808. Interest on judgments.
"Sec. 809. Termination of jewelry tax.
"Sec. 810. Tax on furs.
"Sec. 811. Importation of shingles.

"TITLE VII—REFUNDS OF AMOUNTS COLLECTED UNDER THE AGRICULTURAL ADJUSTMENT ACT

"Sec. 901. Repeals.
"Sec. 902. Conditions on allowance of refunds.
"Sec. 903. Filing of claims.
"Sec. 904. Statute of limitations.
"Sec. 905. Jurisdiction of courts.
"Sec. 906. Procedure on claims for refunds of processing taxes.
"Sec. 907. Evidence and presumptions.
"Sec. 908. Interest on claims.
"Sec. 909. Limitations on review.
"Sec. 910. Liability of collectors.
"Sec. 911. Inapplicability to certain refunds.
"Sec. 912. Period not extended.
"Sec. 913. Definitions.
"Sec. 914. Authority of Commissioner.
"Sec. 915. Salaries and administrative expenses.
"Sec. 916. Personnel.

"TITLE VIII—GENERAL PROVISIONS

"Sec. 1001. Definitions.
"Sec. 1002. Separability clause.
"Sec. 1003. Effective date of Act.

Amendment numbered 281: The committee of conference have come to no agreement on amendment numbered 281.

R. L. DOUGHTON,
SAM. B. HILL,
THOS. H. CULLEN,
FRED M. VINSON,
JERE COOPER,
Managers on the part of the House.

WILLIAM H. KING,
WALTER F. GEORGE,
DAVID I. WALSH,
ALBEN W. BARKLEY,
TOM CONNALLY,
ROBERT M. LA FOLLETTE, JR.,
Managers on the part of the Senate.

STATEMENT OF THE REPUBLICAN CONFEREES ON THE PART OF THE HOUSE

Re: Conference report on the revenue bill

We have refused to sign the conference report on the revenue bill for two fundamental reasons:

In the first place, the compromise measure which has been arrived at has all the objectionable features of the original House bill, as set forth in our minority views filed in connection therewith and as reiterated by the Senate Finance Committee in their report rejecting the House provisions.

Secondly, we repeat that we are opposed to the enactment of any new taxes until the administration has first made an honest effort to reduce expenditures and eliminate waste and extravagance.

The primary purpose of the original House bill was not to raise revenue but to give effect to the Tugwellian philosophy of forcing the distribution of corporate earnings, irrespective of the needs of the business. Such coercion was accomplished by the repeal of the existing corporate income tax and the substitution of graduated "pressure" rates of as high as 42½ percent on amounts retained. The compromise bill retains the coercive features of the House bill, the only difference being in the degree of "pressure" exerted and in the fact that the coercive rates are imposed in connection with a normal corporate income tax of 8 to 15 percent.

In our minority views on the House bill, we set forth in detail our objections to the President's proposal to tax corporate reserves, which the House bill blindly embodied.

The Senate Finance Committee, after exhaustive public hearings on the House bill, and after careful study of its provisions, concurred in our views. In their report to the Senate they had the following to say respecting the House bill:

"Your committee believes that the undistributed profits-tax plan proposed by the House has certain fundamental defects, some of which are as follows:

"1. The plan proposes an entirely untried system which appears decidedly uncertain as to revenue yield.

"2. The plan will penalize many corporations not availed of for surtax avoidance in order that a comparatively few corporations availed of for that purpose may be reached.

"3. The plan will prevent the growth of new corporations in that they will be unable to build up reasonable reserves for working capital and future development.

"4. The plan may retard business expansion and seriously affect the unemployment problem.

"5. The plan penalizes the small corporation and the corporation with insufficient reserves and is of decided advantage to the large corporation and the corporation with excessive surplus.

"6. The plan tends to transfer the corporate control from the officers and directors of the corporation to the legislative branch of the Government."

These defects have not been cured in the compromise bill. In some respects it is even more objectionable than either the House or Senate bill standing alone. It still penalizes the accumulation of necessary "rainy day" reserves; it still penalizes the payment of debts; and it still penalizes corporations which reinvest their earnings for purposes of rehabilitation or expansion. It imposes a crushing burden on financially weak corporations whose reserves have been depleted during the depression.

There is no need to reemphasize the importance of corporate reserves, which are to business organizations and their owners and employees what life insurance policies are to an individual. The Department of Commerce is authority for the statement that from 1930 to 1934, inclusive, American business distributed through wages, dividends, etc., $26,600,000,000 more than it earned. This tremendous contribution to recovery was only made possible by drawing upon reserves accumulated in good times, and we shudder to think what conditions in this country might have been had the tax policy contemplated by the pending bill been in effect prior to the depression.

The compromise effected by the conferees on the part of the House and Senate is a hybrid tax measure resulting from the unnatural union of two conflicting theories of taxation. In its major characteristics, it mostly resembles the discredited House bill, and its effect will be much the same, threatening not only the security of our economic system but the very base upon which the stability of the Federal revenue depends. It is just another New Deal experiment which inevitably will be repudiated by the people.

Much more could be said relative to the general policy underlying the President's proposal and its injurious effect upon the country. The compromise bill is an outstanding example of the type of ill-advised legislation that is sure to result from an effort to carry out an arbitrary "must" program in the closing hours of a Congressional session without adequate consideration or study.

ALLEN T. TREADWAY.
FRANK CROWTHER.
ROY O. WOODRUFF.

Mr. DOUGHTON. Mr. Speaker, I call up the conference report on the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes.

The Clerk read the conference report.

The SPEAKER pro tempore (Mr. WARREN). The gentleman from North Carolina [Mr. DOUGHTON] is recognized for 1 hour.

Mr. DOUGHTON. Mr. Speaker, I yield 10 minutes to the gentleman from Washington [Mr. HILL].

Mr. SAMUEL B. HILL. Mr. Speaker, I desire to make a brief statement of the important points in this legislation. The House and Senate conferees, after repeated sessions extending over several days, finally agreed upon a conference report. In order that you may have clearly the distinction between the House bill, the Senate amendments, and the provisions agreed upon in the conference report, I shall in a cursory manner review the rates in the House bill, the rates in the Senate amendments, and, finally, the rates of tax agreed upon in conference.

We are dealing with taxes upon the incomes of corporations. We are not dealing at the present time with taxes upon the incomes of individuals. The House bill, as it will be recalled, repeals the normal tax upon the incomes of corporations, and substituted in lieu thereof a tax upon the net income of corporations measured by the undistributed portion of such net income. The rates in the House bill were graduated from zero to 42½ percent on corporation incomes where the income was more than $10,000. The rates were graduated in the House bill on the income of corporations of $10,000 or less from zero to 29½ percent, depending upon the proportion of the net income retained by the corporation and not distributed through dividend payments.

The Senate amendments cut out these provisions of the House bill and substituted therefor a normal tax rate upon the incomes of corporations, beginning at 15½ percent and graduating up to 18 percent, using the same brackets as are in the existing corporate tax law.

Those two sets of rates were in conference. The conferees have agreed upon the following set of rates in lieu of either the House rates or the Senate rates.

The conferees agreed that there should be a normal tax on corporate income ranging from 8 percent to 15 percent, bracketed as follows:

Eight percent on the first $2,000 of net income; 11 percent on the next $13,000 of net income; 13 percent on the next $25,000 of net income; and 15 percent on all over $40,000. Those are the normal rates.

In addition to that, the conferees agreed there should be a surtax upon the undistributed portion of the corporate net income ranging from 7 percent to 27 percent as follows:

Seven percent on the first 10 percent of the net income undistributed; 12 percent on the second 10 percent of net income undistributed; 17 percent on the next 20 percent of net income undistributed, and 22 percent on the next 20 percent of the net income undistributed, which makes a total of 60 percent; and then 27 percent on all of the undistributed net income over 60 percent.

In addition to that the conferees have agreed that there shall be a capital-stock tax, and an excess-profits tax. The present capital-stock-tax rate is $1.40 per $1,000 in value. The rate agreed upon in conference is $1 per $1,000, and we retain the same rate of excess-profits tax as in the existing law.

It will be recalled that the House bill reduced the capital-stock tax to 70 cents per $1,000 and repealed the capital-stock tax at the end of the fiscal year 1936, and also repealed the excess-profits tax for taxable years ending after June 30, 1937.

The Senate amendments restored the capital-stock tax to $1.40 and the excess-profits tax at the present rates. The conference agreement is that the capital-stock tax be retained at $1 a thousand, and that the excess-profits tax remain as in existing law.

In addition to the rates agreed upon in conference there is this further provision which is of benefit to the smaller corporations. Corporations having a net income of $50,000 or less will pay a surtax at the rate of 7 percent on $5,000, even though the 10-percent bracket of the undistributed net income is less.

The conference agreed to eliminate the Senate amendment increasing the individual income-tax rates 1 percent in the brackets between $6,000 and $50,000.

This covers, in a brief way, the tax on corporate income.

We have kept in the bill, in addition to the tax on corporate incomes, the unjust enrichment tax, frequently referred to as the windfall tax.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Speaker, I yield the gentleman 10 additional minutes.

Mr. SAMUEL B. HILL. The rates on unjust enrichment are the same as they were in the House bill, 80 percent, and there are very few changes in the House provision as to the unjust enrichment tax.

Then we have retained, also, the provision for refunds or drawbacks under the Agricultural Adjustment Act as to the tax on processed commodities exported or sold to charitable institutions or other tax-exempt institutions, and also the refund on the floor stocks of all individuals other than processors at the same rate and under the same terms as were included in the House bill.

We have included in the conference agreement certain additions to the House bill dealing, first, with taxes on certain oils and oil-bearing seeds. I am not going to take your time to enumerate the different oils and the different oil-bearing seeds. I am sure most of you are familiar with those provisions. They have been agreed upon in conference practically as placed therein by the Senate.

Also, certain miscellaneous provisions were put in the bill by the Senate amendments, a few of which we retained in the conference agreement, but most of which were stricken out in conference.

In addition to the subjects of taxation enumerated the Senate also put into the tax bill by amendment a title containing provisions governing the procedure as to refunds to processors and other taxpayers under the Agricultural Adjustment Act. I may say to the House that the provisions under this title are substantially the same as the provisions in a separate bill which was reported out by the House Committee on Ways and Means and was on the calendar, but had not been acted on by the House when the matter was taken up in the Senate. These provisions are practically identical with the provisions in the House bill, which had the approval of

the Ways and Means Committee on consideration of a bill other than this tax bill.

Mr. FULLER. Mr. Speaker, will the gentleman yield?

Mr. SAMUEL B. HILL. For a short question; yes.

Mr. FULLER. As I understand, the tax is 15 percent on corporations and you have left that as it was and that we were to eliminate the capital stock tax after this year, but in conference you have left that at 15 percent on corporations, but have agreed to a retention of the capital stock tax at $1, instead of $1.40, which would really mean a 16-percent capital-stock tax.

Mr. SAMUEL B. HILL. In conference we agreed upon a graduated normal tax of from 8 percent to 15 percent instead of from 12½ percent to 15 percent, as in existing law, and instead of 15½ percent to 18 percent, as provided in the Senate amendment to the House bill.

Mr. FULLER. Does your conference report change in any way the House provision in regard to the tax on banks and insurance companies?

Mr. SAMUEL B. HILL. No; we retained banks, trust companies, and insurance companies on a flat rate of 15 percent, and they are not subject to the undistributed tax.

Mr. FULLER. You do require them to pay the capital-stock tax of $1 instead of the $1.40 that they are now paying?

Mr. SAMUEL B. HILL. All corporations will pay the capital-stock tax.

Mr. VINSON of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. VINSON of Kentucky. It may be of interest for the gentleman to tell of the change in the intercorporate dividend situation and also inform the House that the increase in the individual surtax brackets, from $6,000 to $50,000, the increase being 1 percent, has not been agreed to.

Mr. SAMUEL B. HILL. As the gentleman from Kentucky states, the increase in the surtax rates between the brackets of $6,000 to $50,000, as placed in the bill by a Senate amendment, has been eliminated.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. RICH. What provisions are there in the bill with respect to corporations, for instance, that in 1936 did not have any surplus over their earnings, but are supposed to pay out their surplus if they want to keep from paying the tax? If a corporation does not know what its earnings are going to be in 1936, is it going to be compelled to pay the surtax on all of its earnings, provided it does not pay the earnings to the stockholders in the year 1936?

Mr. SAMUEL B. HILL. That is correct. If it does not pay it out in 1936, it will pay a surtax on the undistributed portion.

Mr. RICH. There is not a corporation in the United States that earns over $100,000 that knows within 30 to 60 days after the end of the year what its earnings are going to be.

Mr. SAMUEL B. HILL. They will certainly know approximately what their earnings are.

Mr. RICH. No; not within 20 percent of what they are going to earn, not until within 30 to 60 days after the end of the year.

Mr. SAMUEL B. HILL. Oh, I think the gentleman is unfair to the corporations, and I cannot agree to that premise.

Mr. RICH. What is the difference between an insurance company and a banking corporation and any other corporation, so far as trying to save money for a rainy day is concerned? Why do you exempt insurance companies and banks? If it is good for them, why is it not good for any other corporation?

Mr. SAMUEL B. HILL. They are compelled under law to keep certain reserves on hand.

Mr. RICH. Then the States that made those laws knew that it was necessary for them to have reserves, but here you are coming in with a tax bill and breaking down the fundamental principles that your father and my father taught us—to work and to save—contrary to all common sense.

Mr. SAMUEL B. HILL. There is nothing in this bill which compels a corporation to pay out everything in dividends, Mr. RICH. But you are compelling them to do one of two things—pay it out or pay it all in taxes to the administration. That is what the administration is doing.

Mr. MCREYNOLDS. If a loan has been made by the R. F. C. to a corporation, the terms of which provide that no dividend shall be paid until that loan is satisfied, will such amount held by the corporation be subject to the excess tax?

Mr. SAMUEL B. HILL. It will not.

Mr. VINSON of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. SAMUEL B. HILL. Yes.

Mr. VINSON of Kentucky. In regard to the tax on intercorporate dividends, I think the House might be glad to know that the present exemption of 90 percent has been reduced to 85 percent. Under existing law the effective tax on intercorporate dividends is 1½ percent, whereas in the conference report it is 2¼ percent.

The SPEAKER. The time of the gentleman from Washington has expired.

Mr. DOUGHTON. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. PETTENGILL].

Mr. PETTENGILL. Mr. Speaker, and gentlemen of the House, before the roll is taken on this bill, I wish to announce that one Democrat is not going to vote for it. He is going to vote against it because he is a Democrat, and is still a Democrat, and because he still believes in the principles of Jefferson and Jackson, and not those of Rexford Guy Tugwell. Jefferson and Jackson won campaigns and Tugwell never carried a precinct. They did not believe in making it hard or impossible for the little man to grow and succeed. Let us get a few facts straight. Take a little company that makes $2,000 and has to retain it in its business. You are increasing the tax on that little corporation 15 percent. If the company earns $4,000 net, its tax is increased 24 percent. If it earns $5,000, you are increasing its tax load 26 percent. If it earns $10,000, you are going to make it pay 61 percent more than under existing law. If it earns $20,000, you are increasing its tax burden 98 percent. Yes; 98 percent. Go home and tell that to your constituents—98 percent. You may do as you think best. But I am not going home and tell them that I voted to penalize that little company 98 percent for the privilege of retaining its earnings in its business in order to expand it and put more men to work.

When the company would forego payment of dividends in order to expand you are asking it to pay its earnings to its stockholders and not to its workmen. At the same time that you are asking the business interests of the country to expand to absorb the army of men who are still out of work you adopt the principle that the money must go to their stockholders rather than to their employees. I cannot defend it.

Where can the little businesses get funds today to expand? From the banks? Try it. From the sale of stock and go through the delay and expense of getting permission from the "blue sky" commissions? Try that. No; their only chance to get on their feet again after the beatings they have taken is to plough back their earnings, the same as practically every business in America has always done.

What is your answer to their effort to get going again, to increase their inventories, to buy more raw materials, to buy new machinery and equipment, to enlarge their plant. The answer is "98 percent."

On the other hand, take a corporation that has come through the depression with a huge surplus and is therefore in a position to pay out all its earnings to its stockholders. See the advantage you give that corporation, the strong one, over its competitor, whose only chance to survive is to retain its earnings. The fortunate company, the giant, let us say, on earnings of $1,000,000 will pay under this new bill $148,840,

almost the same as under existing law. Its weaker competitor, on the same earnings and under necessity of retaining them, will pay under this bill $323,327.80, or $174,487.80 more than the first. What does that do? That permits the first corporation to underquote its competitor by the amount of tax it does not pay. It can offer its products to the public that much cheaper. If each company made 17,448 units of its product—washing machines, electric refrigerators, or typewriters, or automobiles, or plows—the first corporation can underquote the second $10 a unit. The second gets that $174,487.80 extra tax money from the sale of its product and has to add it to the price of its product. What chance to survive does the second one have? You are giving the first, by law, a $10 per unit advantage over the other.

Bear in mind this bill does not touch past accumulations of earnings. It only touches future earnings. It, therefore, gives the company with a surplus already in hand an advantage in the competition for markets. It rewards it in the future for doing in the past the very thing this bill seeks to prevent its competitor from doing. It permits it to use surpluses accumulated in the past to prevent its competitor from accumulating surpluses in the future.

This bill hits the little and helps the big. It will inevitably lead to still further concentration of capital in a few hands and encourage monopoly. I am certain that Jefferson and Jackson would never support this bill.

But, bad as this bill is, I might support it for a year or two if we were at the same time reducing outgo from the Treasury. When the Government shows a disposition to pay as it goes and to bring outgo within income I will vote to increase taxes.

When the people of this country begin to think this bill over and see how it is working out, to prevent these little businesses from expanding and putting men to work and absorbing this army of the unemployed, I anticipate that the theorists and professors who fathered this bill are going to regret it. As a member of the party in power, I cannot accept that responsibility. You are increasing the tax of even the smallest corporation earning $2,000 net 15 percent, and at the same time you are asking it to put men back to work. [Applause.]

I attach a table prepared by the Treasury showing the tax increases under this bill.

Net income	Total tax		Increase	
	Present law	1936 revenue bill [1]	Amount	Percent
$1,000	125	144.40	19.40	15.52
$2,000	250	288.80	38.80	15.52
$3,000	380	461.10	81.10	21.34
$4,000	510	633.40	123.40	24.20
$5,000	640	805.70	165.70	25.89
$10,000	1,260	2,082.00	792.00	61.40
$20,000	2,640	5,236.00	2,596.00	98.33
$50,000	6,940	15,163.10	8,223.10	118.49
$100,000	14,440	31,502.80	17,062.80	118.16
$200,000	29,440	63,927.80	34,487.80	117.13
$300,000	44,440	96,352.80	51,912.80	116.82
$400,000	59,440	128,777.80	69,337.80	116.65
$500,000	74,440	161,202.80	86,762.80	116.55
$1,000,000	149,440	323,327.80	173,887.80	116.36

[1] Tax computation based on no distribution.

Mr. DOUGHTON. Mr. Speaker, I yield 12 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, the gentleman from Washington [Mr. SAMUEL B. HILL], who spoke just a moment ago, is a most modest man. The remarks he has just made probably conclude a most distinguished service in this body. He has been a member of the Ways and Means Committee for four Congresses, and during the last two Congresses has been chairman of the important subcommittee on taxation.

It has been my privilege and honor to serve with him during the entire period that he has been a member of the committe. I can only voice the deep regret of the membership of the committee, irrespective of party, that we are to lose the services of a man who has so conscientiously served in this Congress on that important committee, the gentleman from Washington, Mr. SAMUEL B. HILL. [Applause.]

I am not one of those who have always approved the nominations to high office made by the present occupant of the White House. On the contrary, it goes without saying that the party affiliation I owe, it would be quite out of place for me to have approved very many of them, so far as my personal judgment is concerned.

But if I am any judge of men, I want to say that in this instance the President has honored himself by the selection of a man of the conscientious judgment and capacity of SAMUEL B. HILL for a position on the Board of Tax Appeals. [Applause.] The matters coming before that Board will be safe in the hands of such a man as he, and what is the loss to this Congress and to the Nation in the way of a capable legislator will of course be the gain to the country in the judicial capacity which he is shortly to undertake. I congratulate the Government on securing his services, and I personally voice the sentiment of this House, I know, in expressing my regret and your regret at his departure from this body. [Applause.]

Mr. Speaker, we are considering at this time a so-called conference report on the revenue bill. I venture to say that no member of that conference can tell you what is in it, because they have not seen it. It is not in print. I do not know whether it is even typed at this time. At least I have not seen a copy of it. There is more anxiety being shown on the part of the Democratic majority to be prepared for the obituary services in Philadelphia next Tuesday than to write a respectable tax bill in this Congress. [Applause and laughter.] We will be glad to have them go there because it will be the last time they will shout as they have done for the last "3 long years." [Applause and laughter.]

I think the tax report now before us can be better described in a short editorial in tonight's Washington News than I can describe it:

> The House wanted to lift some money from one pocket of a corporate taxpayer, and the Senate wanted to dig deeper into the other pocket. The Senate and House conferees compromised by deciding to pick both pockets.

[Laughter.]

That is a very good description, and it is as much as anybody knows about the contents of a bill to take $800,000,000 out of the pockets of the taxpayers of this country. There never was a tax bill written in this or any other country in the manner in which this has been written. We gave a blank check yesterday and the day before in the conference committee to two experts to write what they saw fit, and I defy any member of the majority of the conference of this House to say that they have seen in print the bill now before us. They have not done so.

Mr. DOUGHTON. Well, if the gentleman defies anybody for it, of course there is no foundation for that statement.

Mr. TREADWAY. There is. You never have seen it until you came on this floor tonight. What is the use of bluffing this House? You have never seen it, and you know you have not.

What more of record can the Democratic Party make to go before the people of this country in the next 3 months than they have made here in writing an $800,000,000 tax bill that nobody knows what is in it? I sat in that conference every day this week. I do not pretend to comprehend what is there. I cannot explain it to you, my colleagues, and the Democratic majority cannot explain it to their colleagues. That is the situation. Think of it!

They call something in here "unjust enrichment." A while ago they called it a "windfall tax"; all names of an unconstitutional method of endeavoring to take from the pockets of the people money that belongs to the people, not to the Federal Treasury. We used to arrest thieves that did that sort of thing. If you had stolen property, you were just as much of a thief as though you had stolen it yourself. That is the method under which this bill is being written, and if the Democratic majority in this Congress wants to

write a tax bill that way and defend it before the people of this country in the next few months, we will help them in explaining it to the people. It is the most indefensible proposition that has ever been suggested in this Congress.

Some of us Yankees were taught the virtues of thrift, but, under this bill, if a corporation wants to be thrifty and prudent it is penalized for it by a total tax running up to 42 percent. My opponents will say, "No; that tax is only 27 percent." My friends, 27 and 15 make 42 in the old arithmetic I used to study. Of course, the New Deal may have some other kind of arithmetic, but they are taxing corporate income up to 15 percent and undivided profits up to 27 percent, and if that does not make a penalty tax of 42 percent I miss my arithmetic.

Along with my Republican colleagues on the conference committee I refused to sign the conference report on this measure. We did not wish to have our names in any way connected with this unfortunate legislation. It has been condemned by every recognized authority on the subject of taxation. It has been condemned by the body at the other end of the Capitol after exhaustive public hearings and careful study. Its only friends are the impractical theorists in the administration who gave it birth. The Democratic majority in this body purport to be for it, but only because they must seek reelection on a platform of "standing by the President."

Practically every objection which the Republican minority on the Ways and Means Committee made against the original House bill obtains with respect to the compromise bill. It is still a bill to penalize prudent business management and not a bill to raise revenue. It still puts a penalty on the accumulation of "rainy day" reserves. It still hampers the growth of small corporations and fosters monopoly. It still constitutes an unwholesome interference with the exercise of sound judgment in the management of corporate affairs. It still oppresses debt-burdened corporations and corporations struggling to get on their feet after undergoing the ravages of the depression. It still crucifies the weak corporation while permitting the well-financed corporation to minimize its tax. It still creates inequities and unfair competitive situations as between corporations in the same business. It still adds to the complexity of income-tax computation and administration. It still jeopardizes the Federal revenue by experimenting with an untried form of taxation. Many other objections could be cited.

In this connection, let me say that while the Republican minority are opposed to the present tax bill for the reasons stated, we are also opposed to the imposition of any new tax burden of any kind on the people until the administration has first adopted a sane spending program by reducing expenditures and eliminating waste and extravagance. When that is done, we will cooperate in the enactment of a sound and equitable tax measure sufficient to maintain the Nation's credit, but we will not provide any such unsound, unscientific, unfair, inequitable, dangerous, and experimental proposal such as is contained in the pending measure.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. CRAWFORD. I should like to ask the gentleman a question with reference to the computation of the tax I would have to pay by reason of not having distributed earnings. Can I deduct the normal tax liability before determining what my net earnings are?

Mr. TREADWAY. I wish the gentleman from Michigan would ask somebody who has seen this report rather than me.

Mr. CRAWFORD. I attempted to ask the gentleman from Washington, but he did not have time to answer.

Mr. TREADWAY. They claim to have seen it. I do not claim to have seen it. Has the gentleman seen a copy of the report? The gentleman has asked for one. Did he get it?

Mr. CRAWFORD. No.

Mr. TREADWAY. No; and I did not get one either.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. RICH. I asked the gentleman from Washington if this tax bill compelled payment of a tax at its rates on a surplus for the year 1936 if a corporation wanted to save it, and he said, "Yes."

Mr. TREADWAY. Yes.

Mr. RICH. I should like to ask the gentleman from Massachusetts, or any man in this House who knows anything about a business that makes $100,000, whether the operators of the business can tell within 30 or 60 days what the tax is going to be?

Mr. TREADWAY. It does not make any difference whether they know or not, they are penalized.

Mr. RICH. People running an ordinary business do not know what it is going to be.

Mr. COOPER of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. Can the gentleman give us any information?

Mr. COOPER of Tennessee. I wanted to give the gentleman some information.

Mr. TREADWAY. Oh, the gentleman wanted to furnish some information. If there is a man in existence who can give us information about this bill I should be glad to have him do so.

Mr. COOPER of Tennessee. If the gentleman wants some information I will give it to him.

Mr. TREADWAY. Bully, bully! If the gentleman can do that, go right ahead for there is nobody else who can.

Mr. COOPER of Tennessee. There is not anything in what the gentleman said; so if he wants some detailed information we can give it to him.

Mr. TREADWAY. There are two exceptions to that—two people who know what is in the bill, because Mr. Parker and Mr. Beaman were given a blank check to write in the bill anything they saw fit.

Mr. DOUGHTON. If the gentleman will yield, the gentleman cannot corroborate that statement he just made, to save his soul.

Mr. TREADWAY. Why, what a ridiculous statement to make! If Mr. Beaman and Mr. Parker did not get a blank check to put in the bill anything they saw fit I am a liar, that is all; and I am not; I am telling the gospel truth.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Speaker, I yield 10 minutes to the gentleman from Kentucky [Mr. VINSON].

Mr. VINSON of Kentucky. Mr. Speaker, the distinguished gentleman who has just taken his seat is the same gentleman who made the remarkable statement during the debate upon this bill before its passage in the House, that he did not know anything about this tax bill and that he did not want to know anything about it. [Applause.]

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman yield for a parliamentary inquiry?

Mr. VINSON of Kentucky. No; I do not.

The SPEAKER pro tempore. The gentleman declines to yield.

Mr. VINSON of Kentucky. I want to address myself to the statement of my friend from Indiana. He is a very distinguished Member of this body, and I know that Members listen attentively to him. I can excuse him because I feel certain he does not understand the rates in the conference report which has not been printed. I want to take his own illustration of a corporation having a net income of $2,000. I want to show the House that his conclusion as to the tax, under the conference report, is in error.

Under existing law the rate upon $2,000 will be 12½ percent, or $250. Under the bill that passed the Senate the minimum normal rate was 15½ percent and the one rate on undistributed was 7 percent. Under the Senate bill the tax on a net income of $2,000, all retained by the corporation, would be a normal tax of $310. Deducting $310 from $2,000 leaves $1,690 as undistributed. The tax on the undistributed, to wit, $1,690, at 7 percent, is $118.30. The total tax is $428.30 under Senate bill.

That is the tax the House went up against. The Senate increased the normal minimum rate from 12½ percent to 15½ percent, and the normal maximum rate from 15 percent to 18 percent.

Under the conference report the normal rate on $2,000 is 8 percent. Anybody's pencil will figure that normal to be $160. Now, take $160 from $2,000 and there is left as an adjusted net income the sum of $1,840. Apply the 7 percent rate on the undistributed on that amount. You deduct the tax from your $2,000 to get the adjusted net. Seven percent of $1,840 is $128.80. Add the normal tax, $160 to the 128.80, the tax on the undistributed, and you have a total tax of $288.80 instead of $700, which the gentleman gives as the tax figure under the conference report.

Mr. LAMNECK. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from Ohio.

Mr. LAMNECK. Under the schedule, as I understand it, you pay a 7-percent surtax on the first 10 percent retained; is that right?

Mr. VINSON of Kentucky. That is where the gentleman from Indiana fell into error. We give special treatment to the small corporations. We take all the undistributed—if 10 percent of the net income is less than $5,000—as the amount in the first bracket upon which we apply the 7-percent rate. In other words, if a corporation has a net income less than $5,000, you cannot have a rate on undistributed greater than 7 percent. If the income is less than $5,000, the whole amount takes the 7-percent rate. I can see now how my friend from Indiana fell into his error. He is usually so careful and is possessed of such ability that it makes an erroneous statement coming from him doubly dangerous. [Applause.]

I am talking about the rates in the conference report. The normal rates are on net income; 8 percent on the first $2,000; 11 percent on the next $13,000; 13 percent on the next $25,000; and 15 percent above $40,000. On the undistributed income it is 7 percent on the first 10 percent; 12 percent on the next 10 percent; 17 percent on the next 20 percent; 22 percent on the next 20 percent; and 27 percent above 60 percent. These rates are on the undistributed.

But we have the special cushion for the smaller incomes. Unless a corporation earns more than $5,000 net income you cannot have a higher rate on undistributed than 7 percent. If my friend will permit, I want to give the House a concrete picture of the minimum rates and the maximum rates under the various bills.

In the House bill the maximum tax on $100,000 is $42,500, all retained. In the Senate bill the maximum tax is $23,219. In the conference report the maximum tax is $31,501. This maximum is for total retention of $100,000—no dividends paid at all. The minimum tax under the House bill was zero, under Senate bill $17,440, under conference report $13,840—all paid out—no retention.

Now, for corporations with a $10,000 net income, under the House bill the maximum rate is $2,967; under the Senate bill, $2,178; and under the conference report $2,082. This is for total retention—no dividends. The minimum tax in the House bill was zero. Minimum tax, Senate bill, $1,590; and under conference report, $1,040—all paid out—no retention.

I want to say to the Members of the House and the country at large that in this conference report we have favored the small-income-producing corporations of this country.

Now, let us take up the question of retention. The total tax depends upon amount of net income undistributed. Take your $2,000 corporation. Assume a distribution of 70 percent—that is, $1,400. Take 8 percent of the $2,000 and you have $160 normal tax. Subtract that $160 from the $2,000 and there is left $1,840. Subtract the distribution, 70 percent of the $2,000, or $1,400, and you have left undistributed $440. Apply the 7-percent rate on $440 and you have a tax of $30.80 on undistributed, which, added to $160, the normal tax, gives you a total of $190.80, total tax.

Mr. SIROVICH. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from New York.

Mr. SIROVICH. Is it not a fact that we have in the whole of the United States 257,000 corporations. Of these 257,000 corporations more than 220,000 have an income of less than $15,000 annually. If we would have permitted the Senate tax bill to have passed in this House, it would have put a greater burden upon these small corporations than the conference report, which relieves them to a large extent?

Mr. VINSON of Kentucky. It does not take an actuary or a statistician to look at the Senate bill and observe the 3-percent increase in the normal rates, from 12½ percent minimum to 15½ percent minimum and from a 15 percent maximum in the existing law to an 18 percent maximum in the Senate bill. The increase in normal minimum rate is about 25 percent; in the normal maximum rate, about 20 percent.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. PETTENGILL. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Kentucky. I yield to my friend from Indiana.

Mr. PETTENGILL. What is the increase in percent of the proposed tax over the existing law in the case of a corporation that earns $10,000 and retains all of it?

Mr. VINSON of Kentucky. In response to the inquiry of the gentleman from Indiana [Mr. PETTENGILL], I believe I can give him the figures where it is all retained.

Mr. PETTENGILL. Ten thousand dollars.

Mr. VINSON of Kentucky. Where it is all retained?

Mr. PETTENGILL. Yes; 61 percent.

Mr. VINSON of Kentucky. Just a minute, the gentleman has asked me the question.

If all retained, in the House bill it would be $2,967 or 29.67 percent.

In the Senate bill, it would be $2,178, or 21.78 percent.

In the conference report, with this special treatment of the $5,000 credit, it is $2,082, or 20.82 percent.

Mr. SIROVICH. And not $6,000.

Mr. VINSON of Kentucky. The point is that when you figure the normal rate on $10,000, under the conference report it is $960. If all is paid out, that is the total tax, $1,040, against $1,290 under existing law, and $1,590 under Senate bill. If all is retained, subtract $960 normal tax from $10,000 and you have $9,040, as adjusted net.

Now, the error my friend from Indiana has fallen into, and I can absolve him from any blame for not knowing it, because the report has not been printed, is in not using the $5,000 in the first bracket on undistributed income, to which 7 percent is applied. Then you only have $4,040 to take the higher rate. The figure $5,000 takes the 7-percent rate instead of 10 percent of $9,040 or $904. Then deducting $5,000 from $9,040—leaves as I say only $4,040 for the higher rates.

So I say to my friends in the House that the rate on $10,000, all of it retained, in the conference report is $2,082, This is less than the bill that passed the Senate. It is less than the bill that passed the House originally. [Applause.]

Mr. PETTENGILL. Will my good friend agree that on a $10,000 income, all retained, which is the little corporation of this country, the increase in taxes is 61½ percent over existing law, and on a $20,000 net income it is almost a 100 percent increase in taxes?

Mr. VINSON of Kentucky. I have not figured the percentage of increase, but I may say to my friend that the history of retention in this country, over a period of 15 years, is a retention of 25 to 30 percent. I have shown the House that if there is a 70-percent distribution, which is substantially the average, the tax on the $2,000 corporation is $190.80, or $59.20 below existing law, and $103.70 below the Senate bill.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. WOODRUFF. Before he takes his seat will the gentleman inform the House what the revenue will be temporarily under this proposed measure and permanently?

Mr. VINSON of Kentucky. The Treasury estimates that in the first year, under this bill, there will be more than $800,000,000 of revenue in excess of the revenue now being

derived from corporations. And, as I figure it, about the only thing that is really of a temporary nature is the "windfall" tax. There may be some tax decline in the corporation-liquidation amendment. [Applause.]

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Speaker, we could have no greater evidence of the necessity of a thorough study of our tax system in this country than the exhibition we have had here tonight, which has reflected rather more heat than light on the subject. [Laughter.]

I regret there is not time enough to be distributed among the members of the committee who are interested in order to say more about this policy of taxation. Our present tax laws are a Hungarian guolash, a potpourri of surtaxes, normal taxes, excise taxes, tariff taxes, disjointed and disconnected and entwined with a mass of complicated administrative sections that are as hard to understand as the Greek alphabet. This volume that is here tonight does not contain our entire tax law. It exists in a stack of statutory laws probably this high [indicating]. It really is a subject that needs a careful investigation and study by the Committee on Ways and Means and the Finance Committee, together with the very best State experts we can get. It needs serious study. Such studies have been given the matter in other countries of the world, but we keep jumping from one policy to another and adopting tax methods that are unsound, and offering always the emergency as an excuse. The method adopted in the House bill of laying taxes and using as a base the undistributed profits, is absolutely an unsound policy of taxation.

We are getting somewhat used to tax problems under this administration. This is the fifth tax bill I think we have, or the fifth new source of revenue. Under the N. R. A. we had a special bill to provide $276,000,000 for the purpose of amortization. Then we continued the nuisance taxes and capital-stock taxes and promised to take them off when prohibition was repealed, but when it was repealed we needed the money so badly that they never were taken off and are still in existence Then we continued the increased postage at 3 cents at the request of Mr. Farley to bring us another hundred-odd million dollars of revenue. In 1934 we had the so-called "loop-hole" taxes, where we closed up those openings through which the holding companies were evading taxation. Then we had the soak-the-rich tax bill of 1935, after we had been promised at the beginning of that session that there would be no taxes. At the beginning of this session we were again promised there would be no taxes, and in its closing hours we have now up for consideration the soak-the-corporation tax bill of 1936.

This bill will not balance the Budget, and the administration finds itself in an embarrassing position. You hate to pass a tax bill, especially involving the low-tax brackets; but, of course, that was stricken out—you did not consider it politically expedient to raise the income-tax rate in the lower brackets just on the eve of an election. You do not dare go into this next campaign without making some slight gesture toward balancing the Budget. Of course, this bill will not balance the Budget, but it will supply a little loose change for the alphabetical boys to play politics with between now and the 3d of next November. [Applause.] This business of levying these heavy taxes on business corporations is an unsound system, and I am glad to see the conference report is coming back to the House with very much more moderate taxes on undistributed profits, and they are reckoned on the undistributed amount rather than the net income, which is a great advantage, but again I say the policy is unsound.

It is just another high-toned method of distributing wealth, the Tugwellian theory, the Frankfurter theory of distributing wealth by making corporations pay out their earnings at a time when serious impairment of capital structure is the rule rather than the exception. To round out the attack on business you characterize the corporations of the country as horrible examples of entrenched greed. You forget that they are the people who employ the men and women wage earners of the country It is just a plan to crucify business, and that has been the plan of this administration. It has shown a hatred and distrust of business ever since March 4, 1933. That is not the way to promote American welfare, that is not the way to create industrial activity, the renewal of which is the greatest problem that we face in this country today. [Applause.]

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, those who oppose this legislation, this tax bill, may well be divided into three classes: First, those who know little or nothing whatever about the bill, as was exemplified by the speech of the gentleman from Indiana [Mr. PETTENGILL] and the gentleman from Massachusetts [Mr. TREADWAY]. They demonstrated clearly that they know nothing about what is in the bill. The next class is that class which speaks for those who would avoid or evade their just share of the taxes to support this Government. They are those who speak for fortified privilege, and those who would evade carrying their just burden of the expense of our Government. The third class is the class who would play politics with this legislation, those who would try to capitalize this tax bill and deceive and mislead the American people for the purpose of making political capital.

The principle of this tax legislation is based on sound fundamental justice. It merely proposes that the earnings of corporations, whether paid by corporations as such or by stockholders after the earnings are distributed, shall bear the same percentage of tax as those who are in business as individuals or as partnerships. This is the fundamental principle on which this tax bill is based, and everyone should know that.

The House and Senate conferees are in complete agreement on the revenue bill of 1936, except as to one minor amendment in respect to an appropriation.

Your conferees succeeded in bringing about the adoption of a plan which will give very substantial recognition to the principle of basing our corporate tax system upon the undistributed profits of corporations. This is, of course, the most important matter connected with this legislation. The House bill, as originally passed, provided for a tax based entirely on undistributed profits. In the case of the large corporations the rate varied from zero, where all profits were distributed, up to 42½ percent of the net income where all profits were retained. In the case of the small corporations with a net income of $10,000, or less, the rates varied from zero to 29½ percent of net income.

On the other hand, the Senate bill proposed a normal tax on the net incomes of all corporations graduated from 15½ percent to 18 percent, an increase of 3 percent over existing law. In addition, the Senate bill proposed to tax the undistributed net income of corporations at a flat rate of 7 percent.

The conferees recommend a new plan which, while retaining a normal tax on corporations, also imposes a graduated undistributed-profits tax which will discourage the accumulation of unnecessary surpluses. Briefly, the plan is as follows:

First. Impose a normal tax of 8 percent on the first $2,000 of net income; 11 percent on the next $13,000 of net income; 13 percent on the next $25,000 of net income; and 15 percent on the balance of the net income in excess of $40,000.

Second. Impose a surtax on the undistributed net income of corporations equal to the sum of the following:

Seven percent of the portion of the undistributed net income not in excess of 10 percent of the adjusted net income.

Twelve percent of the portion of the undistributed net income in excess of 10 percent and not in excess of 20 percent of the adjusted net income.

Seventeen percent of the portion of the undistributed net income in excess of 20 percent and not in excess of 40 percent of the adjusted net income.

Twenty-two percent of the portion of the undistributed net income in excess of 40 percent and not in excess of 60 percent of the adjusted net income.

Twenty-seven percent of the portion of the undistributed net income in excess of 60 percent of the adjusted net income.

Special relief from this surtax is given corporations having adjusted net incomes of less than $50,000, by allowing the first $5,000 to be taxed at 7 percent even though the 10 percent bracket is less. This has the effect of reducing the amount taxable in the upper brackets by an amount equal to the excess of $5,000 over 10 percent of the adjusted net income.

The net effect of the three plans may be brought out by the following comparison in the case of a corporation with a net income of $100,000:

Maximum tax:	
House bill	$42,500
Senate bill	23,219
Conference report	31,501
Minimum tax:	
House bill	0
Senate bill	17,440
Conference report	13,840

A similar comparison for a small corporation with a net income of $10,000 is as follows:

Maximum tax:	
House bill	$2,967
Senate bill	2,178
Conference report	2,082
Minimum tax:	
House bill	0
Senate bill	1,590
Conference report	1,040

The corporate-tax plan proposed in the conference report is estimated to produce six hundred and thirty-four millions of additional revenue after taking care of a loss of about forty millions occasioned by reducing the capital-stock tax from $1.40 per $1,000 to $1 per $1,000. Other changes in the bill should bring the total of permanent revenue up to about seven hundred and ten millions. The President requested only six hundred and twenty millions of permanent revenue, so that we are providing about ninety million in excess of his request. We have retained the windfall tax in the House bill with some minor changes which is expected to produce eighty-two millions of temporary revenue. The President asked for one hundred and seventy-two millions of temporary revenue. The shortage here is compensated for by the excess of permanent revenue provided.

I will now point out briefly some of the more important features of the bill as modified by the conference report.

The surtax increases upon individuals proposed in the Senate bill have been eliminated.

Both the House and Senate bills provide that dividends received from corporations should be subject to the normal tax in the hands of the shareholders. This feature, of course, is retained in the conference report. Banks, trust companies, and insurance companies are exempted from the surtax on undistributed profits and pay a flat normal tax of 15 percent.

Corporations in receivership are exempt from the surtax on undistributed profits and are subject to the regular normal tax paid by other corporations.

Relief is given to corporations in respect to the undistributed-profits tax where the payment of dividends is restricted by contract.

Section 102 dealing with the surtax on corporations improperly accumulating surplus is restored to the bill in a similar form as found in existing law with certain changes which make it more consistent with the new scheme of taxation.

Certain changes have been made in respect to the provision governing the liquidation of corporations which should facilitate the simplification of corporate structures.

The taxation of foreign corporations and nonresident aliens has been changed to a considerable extent from existing law, although both the House and Senate bills were somewhat similar on this point. The general policy followed has been to deduct as much tax as possible at the source rather than to rely upon returns made by nonresident corporations or individuals.

Provisions have been inserted in the bill which give special treatment to common-trust funds operated by banks, and also to certain classes of investment trusts.

Section 351 in respect to personal-holding companies which is not contained in the House bill has been restored on a similar basis as is the case with existing law.

The capital-stock tax which was eliminated in the House bill after 1 year, and retained at the rate of $1.40 per $1,000 in the Senate bill, has been included in the conference report at a rate of $1 per $1,000.

The windfall, or unjust-enrichment tax, has been retained in the conference report in a similar form as proposed in the House bill. A number of amendments have been made in respect to this tax.

Refunds of floor stock taxes are also taken care of in the conference report in a similar form as passed by the House.

The Senate bill contains a provision clarifying and somewhat broadening the definition of various fish, animal, and seed oils taxed under the Revenue Act of 1934, as amended. The House receded in respect to this amendment with an amendment.

The Senate receded in respect to an amendment, which was proposed, which would have allowed a deduction from the gross estate for estate-tax purposes of the proceeds of certain policies of insurance taken out with the Treasury of the United States as beneficiary for the purpose of paying the tax. It was found that this amendment might result in an annual loss of thirty-two millions and your conferees did not feel that this loss of revenue was justifiable at this time.

Certain administration amendments have been made which should facilitate the administration of our tax system by the Bureau of Internal Revenue.

To conclude, I believe that your conferees have won a substantial victory in maintaining the principle of a graduated tax on undistributed profits, which graduation is sufficient to discourage the unreasonable accumulation of surpluses. On the other hand, it is believed that the rates are not so high as to bring about any unwise distribution of current earnings. In any event the bill will give a fair test to the proposal for a tax on undistributed profits. Very substantial revenue will be produced and that, of course, is of supreme importance at this time. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from North Carolina has expired. All time has expired. The question is on agreeing to the conference report.

Mr. SNELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 223, nays 99, not voting 102, as follows:

[Roll No. 128]

YEAS—223

Adair	Citron	Dingell	Gingery
Ashbrook	Clark, Idaho	Disney	Granfield
Barden	Clark, N. C.	Dobbins	Gray, Ind.
Barry	Cochran	Dockweiler	Gray, Pa.
Bell	Coffee	Dorsey	Greenwood
Biermann	Colden	Doughton	Greever
Binderup	Cole, Md.	Driscoll	Gregory
Bland	Colmer	Driver	Griswold
Blanton	Cooley	Duffy, N. Y.	Haines
Bloom	Cooper, Tenn.	Duncan	Hancock, N. C.
Boehne	Costello	Dunn, Pa.	Harlan
Bolleau	Cox	Eckert	Hart
Boland	Cravens	Edmiston	Harter
Boykin	Creal	Eicher	Healey
Boylan	Crosby	Ellenbogen	Hennings
Brown Ga.	Cross, Tex.	Evans	Higgins, Mass.
Brown, Mich.	Crosser, Ohio	Faddis	Hildebrandt
Buchanan	Crowe	Farley	Hill, Ala.
Buck	Cullen	Fitzpatrick	Hill, Samuel B.
Buckler, Minn.	Cummings	Flannagan	Hook
Caldwell	Curley	Fletcher	Houston
Cannon, Mo.	Daly	Ford, Calif.	Hull
Carpenter	Delaney	Ford, Miss.	Jacobsen
Cartwright	Dempsey	Frey	Jenckes, Ind.
Castellow	DeRouen	Fuller	Johnson, Okla.
Celler	Dickstein	Fulmer	Johnson, Tex.
Chandler	Dietrich	Gasque	Johnson, W. Va.

Keller	Miller	Reilly	Sweeney
Kennedy, Md.	Mitchell, Ill.	Richards	Tarver
Kloeb	Mitchell, Tenn.	Robinson, Utah	Terry
Kniffin	Monaghan	Rogers, N. H.	Thom
Kopplemann	Moran	Rogers, Okla.	Thomason
Kramer	Murdock	Romjue	Thompson
Kvale	Norton	Ryan	Tonry
Lambeth	O'Connell	Sabath	Turner
Lemke	O'Connor	Sanders, Tex.	Umstead
Lesinski	O'Day	Schaefer	Utterback
Lewis, Md.	O'Leary	Schulte	Vinson, Ga.
Luckey	Oliver	Scott	Vinson, Ky.
Lundeen	O'Neal	Shanley	Wallgren
McCormack	Palmisano	Shannon	Walter
McGehee	Parsons	Sirovich	Warren
McGrath	Patman	Sisson	Wearin
McKeough	Patterson	Smith, Conn.	Welch
McLaughlin	Patton	Smith, Va.	Werner
McMillan	Pearson	Smith, Wash.	West
McReynolds	Peterson, Fla.	Smith, W. Va.	Whelchel
Mahon	Pfeifer	Snyder, Pa.	Whittington
Mansfield	Pierce	South	Wilcox
Marcantonio	Polk	Spence	Williams
Martin, Colo.	Rabaut	Stack	Withrow
Mason	Ramsay	Starnes	Woodrum
Massingale	Ramspeck	Steagall	Young
Mead	Randolph	Stefan	Zimmerman
Meeks	Rankin	Stubbs	The Speaker
Merritt, N. Y.	Rayburn	Sullivan	

NAYS—99

Allen	Fish	Lamneck	Reed, Ill.
Andresen	Focht	Lea, Calif.	Rich
Arends	Gavagan	Lehlbach	Richardson
Beam	Gearhart	Lewis, Colo.	Risk
Blackney	Gilchrist	Lord	Robertson
Burch	Goodwin	Ludlow	Rogers, Mass.
Burnham	Greenway	McAndrews	Russell
Carlson	Guyer	McLean	Seger
Casey	Gwynne	McLeod	Short
Cavicchia	Halleck	Maas	Snell
Christianson	Hancock, N. Y.	Mapes	Somers, N. Y.
Church	Hartley	Marshall	Sutphin
Cole, N. Y.	Hess	Merritt, Conn.	Taber
Cooper, Ohio	Higgins, Conn.	Michener	Taylor, Tenn.
Crawford	Hoffman	Millard	Thurston
Crowther	Holmes	Mott	Tinkham
Culkin	Hope	O'Brien	Treadway
Darrow	Jenkins, Ohio	O'Malley	Wadsworth
Dirksen	Kahn	Pettengill	Wigglesworth
Dondero	Kelly	Peyser	Wilson, Pa.
Doutrich	Kennedy, N. Y.	Pittenger	Wolcott
Ekwall	Kenney	Plumley	Wolfenden
Engel	Kinzer	Powers	Wolverton
Englebright	Knutson	Ransley	Woodruff
Fenerty	Lambertson	Reece	

NOT VOTING—102

Amlie	Dies	Jones	Quinn
Andrews	Ditter	Kee	Reed, N. Y.
Ayers	Doxey	Kerr	Robsion, Ky.
Bacharach	Drewry	Kleberg	Sadowski
Bacon	Duffey, Ohio	Kocialkowski	Sanders, La.
Beiter	Dunn, Miss.	Lanham	Sandlin
Berlin	Eagle	Larrabee	Sauthoff
Bolton	Eaton	Lee, Okla.	Schneider, Wis.
Brennan	Ferguson	Lucas	Schuetz
Brewster	Fernandez	McClellan	Scrugham
Brooks	Fiesinger	McFarlane	Sears
Buckley, N. Y.	Gambrill	McGroarty	Secrest
Bulwinkle	Gassaway	McSwain	Stewart
Burdick	Gehrmann	Main	Sumners, Tex.
Cannon, Wis.	Gifford	Maloney	Taylor, Colo.
Carmichael	Gildea	Martin, Mass.	Taylor, S. C.
Carter	Gillette	Maverick	Tobey
Cary	Goldsborough	May	Tolan
Chapman	Green	Montague	Turpin
Claiborne	Hamlin	Montet	Weaver
Collins	Hill, Knute	Moritz	White
Connery	Hobbs	Nelson	Wilson, La.
Corning	Hoeppel	Nichols	Wood
Darden	Hollister	Owen	Zioncheck
Dear	Huddleston	Parks	
Deen	Imhoff	Peterson, Ga.	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Montague (for) with Mr. Corning (against).
Mr. Dies (for) with Mr. Martin of Massachusetts (against).
Mr. Hamlin (for) with Mr. Ditter (against).
Mr. McFarlane (for) with Mr. Stewart (against).
Mr. Nichols (for) with Mr. Reed of New York (against).
Mr. Larrabee (for) with Mr. Bolton (against).
Mr. Schneider of Wisconsin (for) with Mr. Bacon (against).
Mr. Nelson (for) with Mr. Eaton (against).
Mr. Connery (for) with Mr. Robsion of Kentucky (against).
Mr. Drewry (for) with Mr. Brewster (against).
Mr. Amlie (for) with Mr. Tobey (against).
Mr. Knute Hill (for) with Mr. Gifford (against).
Mr. Doxey (for) with Mr. Bacharach (against).
Mr. McClellan (for) with Mr. Andrews (against).
Mr. Sauthoff (for) with Mr. Hollister (against).
Mr. Ferguson (for) with Mr. Turpin (against).
Mr. Gassaway (for) with Mr. Main (against).
Mr. Gehrmann (for) with Mr. Collins (against).

General pairs:

Mr. Lanham with Mr. Carter.
Mr. Huddleston with Mr. Burdick.
Mr. Taylor of Colorado with Mr. Buckley of New York.
Mr. Green with Mr. Quinn.
Mr. Gambrill with Mr. Secrest.
Mr. Darden with Mr. Lucas.
Mr. Tolan with Mr. Gildea.
Mr. Maverick with Mr. Brooks.
Mr. Fernandez with Mr. Lee of Oklahoma.
Mr. Sumners of Texas with Mr. Dear.
Mr. Kee with Mr. Chapman.
Mr. Hobbs with Mr. Peterson of Georgia.
Mr. Owen with Mr. Gillette.
Mr. Sears with Mr. Sadowski.
Mr. Kerr with Mr. White.
Mr. Maloney with Mr. Imhoff.
Mr. Claiborne with Mr. Deen.
Mr. Schuetz with Mr. Taylor of South Carolina.
Mr. Weaver with Mr. May.
Mr. Montet with Mr. Wood.
Mr. Kleberg with Mr. Scrugham.
Mr. Jones with Mr. Cannon of Wisconsin.
Mr. Beiter with Mr. Goldsborough.
Mr. Kocialkowski with Mr. Wilson of Louisiana.
Mr. Bulwinkle with Mr. Sandlin.
Mr. Cary with Mr. Carmichael.
Mr. Ayers with Mr. Fiesinger.
Mr. Duffey of Ohio with Mr. Sanders of Louisiana.
Mr. Dunn of Mississippi with Mr. Moritz.
Mr. Eagle with Berlin.
Mr. Parks with Mr. Brennan.

Mr. CONNERY. Mr. Speaker, I desire to vote.

The SPEAKER pro tempore (Mr. WARREN). Was the gentleman present and listening when his name was called?

Mr. CONNERY. I was not, Mr. Speaker. If I were, I would have voted "aye."

The SPEAKER pro tempore. The gentleman does not qualify.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Amendment no. 281. Page 307, section 915. "Salaries and administrative expenses."

"Funds made available to the Secretary of Agriculture for salaries and administrative expenses by the appropriation 'Payments of Agricultural Adjustment' under title I of the Supplemental Appropriation Act, fiscal year 1936, shall be available until June 30, 1937, for transfer to the Treasury Department for salaries and administrative expenses in carrying out the provisions of this title and of title IV, including necessary investigative work, and for refunds and payments under title IV. Such funds shall be available for expenditure by the Secretary of the Treasury for personal services and rent in the District of Columbia and elsewhere, for law books, books of reference, press releases, trade journals, periodicals, and newspapers, for contracting reporting services, printing and paper in addition to allotments under the existing law, travel expenses, for mileage and per diem of witnesses, in lieu of subsistence; payment of which mileage and per diem may be made in advance upon certification of such officer as the Commissioner or the Secretary may designate, and such certification shall be conclusive. In addition to the foregoing, the administrative expenses provided for in this section shall include such miscellaneous expenses as may be authorized or approved by the Commissioner or the Secretary for carrying out the provisions of this title, including witness fees and mileage for experts, notarial fees, or like services, and stenographic work for taking depositions."

Mr. SAMUEL B. HILL. Mr. Speaker, I move that the House recede and concur with an amendment which I ask the Clerk to report.

The Clerk read as follows:

Mr. SAMUEL B. HILL moves that the House recede from its disagreement to the amendment of the Senate no. 281 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 915. SALARIES AND ADMINISTRATIVE EXPENSES.

"Funds made available to the Secretary of Agriculture by the appropriation for the fiscal year 1936 in section 32 of Public, No. 320, Seventy-fourth Congress, approved August 24, 1935, to the extent of the unobligated balance thereof; and by the appropriation in section 12 (a) of the Agricultural Adjustment Act, in an amount not in excess of $15,000,000; shall be available until June 30, 1937, for transfer to the Treasury Department for salaries and administrative expenses in carrying out the provisions of this title and of Title IV, including necessary investigative work, and for refunds and payments under Title IV. Such funds shall be available for expenditure by the Secretary of the Treasury for personal services and rent in the District of Columbia and elsewhere, for law books, books of reference, press releases, trade journals, periodicals, and newspapers, for contracting reporting services, printing, and paper in addition to allotments under the existing law, travel expenses,

for mileage and per diem of witnesses in lieu of subsistence, payment of which mileage and per diem may be made in advance upon certification of such officer as the Commissioner or the Secretary may designate, and such certification shall be conclusive. In addition to the foregoing, the administrative expenses provided for in this section shall include such miscellaneous expenses as may be authorized or approved by the Commissioner or the Secretary for carrying out the provisions of this title, including witness fees and mileage for experts, notarial fees, or like services, and stenographic work for taking depositions."

The motion was agreed to.

A motion to reconsider was laid on the table.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RICH. Is it permissible to put in a tax bill the manner by which the money collected is to be expended by the Department of Agriculture?

The SPEAKER pro tempore. No point of order was made.

Mr. RICH. I make it now.

The SPEAKER pro tempore. The point of order comes too late.

ADULTERATION, MISBRANDING, AND FALSE ADVERTISING OF FOODS DRUGS, DEVICES, AND COSMETICS, ETC.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 5) to prevent the adulteration, misbranding, and false advertising of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes, with House amendments, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Mr. CHAPMAN, Mr. COLE of Maryland, Mr. KENNEY, Mr. REECE, and Mr. WOLVERTON.

There was no objection.

SHIP SUBSIDY

Mr. BLAND. Mr. Speaker, I move to suspend the rules and pass the resolution which I send to the desk.

The Clerk read as follows:

House Resolution 557

Resolved, That immediately upon the adoption of this resolution the bill H. R. 8555, with the Senate amendments thereto, be, and the same is hereby, taken from the Speaker's table, to the end that the Senate amendment to the title of the bill be, and the same is hereby, agreed to; and Senate amendment no. 1 be, and the same is hereby, agreed to with the following amendment: Strike out section 303 of title III of the said Senate amendment.

The SPEAKER pro tempore. Is a second demanded?

Mr. LEHLBACH. Mr. Speaker, I demand a second.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Virginia [Mr. BLAND] is recognized for 20 minutes and the gentleman from New Jersey [Mr. LEHLBACH] for 20 minutes.

Mr. BLAND. Mr. Speaker, the matter which is before the House is a bill commonly known as the ship-subsidy bill. That bill passed the House about a year ago and went to the Senate. The Senate has stricken out all after the enacting clause and has substituted its own provisions. The situation is that it has added many drastic features, but at the same time, in the words of the President, "It is a step in the right direction." I am authorized by the President to make that statement.

The situation in the Senate is that the bill carrying the appropriation for ocean-mail contracts is now being filibustered against until this bill is adopted.

I have served in this House long enough to realize that all legislation is a compromise. I have served long enough to know that it is impossible for me to get always the legislation that I desire. The bill will help to preserve certainly the status quo, and, I believe, will be at least an experiment in trying to build up a merchant marine. We are face to face with the inevitable situation that unless appropriation for the ocean-mail contracts goes through and some provision is made we will find shipping on the rocks. Companies will be in bankruptcy. They will be tied up or they will be operated by this Government at a vastly increased cost over the present sum which it requires to operate them.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. BLAND. For a brief question; yes.

Mr. O'MALLEY. What are the Senate amendments that have been added to this bill? I would like to get some information.

Mr. BLAND. I wish it were possible for me to cover all of these amendments, but I will say they are the amendments that have been sought by Senator BLACK and by Senator CLARK and by other gentlemen who have been fighting the original bill. Ocean-mail contracts are carried on until June 30, 1937. A maritime commission is established.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BLAND. Time is flying.

Mr. VINSON of Georgia. Will the gentleman advise the House as to whether he is in accord with these Senate amendments to which he has just referred?

Mr. BLAND. I have just said that it is a compromise. Personally I should like to have a different bill. I realize that I cannot get it; that in the situation I had better take what I can get and hope to amend it in the future if it will not work. I hope it will work. The proponents of this bill say it will. If so, then we can have a merchant marine; if it does not work, we can amend and have something else.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield further?

Mr. BLAND. I yield.

Mr. VINSON of Georgia. Does the gentleman think, in his own opinion, that it will work?

Mr. BLAND. I do not know; but I do believe it will certainly stay bankruptcy and destruction at the present time.

Mr. VINSON of Georgia. We would be in the same fix if the provisions did not work, would we not?

Mr. BLAND. We would not, for we would not be in a position where we could amend and correct. But we are face to face, in my opinion, today with the death of the American merchant marine unless we pass this act. It does contain provisions that in my opinion will enable us to work something out. I believe that there are many salutary provisions in the bill, and I would rather accept this bill today and have something than to face the future with destruction ahead of us.

Mr. CELLER. Mr. Speaker, will the gentleman yield for a brief question?

Mr. BLAND. I yield.

Mr. CELLER. Do I understand that one Senate amendment involves the so-called Black lobby bill?

Mr. BLAND. It does not to the extent that the Black lobby bill was considered here. There is a provision in the bill relating to lobbying which relates to shipbuilding and also ship operators.

Mr. CELLER. It is not the general bill.

Mr. BLAND. It is not the general bill. I think I can safely say that.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. BIERMANN. Can the gentleman tell us about what this is likely to cost the United States Treasury per year?

Mr. BLAND. No; I am unable to say just what it will cost, because the maritime commission must work out a long-time program. The commission is authorized to work out a long-time program. It will certainly cost in all probability as much as the present ocean-mail contract. I do not think it will go above that.

Mr. BIERMANN. What does that cost now?

Mr. BLAND. About $22,000,000.

Mr. VINSON of Georgia. What is the difference between the House bill and the Senate bill?

Mr. BLAND. It would take more than 20 minutes to tell that.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. CELLER. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman from Virginia has already yielded to the gentleman from Georgia.

Mr. RAMSPECK. Is not this the situation we are faced with, that this is the only legislation we can get and there is a possibility that the appropriation for continuing the ocean-mail contracts may fail if we do not take this?

Mr. BLAND. Absolutely.

Mr. RAMSPECK. And if we do take this it sets up a maritime authority, counsel, or whatever they call it, and carries the matter over until next January?

Mr. BLAND. Yes; and provides for recapture and all that sort of thing.

Mr. Speaker, I reserve the balance of my time.

Mr. CELLER. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman from New York will state his point of order.

Mr. CELLER. Is it in order to ask that the amendment concerning the lobbying features of the bill be read to the House at this time?

The SPEAKER pro tempore. The Chair does not think it is in order now.

Mr. CELLER. How can that be read, under the circumstances?

The SPEAKER pro tempore. By unanimous consent.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that that portion of the bill be read to the House.

Mr. BLAND. Not to be taken out of the time for debate.

Mr. CELLER. Not to be taken out of the time for debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none.

Mr. HOLMES. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state the point of order.

Mr. HOLMES. Mr. Speaker, I make the point of order that there is not a quorum present. This is too important a bill to be acted upon with so few listening to the debate.

Mr. O'MALLEY. Mr. Speaker, a parliamentary inquiry.

Mr. LEHLBACH. Mr. Speaker, I make the point of order that a parliamentary inquiry is not in order.

The SPEAKER pro tempore. Does the gentleman from Massachusetts insist upon his point of order that a quorum is not present?

Mr. HOLMES. Mr. Speaker, I insist upon my point of order.

The SPEAKER pro tempore. The Chair will count.

Mr. HOLMES. Mr. Speaker, I withdraw my point of order.

The SPEAKER pro tempore. The Clerk will report the portion of the bill with reference to which unanimous consent was obtained for the information of the House.

The Clerk read as follows:

SEC. 807. It shall be unlawful for any person employed or retained by any shipbuilder or ship operator holding or applying for a contract under the provisions of this act, or employed or retained by any subsidiary, affiliate, associate, or holding company of such shipbuilder or ship operator, to present, advocate, or oppose any matter affecting any such shipbuilder or ship operator or any subsidiary, affiliate, associate, or holding company thereof, before the Congress or any Member or committee thereof, or before the Commission, or any other governmental agency or any member, officer, or employee thereof, unless such shipbuilder or ship operator shall have previously filed with the Commission in such form and detail as the Commission shall by rules and regulations or order prescribe as necessary or appropriate in the public interest, a statement of the subject matter in respect of which such person is retained or employed, the nature and character of such retainer or employment, and the amount of compensation received or to be received by such person, directly or indirectly, in connection therewith. It shall be the duty of every such person so employed or retained to file with the Commission within 10 days after the close of each calendar month during such retainer or employment, in such form and detail as the Commission shall by rules and regulations or order prescribe as necessary or appropriate in the public interest, a statement of the expenses incurred and the compensation received by such person during such month in connection with such retainer or employment. Whosoever shall violate this provision shall be guilty of a misdemeanor.

Mr. LEHLBACH. Mr. Speaker, we are asked in the closing hours of this session to enact a piece of legislation which not a single Member of the House, with the exception of three, has ever seen. It is not in print. It is not available. It is a fundamental piece of legislation, enacting for the first time direct aid to merchant-marine operations in lieu of indirect aid which have heretofore been the policy of the Government.

Mr. Speaker, we considered such a bill in the last session of Congress. After weeks of hearings, after months of deliberation in committee, and after protracted debate in the House, during which probably 80-odd amendments were offered, discussed, and considered, we passed a bill upon which the House was so divided that the final passage was by a majority of only seven votes.

The bill went to the Senate and was there referred to a committee. The committee considered the bill. Amendments were offered by four or five different Members of the Senate, some of them avowed enemies of the merchant marine and of Government aid in support thereof.

This bill was reported, as a matter of form, some time this spring, I believe. After it was reported it was again amended in committee while the bill that was actually reported lay dormant on the calendar. Yesterday for the first time a bill, not the one that was reported, but an amended bill, was considered by the Senate and passed at 2 o'clock this afternoon with a number of amendments offered from the floor and adopted.

Nobody knows what is in this bill at the present time. Sight unseen and without any knowledge of the provisions of the bill we are told to pass it here tonight. It is none of our business and nobody cares whether we know what we are supposed to pass or not.

In order to help the passage of this bill we are told there is a filibuster going on at the other end of the Capitol, which has for its purpose striking out an appropriation of $26,000,000 in the Post Office appropriation bill for the payment of existing lawful contracts which are being carried out. They say unless we pass this bill, of which we know nothing, they will welsh on the payment of these mail contracts and wreck the merchant marine of the United States. We are not mice, and we have some semblance of manhood, I should say. At least I hope so.

It is a silly and an idle threat to filibuster in order to prevent the adoption of the conference report on the Post Office appropriation bill. It is of no avail anyway, because if the conference report on that appropriation bill is not adopted a continuing resolution will have to be agreed to, and that continuing resolution will provide for the payment of the mail contract. It is all a silly bluff. Men can deceive and delude children.

Mr. CELLER. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from New York.

Mr. CELLER. I congratulate the gentleman upon his statement, and I think the attitude of a certain gentleman in the other Chamber is contemptible.

Mr. SNELL. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. SNELL. This bill has been amended by the Senate, and some of these amendments apparently are not in print. Does the gentleman know anything about them?

Mr. LEHLBACH. Something was read at the desk which pertained to lobbying. I believe it is a provision of the Black lobby bill but confined to shipping and shipbuilding interests.

Mr. O'MALLEY. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Does the gentleman know how many amendments the Senate added to the bill as originally reported?

Mr. LEHLBACH. The bill that is presently under consideration, although I have no knowledge, is the bill as it passed the House with everything that any Senator wished

to have stricken out eliminated, and anything that any Senator wanted to put in inserted in the bill. It is the most hodgepodge arrangement, it is the most foolish arrangement that has ever come before this House. [Applause.]

Mr. LUDLOW. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Indiana.

Mr. LUDLOW. Does the gentleman, who is an expert on the merchant marine, have any idea whatever how much this bill will cost the taxpayers of the United States?

Mr. LEHLBACH. I have not the slightest idea, and nobody else on God's earth has any idea.

Mr. LUDLOW. Does the gentleman think the House ought to be held up at the point of a gun aimed at us by the Senate and forced to pass this bill without knowing anything about it?

Mr. LEHLBACH. Certainly not, and that is what I am trying to impress upon the gentleman.

Mr. LAMNECK. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Ohio.

Mr. LAMNECK. Is the bill we are considering no. 8555?

Mr. LEHLBACH. H. R. 8555, with Senate amendments. I hold in my hand copy of a committee print from the Senate Committee on Interstate Commerce. In this committee print are lead-pencil interlineations and yellow typewritten sheets. There are two copies. This second copy was lent to me by the legislative drafting service of the House, and that is all the information there exists as to what we are supposed to vote on.

Mr. RICH. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Pennsylvania.

Mr. RICH. If we have not anything more than that, and someone else would want to stick in a few more yellow sheets, would that be possible?

Mr. LEHLBACH. As far as any Member of the House is concerned, that could be done. I want to say there is no reason at all why we should vote for this bill.

If anybody is in favor of adequate aid of the merchant marine on a sensible, sound, and sane basis, there is no earthly reason why he should vote for this bill. There will be no wrecking of the merchant marine if this bill fails. The merchant marine will continue as it has for years; and when the new Congress meets in January of next year, we can take up the question and work out a solution about which we will know something, on which we shall have deliberated, and on which we will vote with some semblance of understanding and reason.

It is an outrageous proposition to force this down our throats on the basis of a fool bluff at the other end of the Capitol with respect to a filibuster and on the pretense that all the merchant marine will disappear off the seas if this specific bill, at this specific hour, is not passed.

I appeal to the common sense, I appeal to the self respect of this House not to be so dragooned. [Applause.]

Mr. BLAND. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. WEARIN].

Mr. WEARIN. Mr. Speaker, I realize this is a subject of vital importance and I would have the House know, in spite of the remarks of the distinguished gentleman from New Jersey [Mr. LEHLBACH] that this subject has been before the Congress for over a year now and has been debated thoroughly upon a number of occasions. I want to take this opportunity of assuring the House that I do not believe there are any things incorporated in this bill which have not been discussed before the committees of the Congress and the House itself upon various occasions. I am perfectly free to state——

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. WEARIN. I am sorry my time is so limited that I cannot yield in the 5 minutes and get this picture before you. I am just as much opposed to subsidies as I have ever been and I am certainly opposed to the many things and the many evils that accompany them. Furthermore, I would certainly be opposed to them ever becoming a permanent policy of the Democratic Party and especially ship subsidies, but I wish to assure the House that this is the situation before us at the moment.

We have the 1928 Merchant Marine Act and we have been functioning under that in the face of fraudulent contracts expending some $25,000,000 or $26,000,000 a year, and we must now either continue under those contracts, cancel them without having a program for an American merchant marine, or we must pass this bill. I am free to say to the House that in spite of the fact I am opposed to subsidies as a general rule, of the three alternatives, the latter is the preferable action at the moment.

I am very pleased that it incorporates many of the things for which I have fought over a long period of months to get into the merchant marine law. It incorporates provisions for recapture of excess profits on the part of subsidized shippers. It provides for a limitation of salaries to $25,000, so that excessively large pay checks cannot sap these subsidies and go into the pockets of private individuals, but will be used for the building of a merchant marine as they should be if we are going to have one.

I may say further that there are provisions in this bill eliminating the evil of holding companies with which we have been faced in the past in attempting to build a merchant marine.

The measure includes various provisions for the protection of labor, including minimum wage scales and reservations with reference to working hours and working conditions on board ships, and innumerable other items which will serve, in my judgment, to protect the public interest better than has ever been done before; and if we are going to have merchant-marine legislation on the statute books, then certainly we had better have a law of this type than legislation of the character of the 1928 act, under which the American people have been robbed and pillaged, and we still do not have a merchant marine.

We must consider the subject from this angle, because at this closing hour we are faced with the problem of having condemned the present system and we have nothing to offer as a substitute. Furthermore, I am frank to say that in my judgment a considerable portion of the subsidized merchant marine of this country or some of the interests involved therein, would like to see this measure fail for the very reasons I have outlined here with reference to the provisions that are contained in this act. They do not want a law with the safeguards to which I have already referred. It is not perfect. There are many things I would like to see in it that are not in it, but it is the best that can be done under the circumstances. [Applause.]

If I thought we could defeat this bill and cut off the existing appropriation now in controversy between the two branches of this Congress and pass a measure such as the Moran bill providing for Government ownership and private operation until such time as the shipping interests were capable of financing their own merchant marine I would pronounce that as the preferable action, but it is obvious that cannot be done this session.

Again I repeat that we have the alternative of continuing under the 1928 act which has been proved to be a failure and that has resulted in a long series of fraudulent contracts, cancelation of those contracts without offering anything in their place as a new program, or the passage of this bill incorporating many of the safeguards of the public interest for which a few of us have fought consistently month after month. Even though I continue to be opposed to subsidies and will always oppose their being incorporated in the principles of the Democratic Party, I do feel that under the rather unique circumstances the latter is the preferable course for the time being.

[Here the gavel fell.]

Mr. BLAND. Mr. Speaker, I yield 5 minutes to the gentleman from Maine [Mr. MORAN].

Mr. MORAN. Mr. Speaker, this bill has been unfairly represented as one which would wreck the American merchant marine. The exact contrary is true. We have already wrecked the American merchant marine under the present

policy, continuation of which is the only alternative to this bill. The very fact that many merchant marine bills have been introduced in both the House and the Senate, even though the bills have varied in their contents and policies, is ample and convincing evidence of the fact that every person informed upon the question of the American merchant marine agrees fundamentally in the viewpoint that the present situation means the wreck of the American merchant marine and that some remedy is essential. The alternatives, therefore, before the House are clear—either to continue the present system, which all admit wrecks the American merchant marine, or to try a new plan. This bill provides a new plan.

Mr. CELLER. Mr. Speaker, will the gentleman please tell us what the amendments are?

Mr. MORAN. This bill in the first place meets the President's wishes as expressed in his message to Congress in that it provides aid to our merchant marine both by construction and by operating subsidies. Furthermore, as specifically requested by the President, the ocean-mail contracts are canceled, but not under any difficult or any unfair method or system. They are to be continued for as long as necessary, up to a limit of 1 year, during which period the new commission will arrange new contracts with these contract holders, wherever possible in the interest of the merchant marine, or will provide them fair damages for any loss sustained by such cancelation with the usual court recourse open to them if the adjudication is not considered satisfactory. There are labor provisions in this bill which were fought for in the contest a year ago over the merchant marine bill. The labor provisions begin on page 20 of the bill and provide minimum wages, maximum hours, and vastly improved living conditions for American seamen. This bill also provides that our new merchant marine personnel will be 100-percent American.

The bill also provides the necessary corollary to any subsidy system, and that is a recapture system; a recapture of excess profits either in construction or in operating subsidies, and that is certainly in the public interest and in the interest of well-established merchant marine.

A special provision is contained for special aid for our export trade, for our farmers, to do all we can to export the products of American industry and the American farm. Salary restrictions are contained in the bill.

The SPEAKER pro tempore. The time of the gentleman from Maine has expired.

(By unanimous consent, Mr. MORAN was granted leave to extend his remarks in the RECORD.)

Mr. MORAN. Some references have been made to the evils of Government ownership, an alternative provided in this bill in the event private ownership fails to produce an adequate merchant marine. Here are some facts concerning Government ownership and so-called Government operation:

From 1917 to June 30, 1935, Congress has appropriated $3,753,211,216.68 (see schedule A–1) for expenditure by the United States Shipping Board Merchant Fleet Corporation. Of this sum, over $3,000,000,000 represent the amount paid for the wartime fleet (comprising some 2,500 passenger and cargo vessels, tankers, barges, tugs, and so forth, constructed, purchased, and seized during the World War, and the balance of this sum has been expended largely in the settlement of wartime claims, in liquidating this enormous wartime fleet, and for developing and operating various foreign services.

All except approximately 280 vessels (cargo, passenger, and refrigerator) have been sold for a very small percentage of their construction cost. Approximately $335,000,000 has been realized, either in cash or notes receivable, for the vessels sold; and included in this sum were 220 vessels, with a construction cost of approximately $516,000,000, sold to the mail contractors for $41,000,000. There is a balance of approximately $18,000,000 yet due on vessels sold, the majority of which is due from mail contractors.

Of the actual cash received from the sale of these vessels, $125,000,000 has been deposited in the revolving construction loan fund and the balance of the cash received from such sales has been used for liquidation purposes or deposited in the insurance fund to take care of losses experienced in underwriting insurance on vessels on which the Government had a mortgage. None of the proceeds of the sale has been used for operating vessels.

The net assets of the United States Shipping Board Bureau and the United States Shipping Board Merchant Fleet Corporation, as at June 30, 1935, were approximately $225,000,000, which are inclusive of the fleet of some 280 vessels referred to above with a book value of approximately $30,000,000.

Much has been said about the cost of Government operation and it is obvious when most people have discussed this subject, they have not spoken from the record. Operating losses on all lines, after overhead expenses and every other form of expense has been included except depreciation, for the fiscal years 1917 to 1935, inclusive, amounted to only $103,255,981.81. (See schedule A–2 attached.) This included the cost of developing services to all parts of the world, many of which were abandoned after it was determined that they were too costly or otherwise impracticable.

As pointed out hereinbefore, all the enormous appropriations and proceeds from the sale of the wartime constructed vessels which were sold for about an average of 10 percent of their cost was used to either purchase, construct, or otherwise acquire the wartime fleet and to liquidate wartime claims and the fleet itself. The actual cost of developing and maintaining these services from inception has represented only a small percentage of the amount appropriated during the same period. During this entire period of so-called Government operation these vessels were operated almost exclusively by managing operators, who were compensated on a commission basis under which plan the Government stood the losses and the operator realized the profits, because he had no investment and because his commission on gross revenue invariably exceeded the expenditures for his personal account.

Included in these losses is a loss of six or seven million dollars incurred by the Government in the direct operation of the United States Lines—the prize passenger fleet—for a period of 6 years extending from 1923 to 1929.

Since the inception of the 1928 act and up to December 31, 1935, the Post Office Department has paid a net subsidy of approximately $143,000,000 (this represents the excess of the actual mail payments on a mileage basis over what it would have cost on an American poundage basis). During this period of approximately 7 years, the mail contractors have built some 30 vessels at a cost of approximately $150,000,000, 75 percent of the cost having been borrowed from the Government. The construction differential on a passenger vessel is much lower than that on a cargo vessel. As the majority of the vessels constructed were of the passenger type, it is safe to assume that the construction differential on this total expenditure of $150,000,000 did not exceed 25 percent of the cost; therefore, 25 percent of the $150,000,000 would be $37,500,000. Deduct this sum from the expenditure of $143,000,000 and you have approximately $105,000,000 representing the cost to the Government in maintaining these prize services for a period of 7 years, whereas all services under Government ownership were developed and maintained for a period of approximately 18 years for the sum of $103,000,000.

Schedule A–1

Fiscal year:	
1917	$50,100,000.00
1918	1,067,533,816.55
1919	1,810,190,032.80
1920	357,272,986.00
1921	37,298,133.33
1922	103,959,000.00
1923	70,459,000.00
1924	50,411,500.00
1925	30,344,000.00
1926	24,330,000.00
1927	24,198,574.00
1928	22,290,000.00
1929	18,688,750.00
1930	16,494,000.00
1931	11,346,000.00

Schedule A–1—Continued

Fiscal year—Continued.	
1932	[1] $42,406,000.00
1933	5,360,000.00
1934	5,310,000.00
1935	5,219,424.00
Total	3,753,211,216.68

[1] Includes $35,000,000 for construction-loan fund and $5,000,000 for fighting fund.

Schedule A–2—Profit (+) or loss (−) before depreciation

Fiscal year:	
1917	+$339,457.80
1918	+44,422,190.29
1919	+98,593,463.41
1920	+73,879,964.58
1921	−52,327,143.15
1922	−49,595,779.45
1923	−42,967,184.52
1924	−41,196,394.59
1925	−30,063,788.24
1926	−19,606,608.75
1927	−15,926,411.88
1928	−16,279,368.57
1929	−14,434,987.71
1930	−11,043,625.66
1931	−9,335,572.76
1932	−8,430,705.82
1933	−5,386,806.51
1934	−2,198,549.32
1935	−1,698,130.96
Total	−103,255,981.81

Mr. Speaker, the merchant marine question has plagued this Congress for 2 years. On the one hand, we have a group of individuals who seem to have more interest in personal gain than they have in a merchant marine, and the influence they have been able to exert is not only surprising but depressing. On the other hand, we have a group whose sole interest has been the protection of the public interest. The subject is so complicated that it has been difficult to keep track of and offset the many maneuvers which have been made to gouge the American people. The bill now before the House is an extraordinarily fine piece of legislation. All "jokers" introduced in former bills by tricky lobbyists have been eliminated; many safeguarding features, bitterly opposed by these same lobbyists, are in this bill. No wonder there is a hue and a cry; no wonder lobbyists are rushing around here with their coattails out straight; no wonder their mouthpieces work themselves into a rage. The real situation is that these lobbyists have been defeated, and, instead, this American Congress is now about to enact into law a bill that will provide a real American merchant marine, and will do so under methods and conditions which are fair and just to the American people.

American flag operations—Overseas services—Percentage of tonnage

Fiscal year ending June 30	Imports and exports combined (percent)	Exports (percent)	Imports (percent)
1922	52.29	----------	----------
1923	45.60	----------	----------
1924	43.93	----------	----------
1925	41.36	----------	----------
1926	38.12	----------	----------
1927	35.83	----------	----------
1928	39.96	32.58	49.32
1929	40.77	----------	----------
1930	40.27	----------	----------
1931	39.84	29.05	51.23
1932	36.78	26.62	47.62
1933	33.44	----------	----------

The following percentages were taken from a statement showing the classifications of operating expense for calendar year 1934 of owned and chartered vessels operated on mail routes, which statement did not include charter hire expense for chartered vessels, exhibit 8 of statement of assets and liabilities and income and expense as at December 31, 1934, of shipping companies having ocean-mail contracts with the United States of America under the provisions of the Merchant Marine Act of 1928.

	Percent
Wages	0.145
Subsistence	.069
Stores, supplies, and equipment	.053
Fuel	.161
Repairs	.070
Marine insurance	.049
P. & I. insurance	.011
Other vessel expense	.020
Port charges	.070
Wharfage and dockage charges	.032
Canal tolls	.032
Stevedoring and other cargo expense	.212
Agency fees, commissions, and brokerage	.041
Advertising	.016
Other voyage expense	.019
Total	1.000

Average distribution of cost of vessels constructed in American yards since about 1923:

	Percent
52 combination passenger and cargo vessels:	
Materials	51.9
Labor	28.0
Overhead	20.1
Total	100.0
23 tankers:	
Materials	47.4
Labor	31.2
Overhead	21.4
Total	100.0

Mr. BLAND. Mr. Speaker, the question is a practical proposition, in the closing hours of the Congress, whether we are defeated as to ocean-mail contracts, and as I said awhile ago, the merchant marine is on the rocks and I am faced with a condition. That condition I meet in this way, hoping something may be worked out in the future if this will not work. As I said, the President of the United States said to me it is a step in the right direction, and for that reason I am trying to get this bill through.

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired. All time has expired. The question is on the motion of the gentleman from Virginia to suspend the rules and pass the resolution.

The question was taken; and on a division (demanded by Mr. BLAND) there were—ayes 118, noes 83.

So (two-thirds not having voted in favor of the motion) the resolution was rejected.

ON THE RELATIONS OF ENGINEERING SCIENCE TO FLOOD CONTROL

Mr. OLIVER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by the insertion of a speech made by Morris E. Cooke, head of the Rural Electrification Administration.

The SPEAKER. Is there objection?

There was no objection.

Mr. OLIVER. Mr. Speaker, under leave granted me to extend my remarks, I include excerpts from an interesting address by Hon. Morris L. Cooke, Administrator, Rural Electrification Administration, on the important subject of flood control, before the Ecological Society of America and the American Association for the Advancement of Science, at Rochester, N Y., on June 18, 1936, as follows:

The engineering of flood control is a problem of ecology—of human ecology. It is something larger than calculations of precipitation, run-off, cubic-second, and acre-feet; levees and revetments; dams and spillways. Every engineering work that has modified the soil, or the minerals lying below the earth's surface, or the behavior of waters, is one increment in a great combination of forces that influence human destiny. Little did the first settler who turned under the natural sod of the great "dust bowl" perceive the influence of his act either on himself or on his fellow men. But today we perceive that the rich assets provided by nature in that region are all but destroyed. Scientists and engineers should have tried to prevent such naive ignorance as that of farmers who encouraged sheet erosion because they believed a new soil was provided thereby. Engineers who drained the wet lands in the northern sector of the Mississippi drainage area, and those who promoted irrigation works on lands infertile or alkaline, gave scant thought to the influence of their acts on the water table, the ground moisture, the availability of water

for farms and cities, and the welfare of many an honest, hard-working, God-fearing rural family.

All engineer groups, not merely civil engineers, have been and still are both narrow and short-sighted. The mechanical engineers, for instance, have not recognized the influence on man's adjustment to his environment of those huge, productive equipments—in themselves magnificent examples of engineering—which they have designed and constructed. Engineers have not perceived the basic reality of the problem of assimilation of their new mechanical technology, and they have for this reason helped to create this great economic dust bowl of unemployment out of which we are making painful efforts to extricate ourselves. The engineering profession has been absorbed for the most part with the problems of a machine here and a machine there, a dam and reservoir for power here, a levee or dam for flood control there. Any one such task involves a great number of subsidiary problems, and it is these that have absorbed the abilities and the time of the limited supply of competent technically trained men in a country undergoing rapid development.

If we would preserve our country, and thereby our society, engineers and scientists must have become conservationists. In addition to the simple definition that conservation is wise use, one of the best definitions of which I know is the joint product of 27 scholastic units of the University of Wisconsin, the major concepts of which can be summarized as follows: Maximum present and future benefit from the use of natural resources; substitution of renewable for nonrenewable resources; maintenance of renewable resources at a level commensurate with the needs of society; prompt adjustments to the advance in technology; balancing of natural against human resources; harmonizing the objectives of conservation with conditions of the present and future economic order.

This definition is pertinent because flood control is a problem of conservation, not merely of engineering in the common meaning of the term. In the narrow view flood control is a problem of conserving the lives of those who reside and of properties located in areas subject to destructive floods. This aspect is critical and makes necessary levees, large reservoirs, and channel improvements on large streams. But in the larger and proper view the problem of flood control overlaps and is conditioned by interrelated problems of conservation of many kinds, such as precipitation and the character of the soil on which it falls and from which it runs off; creeks, ponds, marshes, and the flow of streams, small and large; the ground-water supply and seepage; clean water, sanitation, and health; recreation; forests, grasses, other vegetation; wildlife.

It is a problem of upstream engineering where waters have their origin, as well as of downstream engineering where their destructive power is felt. And upstream engineering reaches back onto the land, to infiltration and run-off engineering at the points of ultimate origin. It is a problem of prevention engineering as well as of counteraction engineering.

Heretofore engineering has had its eyes focused on the locations and on the consequences of floods to those immediately affected; on counteracting works, such as levees, revetments, huge reservoirs, and floodways. This is still the route by which the anxieties of particular and restricted areas will be quieted. But such steps will not either check soil erosion or solve the country-wide flood problem. Hereafter our vision must extend back to the point of origin and the behavior of every raindrop throughout the drainage area in which flood forces are generated. Our engineering grasp must include all other related conservation problems and integrate their treatment, for the sake of economy if for no higher motive, in programs of conservatory flood control.

For over a century the problem of flood control on the Mississippi River from Cairo to the Gulf has been attacked as a problem in itself and by counteractive measures only. Floods on the lower Mississippi are handled as situations in themselves. So are floods on the Missouri and on the Ohio, on the Monongahela and Allegheny, on the White, Arkansas, and Red Rivers, on the Tennessee and Cumberland. If we could from the beginning have recognized that these are all members of the great Mississippi River drainage area, requiring both preventive and counteractive measures, planned and coordinated for the entire system, we would have been able to devise and adopt a more rational, more effective, and, measured in terms of total benefits, less costly system of control.

The waters of the lower Mississippi, of course, come immediately from the major tributaries I have named. But the waters of any one of these come in turn from its own tributaries, and the waters of these tributaries from lesser streams, and the waters of these are made up of innumerable raindrops. How these raindrops are made to behave as they wend their way to the sea not only affects favorably the extent and cost of counteractive measures on the lower main stem, but also may result in innumerable benefits throughout the entire drainage area. For the measures which would necessarily be pursued throughout the drainage area, and especially back in the watershed sectors, would involve selective use of lands; erosion control through forestation, reforestation, restoration of grasses, and improved agricultural practices; the creation of numerous small reservoirs for small power sources, local irrigation, and provision for recreation and wildlife; the restoration of the ground-water supply, whereby "every field is made a reservoir"; restoration of seepage and the dry season flow of streams; the elimination of pollution and provision for adequate clean water; and improvement of navigation on major and minor waterways.

No one questions the need of counteractive measures, but one may well question the restriction of efforts to such measures. An inclusive attack on the problem of conservation, of which flood control is but a part, is of primary importance.

The problem of erosion control alone is much more important than the problem of flood control; the annual losses are greater, the problem is less localized, and the threatened result is essential destruction of our great country. But erosion control, although it means conserving soil, is as much a problem of water as of soil, for its causes are found in the destructive behavior of water arising from man's carelessness. We do not save the soil by disregarding the water factor, but by handling the soil in such a manner that the water falling on it behaves itself.

Notwithstanding the splendid work of the Department of Agriculture, and especially of its experiment stations and Extension Service, American agriculture is not holding its own. Soil is being washed away at an accelerating rate, buildings are depreciating rapidly, and agricultural assets of all kinds are being depleted.

This progressive decline toward a degraded agriculture on which depleted assets are being worked by a tenant peasantry is as serious for the Nation as for the individuals affected; as serious for the cities as for the rural areas. I have only to remind you that studies of population trends indicate that the present fourth of our population represented by those engaged in agriculture are the progenitors of two-thirds of our population 100 years hence. Cities do not reproduce themselves; they depend on the surplus youth of "ruralaria" to maintain the population. The critical problem of eugenics today, therefore, is the maintenance of high physical and cultural standards in the agricultural sector of our population. Dr. O. E. Baker, senior economist of the Department of Agriculture, has said: "Nature has provided (for the United States) the basis for as fine a rural aristocracy as the world has ever known, but instead it is becoming a land of tenant farmers living in houses that are frequently little more than hovels."

If we are to reverse the trend in rural life, speed is of paramount importance. For once begun, decline in economic and cultural status is difficult to arrest. As in some human ills, the disease progresses at an accelerating rate, while the patient becomes less able to resist. Also as in some human ills, the cure may be impossible if effective treatment is not applied at an early stage.

Downstream engineering is concerned necessarily with powerful forces and huge works—great reservoirs, gigantic dams, powerful apparatus of control. Upstream engineering will necessarily be concerned not only with smaller structures but with a technique in which simplification and automaticity predominate, in order to reduce the overhead of investment and heavy maintenance and operating costs.

Relatively simple and inexpensive schemes—that is an important consideration. However, we have misled ourselves in the matter of relative costs because of a very narrow concept of the nature of benefits and costs and are unduly frightened whenever the matter of cost arises.

Analysis of costs and benefits, even of public works, has been and still is an application of the technique of calculating measurable expenditures and receipts as employed by private industry. That technique generally is not adequate for calculating the costs of conservation works for three major reasons. It seldom takes into consideration: First, multiple uses and benefits; second, intangible uses and benefits that cannot be measured in terms of money and sold; and third, costs or losses that are being experienced and will continue to be experienced if the contemplated measures of conservation are not pursued. Social accounting is quite a different order of accounting from that employed by private industry. Private accounting is the accounting of acquisition and the preservation of ownership; social accounting is the accounting of the satisfaction of need and the prevention of losses of human and physical assets.

Sometimes engineers fail to consider their projects as potentially multifunctional in that one development may yield a number of services or products. Too frequently their calculations indicate infeasibility as measured by the criteria of private industry. But in any calculation of costs and benefits of works for social purposes, such as are not limited by any simple profit-making objective, every beneficial use, with adjustments in design if necessary, should be taken into consideration. The project can then be treated as one of joint costs, and the jont costs allocated to the several beneficial uses.

Intangible benefits must also be taken into social accounting calculations. An individual is not in business "for his health", as he puts it, which means that he seeks only objectives measurable in profit returns. That point of view governs his benefit-cost calculations. A society, on the other hand, makes investments only "for its health", i. e., for the public welfare. Therefore, intangibles must come into the calculations, for public welfare is made up very largely of intangibles. The great floods of 1927 destroyed not only millions of dollars of property in certain localities on the lower Mississippi but through the loss of income occasioned locally they restricted the volume of business throughout our entire economy. This fact is held to have played a part in starting the United States on the downward spiral of depression. The losses of the depression, in the nature of losses of income that will never be realized, already amount to some $200,000,000,000.

Social accounting must take into very special consideration the benefits realized from the prevention of losses of natural resources capital. Soil-erosion specialists estimate the annual money loss of land removed from productive agricultural use each year at $400,000,000. This is a loss of basic capital which means the loss

of a continuing flow of income throughout the future. If we can stop this loss of basic capital, the cost of the preventive measures can be many times $400,000,000 and yet the works will not have compelled a cost that would not have been incurred in any case. Erosion specialists tell us that the cumulative loss from erosion is not less than $10,000,000,000—most of it incurred since 1900. If we could have prevented it with $10,000,000,000 worth of conservation works, the works would not have meant the incurring of any new cost.

If we can keep in mind that a society is in business for its health, and only for its health, and can have no other business than welfare, then this matter of social as distinguished from individual accounting becomes clarified. Every businessman, every citizen has a vital stake in his society. Whatever the accounting he employs in private business, he should insist that social accounting be employed in collective affairs.

As scientists and professional specialists in works involving physical forces, engineers have indeed a great responsibility to the Nation. To meet that responsibility adequately they must somehow rise above certain limitations of the present scientific and professional point of view. They must develop the broad, the integrated view. They must develop to the highest degree the spirit of social service. But the engineers cannot alone carry the responsibility. Other sciences and professions must assume their share. The Government must assume its share. The body of citizens must assume its share. Each of us must have vision, the spirit of service, and the spirit of sacrifice.

To meet the situation created by wanton waste of our natural resources will require the complete dedication of our people to a cause affecting future generations even more than our own; a cause involving expenditures greater than those of war. Further, through education and the impact of local public opinion the attitude toward land tenure must change long before any such new point of view can obtain validation in the basic law. If the Nation is to be saved, it must be established that individual possession of land does not carry with it the right to ruin.

The present administration in the creation of the Soil Conservation Service, the Civilian Conservation Corps, and the National Resources Committee, and in appropriations made for the support of the work of these and similar agencies, has made a start. But the real army has yet to be organized, the general staff set up, and professional agencies such as yours called to the colors.

MRS. CHARLES F. EIKENBERG

Mr. DOCKWEILER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5078) for the relief of Mrs. Charles F. Eikenberg, with a Senate amendment, and concur in the Senate amendment.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 1, line 5, strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider the vote was laid on the table.

JOHN B. RICKETTS

Mr. LUCKEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10439) for the relief of John B. Ricketts, with a Senate amendment, and concur in the Senate amendment.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 1, line 5, strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CALDWELL. Mr. Speaker, I ask unanimous consent to extend my own remarks by inserting an address delivered by Hon. B. A. McGuiness, delivered at the annual Flag Day ceremonial, on June 15.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I object.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUCAS. Mr. Speaker, I rise for the purpose of making a unanimous-consent request on a matter which involves the House.

The SPEAKER. The gentleman will state it.

Mr. LUCAS. Mr. Speaker, I ask uanimous consent that on tomorrow, after the disposition of business on the Speaker's desk, I be permitted to address the House for 12 minutes upon the portrait painting of the late Speaker of the House, Hon. Henry T. Rainey.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MEETING OF COMMITTEE ON RULES

Mr. O'CONNOR. Mr. Speaker, I wish to announce that the Committee on Rules will meet tomorrow morning at 9:30 o'clock.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HARLAN, indefinitely, on account of official business.

To Mr. BACHARACH (at the request of Mr. POWERS), on account of death in family.

To Mr. HOBBS (at the request of Mr. HILL of Alabama), on account of important official business.

To Mr. ELLENBOGEN, for 2 days, on account of business.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table, and, under the rule, referred as follows:

S. 670. An act for the relief of Eliza Boykin; to the Committee on Claims.

S. 2827. An act for the relief of Margaret Scott Bayley; to the Committee on Claims.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 237. An act for the relief of the Rowesville Oil Co.;

H. R. 254. An act for the relief of the Farmers' Storage & Fertilizer Co., of Aiken, S. C.;

H. R. 4900. An act to amend the naturalization laws in respect of residence requirements, and for other purposes;

H. R. 9485. An act to convey certain lands to Clackamas County, Oreg., for public-park purposes;

H. R. 9654. An act to authorize the purchase by the city of Scappoose, Oreg., of a certain tract of public land revested in the United States under the act of June 9, 1916 (39 Stat. 218);

H. R. 10356. An act authorizing the Secretary of the Navy to convey a right-of-way over certain lands situated in Solano County, Calif., to the State of California for State highway purposes;

H. R. 10630. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11103. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.;

H. R. 11140. An act to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States;

H. R. 12848. An act to provide an additional place of holding terms of the United States district court in the eastern district of Kentucky, and to amend section 83 of the Judicial Code, as amended; and

H. J. Res. 179. Joint resolution authorizing the President to present the Navy Cross to J. Harold Arnold.

The Speaker announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 283. An act for the relief of Beatrice I. Manges;

S. 2047. An act to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes;

S. 2456. An act to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia;

S. 2912. An act to repatriate native-born women who have heretofore lost their citizenship by marriage to an alien, and for other purposes;

S. 3440. An act to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof;

S. 3841. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

S. 4026. An act to amend the National Defense Act of June 3, 1916, as amended;

S. 4464. An act to authorize the coinage of 50-cent pieces in celebration of the opening of the San Francisco-Oakland Bay Bridge;

S. 4512. An act to amend section 641 of the Code of Laws for the District of Columbia;

S. 4568. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petrolem products in the District of Columbia;

S. J. Res. 241. Joint resolution to declare December 26, 1936, a legal holiday in the District of Columbia;

S. J. Res. 272. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937;

S. J. Res. 273. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes;

S. J. Res. 280. Joint resolution to ratify and confirm the appointment of Isaac Gans as a member of the Alcoholic Beverage Control Board of the District of Columbia; and

S. J. Res. 286. Joint resolution fixing the date of meeting of the Seventy-fifth Congress.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 237. An act for the relief of the Rowesville Oil Co.;

H. R. 254. An act for the relief of the Farmers' Storage & Fertilizer Co., of Aiken, S. C.;

H. R. 4900. An act to amend the naturalization laws in respect of residence requirements, and for other purposes;

H. R. 5368. An act to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes;

H. R. 8442. An act to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes;

H. R. 9485. An act to convey certain lands to Clackamas County, Oreg., for public-park purposes;

H. R. 9654. An act to authorize the purchase by the city of Scappoose, Oreg., of a certain tract of public land revested in the United States under the act of June 9, 1916 (39 Stat. 218);

H. R. 10356. An act authorizing the Secretary of the Navy to convey a right-of-way over certain lands situated in Solano County, Calif., to the State of California for State highway purposes;

H. R. 10630. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11103. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.;

H. R. 11140. An act to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States;

H. R. 12848. An act to provide an additional place of holding terms of the United States district court in the eastern district of Kentucky, and to amend section 83 of the Judicial Code, as amended;

H. R. 12869. An act to liberalize the provisions of Public Law No. 484, Seventy-third Congress, to effect uniform provisions in laws administered by the Veterans' Administration, to extend the Employees' Compensation Act with limitations to certain World War veterans and other persons, and for other purposes; and

H. J. Res. 179. Joint resolution authorizing the President to present the Navy Cross to J. Harold Arnold.

EXTENSION OF REMARKS

HAWAII IS A DOMESTIC PRODUCER

Mr. KING. Mr. Speaker, the discussion of this resolution has dealt principally with the status and needs of domestic sugar producers. I am in full sympathy with the arguments advanced by the spokesmen for the different sugar-producing areas of continental United States; but wish to call attention to one simple fact which is frequently overlooked.

The sugar producers of the Territory of Hawaii, as well as the producers of all other commodities in my constituency, are domestic producers. The same treatment should be accorded them as that accorded the producers of any State. This principle should be accepted both as a matter of justice and of law, and I appreciate the recognition of it by several Members in the course of their remarks on this resolution.

The Territory of Hawaii is in every respect an integral part of the United States. Its production is a part of the domestic production. Its commerce with other parts of our country is inseparably a part of the interstate commerce of the United States. Its citizens are citizens of the United States, bearing every responsibility and burden of such citizenship and possessing all of the rights and privileges which pertain thereto.

Residents of Hawaii pay Federal taxes on exactly the same basis as residents of any State. Internal-revenue collections in Hawaii flow into the Federal Treasury exactly as they do from any State. In 1935 Federal income taxes paid in Hawaii amounted to $4,253,875, a sum greater than that paid in by any of 19 States. The total United States internal-revenue receipts from Hawaii in 1935 were $5,692,097, and this amount is greater than the receipts of any of 11 States.

Federal taxes paid from the Territory of Hawaii greatly exceed the Federal expenditures there, exclusive of the costs of the Military and Naval Establishments. In this connection I quote the statement of Dr. Ernest Gruening, Director of the Division of Territories, United States Department of the Interior, which appeared in the New York Times of November 4, 1934, as follows:

> Hawaii and Alaska contribute to the Federal Treasury exactly as do the States on the mainland. They send income taxes, internal-revenue taxes, and customs taxes to Washington. Hawaii is the star contributor in this connection. It has paid an average of more than $5,000,000 a year to the Central Government for the 34 years since annexation, a total of $185,000,000. The Central Government has spent an average of a little more than $1,000,000 a year, a total of $35,000,000, on the Territory, thus leaving a direct net profit of $150,000,000 in taxes alone from these islands. It is the only example of such a profit in American history. Hawaii pays more taxes to Washington than do any of 16 States.

The same laws which apply to immigration and to labor in the several States apply to the Territory of Hawaii, as, of course, they should. The Hawaiian sugar producers not only pay higher wages to their labor than the average wages paid to farm labor elsewhere in the United States but also provide year-round employment and good working and living conditions.

The sugar producers of the Territory of Hawaii complied strictly with the production-reduction program of the Jones-Costigan Act, realizing that quota legislation is essential for the protection of the domestic-sugar industry in view of the reduction in the sugar tariff. More than 24,000 acres of cane land were taken out of production, and the reduction of production by all means in the year 1935 was more than 144,000 tons, as shown by official figures. The crop cycle for Hawaiian sugarcane is 2 years, and therefore the reduction program bore especially heavily upon that area.

The existing act discriminates to the prejudice of the Territory of Hawaii in several of its features. This is not

an appropriate time to present these matters. As the gentleman from Texas [Mr. JONES] has said, it is essential under the present circumstances that the resolution be adopted, and I appreciate the cooperation he has extended those interested in this measure.

When permanent legislation for sugar is enacted, or when any legislation of any nature is under consideration, the Territory of Hawaii should be accorded its rightful status of equality under the law with the 48 States. This should be the status of the Territory of Hawaii, whether the legislation is a tax or revenue measure allocating the responsibility of citizens for the support of their Government, or a measure to secure benefits through the regulation of interstate commerce in, and importation of, an agricultural commodity.

HOME RULE ON THE RANGE

Mr. TAYLOR of Colorado. Mr. Speaker, 2 years will have elapsed on June 28, 1936, since President Roosevelt signed "an act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes" (48 U. S. Stats. 1269).

Some of you may recall that last year, on the first anniversary of the signing of the act, I gave an account of the stewardship of the Interior Department during the first year (vol. 79, CONGRESSIONAL RECORD, pt. 9, 74th Cong., 1st sess., pp. 10393–10397).

I want to briefly call the attention of the House and the country to some of the splendid additional achievements that have been accomplished by the Interior Department in the administration of this law during the second year.

During the first year of the life of the act the Grazing Division of the Interior Department, which administers this law, devoted itself to the preliminary steps necessary for the carrying out of the terms and provisions of the law. The establishment of organizations, the devising of rules and regulations for equitable administration, the working out of plans for the cooperation of State grazing associations, and other numerous duties and activities for the fair and proper administration of 80,000,000 acres of public grazing land has been a tremendous task. At the end of the first year 32 grazing districts had been established and organizations had been completed partially or fully for these districts.

During the past year the total number of grazing districts has been brought to 37, which include substantially all of the 80,000,000 acres of public grazing land permitted by law. The administration of these 37 districts has been divided into 9 regions, each in charge of a regional grazier, whose staff includes several technical and clerical assistants in each case.

The essential element, however, of the Grazing Division's administration is in the advisory boards, consisting of elected representatives and stockmen in each district. Serving on these boards are 509 representative and able stockmen. Through their knowledge of local conditions and usage the Department of the Interior has access to information and recommendations on every point and section of the country under the jurisdiction of the Grazing Act.

During the year 1935 a total of 15,081 grazing licenses were issued for 8,411,000 head of livestock. Of these, 1,577,000 were cattle, 146,000 horses, 6,516,000 sheep, and 172,000 goats. Licenses for the year 1936 have been issued for the use of spring and summer ranges.

The rules and regulations for the use of the range, which were promulgated during the first year, were received by the majority of the stockmen with complete satisfaction. However, a number of minor details which need clarification came to the surface. On the basis of the year's experience a new set of rules was devised to govern the administration of the districts for 1936.

Under these rules an applicant for a grazing license must be, first, a citizen of the United States, or one who has declared his intention to become a citizen, a group, association, or corporation authorized to conduct business under the laws of the State in which the district is located. Qualified applicants, who must also be owners of livestock naturally, are classified for the issuance of licenses in the following priority:

First. Qualified applicants with dependent commensurate property with priority of use.

Second. Qualified applicants with dependent commensurate property but without priority of use.

Third. Qualified applicants who have priority of use but not commensurate property.

Fourth. Other qualified applicants.

In addition to the priority classification, the first year's experience showed the advisability of defining the terms "property", "dependent", "near", "commensurate", and "priority of use." These definitions will not only allow for the more equitable distribution of grazing privileges but they will also facilitate the handling of applications for licenses.

One of the most interesting things in connection with the granting of grazing licenses is that out of over 16,000 applicants only 250 have ever protested the recommendations of the local advisory boards. Out of these 250, only 51 applicants have ever appealed from the action of the local representatives to the Division of Grazing. This by itself is a powerful endorsement of the system of the recommendatory advisory boards cooperating with the administrative organization.

It may be of interest to the House to know that an outstanding procedure for appeals has been organized and put into service by the Grazing Division. This system fairly permits full development of all facts in the case and complete review by the Director of the Division of Grazing and by the Secretary of the Interior of the cases where appeals are made from the recommendations of the district advisory boards. It grants full and fair protection to all interested parties.

With the organization for the administration of the grazing law completed, and clarification brought about in the rules and regulations, detailed attention has been given to the enforcement procedure; that is, the strict enforcement of the rules and regulations and the taking of prompt and forceful action against violators. Users of the western range and those familiar with the range conditions well realize the necessity for a system which will protect both the limited forage resources and the license users.

To meet the problem of the control of privately owned lands in established grazing districts, whose mixed and varied ownership has made a complex situation, a system of cooperative agreements, under section 9 of the act, has been formulated and approved by the Secretary of the Interior.

This system of cooperative agreements, now in operation in the State of Montana, seems to be one of the major achievements of the Grazing Division during the second year of its life. The terms of these agreements provide a means of administration of range areas where range ownership is varied and complex. Generally, there is only a relatively small percentage of public land, or of land under the administration of one agency. In the State of Montana, Federally owned land represents hardly more than 25 percent of the total grazing lands.

The remainder involves the property of railroads, the State, counties, or areas under the control of other Federal agencies. Under existing agreements the local livestock association is authorized to lease or otherwise acquire the rights to grazing lands belonging to these other organizations or agencies; and these lands, with the Federal lands, are then administered as a unit by the association under the supervisory authority of the Secretary of the Interior and in conformity with the rules and regulations promulgated by him for the administration of the grazing districts.

So far this cooperative agreement is in operation only in the State of Montana. It is anticipated, however, that there are many sections in other parts of the West where such agreements are practicable and will provide the best means for carrying out the policy of proper land use in those regions of mixed ownership.

Since the issuance of grazing permits must be based on the proper use of the land, the Department of the Interior is confronted with the problem of accumulating the necessary large amount of information upon which to base administrative action. This information includes not only the determination of the proper carrying capacity and the proper seasons for use of the ranges, but it must also include well-defined plans for preserving the forage resources and a measure of the basic ranch properties. This range-survey work has been fully organized during the second year and is progressing satisfactorily.

Efforts are being made to push this work ahead as fast as possible and all available facilities, State as well as Federal, are being used in this work. Collection and analysis of this information is a necessary preliminary in compliance with the law in the issuance of term permits. From all present indications, it is expected that sufficient material from a considerable portion of the areas under examination will be available so that issuance of these permits can be begun during the next year.

It may be well here and now to point out that the personnel engaged in the administration of the grazing law was originally composed of technicians recruited from various agencies of the Department, all of whom are expert in public-domain questions and conditions. Through this intimate knowledge, the personnel of the Grazing Division was able to inaugurate immediate range administration far more competently than employees available from any other Federal department. At the present time, the small original nucleus has been augmented by about 25 new field employees, all of them western men, fully familiar with the range and livestock problems of the West and of demonstrated administrative ability. There have been those in the past who did not believe that so small an organization was capable of providing an adequate administration for 80,000,000 acres of public lands. But they did not take into consideration that no other Federal organization had at its command an advisory service of more than 500 stockmen, all well acquainted with the local problems and the national situation and who were not only subject but willing to respond immediately to the call of duty at any time.

This system of home rule under Federal administration and supervision, instituted as one of the main objects and integral parts of the Taylor Grazing Act's administration by the Department, has been highly successful and satisfactory to the stockmen. The district advisers, chosen in elections at which all qualified licensees of the district vote, constitute organized recommendatory groups to the administrative officers of the Interior Department. The advisers themselves organize into a board and elect one of their own members chairman. Their individual duties and duties as a board have been clearly and carefully defined in the rules and regulations of the Department. The boards sit in advisory capacity during the consideration of applications for licenses and render assistance in the settlement of other local problems involving the use of the range. That the methods for arriving at their recommendations are eminently fair is shown by the small number of protests or appeals already cited, and which works out to slightly less than 1.6 percent.

I am perfectly confident that the great progress of the Grazing Division in its gigantic task can be laid in large part to the adoption of the policy of home rule and the selection of public-land experts and western men familiar with the range and livestock problems in administrative posts. Naturally, there are other factors which have helped to make this progress possible, notably the Civilian Conservation Corps and its work in range improvements and the cooperation of the General Land Office of the Department of the Interior.

It has been but a little over a year since the first C. C. C. camps under the Division of Grazing were established. In April 1935 seven C. C. C. camps were allocated to the division. Since then the number has been increased to 45 camps, with about 8,000 enrollees each 6-month period. These camps are functioning in the three regions comprised by the States of Colorado, Utah, Wyoming, Nevada, New Mexico, Arizona, Montana, Oregon, California, and Idaho.

These camps are carrying on a wide variety of projects throughout the 10 western public-domain States, the purposes of which are to aid the stockmen in obtaining an adequate water supply, to construct truck and stock trails, and to assist in the rehabilitation of vast areas of grazing lands by the improvement of range conditions. In practically every area the range has been so neglected and the land so overgrazed that many years will be required to accomplish satisfactory reconditioning. The concentrated efforts of the C. C. C. workers have already advanced rehabilitation in some sections from 10 to 20 years.

The first work planned in each district was that for which there was the most urgent need whether it was erosion contral, development of springs, well drilling, construction of storage reservoirs and dams, flood control, trail construction, eradication of poisonous plants, rodent control, or some other equally necessary project.

The story of the C. C. C. grazing camps often recalls the tales of frontier days. To complete some of the projects the enrollees have had to carry sand, cement, pipes, and other necessary equipment over mountain trails. Truck trails were built where before there were only cow paths. Water was brought to a drought-stricken, denuded range country. Miles of telephone lines have been constructed in sections of the West which had never before had that form of communication. Water once more surges from springs trampled by cattle into uselessness. In the carrying out of this much-needed range rehabilitation, thousands of young men have been given work under healthful conditions to mind and body, which is fitting them for practical, gainful occupations on their return to private life.

The development of an adequate water supply is assisting materially in making possible a better utilization of available forage resources. In certain sections of this public domain there were 30-mile drives between watering places, nearby springs being inaccessible until the C. C. C. workers built trails and in some instances corrals, so that the herds driven through the country could reach, and if necessary, stop overnight at these springs. This enables stockmen to save a loss which sometimes amounted to as much as 25 percent of the herd on long drives to and from market.

The importance and value of truck trail and trail construction is enormous, and the benefits of the increasing range water supplies cannot be overestimated.

It is difficult to picture in a few figures work which occupied such a short period of time and covered such a large area of territory, but the following brief data from the statistical report through March 1936 gives some idea of the magnitude of the work accomplished in less than a year: 1,777,348 acres treated for rodent control; 64,741 acres treated for eradication of poisonous weeds and plants; 921 miles of truck trails; 409 miles of stock driveways, foot, horse, and truck trails; a great many water-supply projects; 172,000 acres treated for erosion control including the construction of approximately 47,000 linear feet of permanent and temporary diversion ditches; and 25 bridges constructed and 324 miles of telephone line installed.

A continuation of this work by the C. C. C. enrollees will bring further relief to stockmen who know the need but had all but despaired of the means of restoring the great range land before the advent of the Emergency Conservation Work and the Grazing Act.

I want to digress a moment to say that the original bill as I introduced it applied to all of the remaining vacant, unappropriated, and unreserved land of the public domain of the United States, at that time estimated at 173,000,000 acres, and the bill passed the House in that form. One of the hamstringing amendments added by the opponents of the bill during 3 months' debate in the Senate reduced the acreage to which the law could be applied to 80,000,000, leaving the remaining half of the public domain open to free exploitation, as it has been ever since.

Realizing the ruinous absurdity of this condition and the inevitable and rapid destruction of the remaining unprotected public land, the chairman of the Public Lands Committee of the House, Mr. DEROUEN, of Louisiana, at the opening of Congress in January 1935, introduced a bill making all

the public land subject to the provisions of this grazing-district law. The bill promptly passed the House. The opponents of the law again loaded that bill with so many injurious amendments that the President was compelled to and did veto it.

Soon after the opening of this session of Congress I introduced another bill (H. R. 10094) merely amending the Taylor Grazing Act by increasing the amount of public lands, subject to its provisions, from 80,000,000 acres to 143,000,000 acres and making no other change in the law—just changing the figure 80 to 143. The bill passed the House unanimously March 16. It remained peacefully in the Public Lands Committee of the Senate from that time until last Monday, the 15th of June, when it was reported out with five riders amending other sections of the law and adding a new section.

While I somewhat doubt if any of these proposed new provisions should or could pass either the Senate or the House on their own merits in an independent bill, nevertheless I hope the bill will pass even in that form and become a law before this session of Congress adjourns. Otherwise the remaining public domain that is not already practically destroyed will very soon be utterly ruined by overgrazing and tramping out all the verdure on it.

The General Land Office has been cooperating fully with the Division of Grazing in carrying out the provisions of the act. At the present time there are approximately 2,255 applications pending in the General Land Office for leases on isolated tracts of public-domain grazing lands under section 15 of the grazing law. Of this number about 1,600 involve lands in proposed or contemplated grazing districts. These applications have been submitted to the Grazing Division for report, as the act provides that only such lands may be leased for grazing which are so situated that their inclusion in a grazing district is not justified. Of the remaining 655 lease applications for isolated tracts of grazing land all have been or are under examination by the Division of Investigations. Reports on these investigations have begun to come in.

In addition to these applications there are about 50 applications for sale of isolated grazing tracts in the public domain under section 14 of the Grazing Act. About 15 applications to make homestead entries in established grazing districts have also been received. These homestead applications are awaiting the classification of the land, as the act allows homesteading in grazing districts only on such land as is classified as more valuable and suitable for agricultural purposes than it is for grazing.

Applications for the exchange of State lands under section 8 of the Grazing Act have been made by the States of Arizona, Colorado, New Mexico, Utah, and Wyoming. The total number of these applications is 349.

The General Land Office reports that there are also a number of applications for private exchange of lands under section 8 of the act. The Land Office has made such changes in its regulations as were found necessary in cooperating with the Grazing Division.

Conservation of wildlife on the western range lands is another aspect of the situation in which both the Division of Grazing and the stockmen themselves are very much interested. Recently testifying before a House committee Grazing Director Carpenter pointed out that there were three methods of wildlife conservation now in use in the grazing lands of the West.

These three methods are: The program of cooperation between the Division of Grazing and the Biological Survey, the New Mexico plan, and the conservation of wildlife by the stockmen themselves.

A cooperative program has been worked out between the Grazing Division and the Biological Survey, under which game ranges will be set up in grazing districts for the conservation of wildlife. This program has been inaugurated and satisfactory progress is assured.

Ten areas embracing approximately 10,000,000 acres of land in various Western States have been agreed upon for wildlife ranges. Several have already been established. In these areas, definite numbers of wildlife species will be given priority to the forage ranges and the remainder will be utilized for domestic livestock.

New Mexico is so far the only State which has submitted and had approved a general plan for protection and control of wildlife in connection with the administration of grazing districts. The New Mexico plan was approved by the Secretary of the Interior August 21, 1935.

In substance, the New Mexico plan provides that in addition to the regularly elected district advisers for each grazing district established under the Taylor Grazing Act in New Mexico, there be appointed one district adviser in each grazing district to represent wildlife and recreational resources. Such district adviser shall have the same qualifications as the elected advisers, except that he need not be an owner of livestock, and he shall be nominated by the land-use committee of the New Mexico State planning board. This district adviser may be appointed by the Secretary of the Interior in the same manner and form as the other district advisers.

The utilization of grazing district lands by domestic livestock shall be in accord with the following fundamental outline for conservation and propagation of wildlife and other natural resources upon the public domain: Carrying capacity to provide for game, game and bird refuges, areas best suited to wildlife production, game animals to be limited, and game-law observance.

Other States, it is hoped, whose public domain comes within the administration of a Taylor grazing district will submit similar plans to cover the situations within their respective borders in the near future.

From an individual standpoint, the ranchers and livestock men are themselves the greatest conservators of the wildlife in the West. Many of the large ranches are literally game reserves and bird refuges, where grouse, sage hens, pheasants, deer, and antelope abound and are afforded such protection as the owners of the ranches on which they roam are able to give them.

I want to pay a richly deserved tribute to Mr. Ferrington R. Carpenter, the director of the Grazing Division that has the administration of this law. Its very great success, popularity, and far-reaching accomplishments during the brief 2 years since it was enacted is very largely due to his marvelous activity, enthusiasm, and splendid qualifications for that position. There is no man in the West who better knows the western stockmen and their conditions and needs than Ferry Carpenter. He is an ideal man for that position.

By the way, he recently uncovered the first rules and regulations for a grazing district to be promulgated in the history of the country. What is now the famous Boston Common was, according to the records found by the director, the first grazing district in the United States. It is of interest to note that the ratio of five sheep to one cow or ox which was used at that time, is the ratio used today. In a brief statement on this early public-grazing range, Mr. Carpenter said:

In 1634, just 300 years before the Taylor Grazing Act was passed, a tract of 50 acres in the town of Boston, Mass., was purchased by the Province authorities "as a training field and for the grazing of cattle in common." The rules regulating this early grazing district bear a similarity to many of the regulations under the Grazing Act. Preference was restricted to freeholders who were inhabitants of the town. Each person was allowed one animal unless he had a tax rating in excess of £50 ($250), and in that event he was allowed two head. Five sheep could be substituted for one cow or ox "on account of the value of the wool to the community for clothing purposes." The carrying capacity was fixed at 70 head. The range was protected and improved by laws forbidding the digging of sod and providing for draining stagnant water and the clearing of brush and wood. Sheep had to be kept under the hands of a shepherd from May 1 to October 15. A man was appointed to water the bulls and to drive them into the Cornhill Cemetery at night. A fee of 5 shillings per annum was charged. The only free-use permit was issued to the preacher for one horse. Grazing of livestock was continued on this land until 1830.

This tract, the Boston Commons, is one of the historical spots in America. Soldiers camped and trained on it in the Revolutionary War, War of 1812, and Civil War. Witches have been hanged there, and many famous public assemblies were held. It is now a public park and garden in the heart of the city.

It is a far cry from 50 acres to 80,000,000 acres, but it seems significant that certain basic principles in range control should have been carried in the American consciousness for more than 300 years. And in view of the magnitude of the task set for the Division of Grazing of the Interior Department, it is apparent that not only is real progress being made in the conservation—the proper use—of the public domain grazing lands and the other objectives of the Grazing Act, but that the work is being done ably and well.

Naturally the fact that this stupendous task is moving ahead with fairness to range users, with concrete accomplishments in range preservation and restoration, is of great personal interest to me, as I am honored in having my name associated as the author of the Grazing Act. In contemplating the progress made in the 2 short years of the grazing administration, I cannot help but feel that we are truly on our way to the proper utilization and preservation of the public-domain grazing ranges of the West, and that these ranges under the Grazing Division of the Department of the Interior and the enlightened self-interest of the livestock men of the West will be a great factor in the public conservation of our country. The safeguarding, protecting, and upbuilding of the western public range is and will be an enormous impetus to public conservation generally. Our country is turning its face from the days of exploitation, waste, and greed to the preservation of our marvelous natural resources for use and benefit of its citizens today, tomorrow, and in the generations that follow.

THE SECOND LOUISIANA PURCHASE

Mr. BURDICK. Mr. Speaker, the first purchase of Louisiana was made by Thomas Jefferson in 1803, and for that act of wisdom Jefferson was applauded by his countrymen, and succeeding generations have and will honor him.

The second purchase of Louisiana was made by James A. Farley, Postmaster General of the United States, and chairman of the National Democratic Party. For this act James Farley will receive the condemnation of his countrymen now living and their descendants in the years to come.

The public knows that Huey Long, late Senator from Louisiana, was an uncompromising fighter for the common people. He could not be bought, was unafraid of Federal prosecutions, and there was only one way in which he could be stopped. With the cowardly assassination of Huey Long, the Long machine took an added power and influence, and when the election occurred in January 1936, the anti-Long forces were swept down to ignominious defeat. Soon after this election, O. K. Allen, who had been elected Senator to occupy the seat of Huey Long, died very suddenly. James A. Noe, lieutenant governor under Allen, became the Governor, but Richard W. Leche had been elected to that position in the January election.

The real money man of the Huey Long forces was Robert Mastri, of New Orleans, and the man who handed out the money to finance the Long machine was Seymour Weiss, owner of the Roosevelt Hotel in New Orleans. Mastri furnished the money and Weiss handed it out because they liked Huey Long and stayed with him in his fight against the Roosevelt administration.

While the Long forces were fighting the administration, the Department of Justice was busily engaged with secret-service men in Louisiana in looking up "something" against the Long followers. Evidence was presented to the grand jury concerning tax evasions of Seymour Weiss and he was indicted for this offense and the further offense of conspiring to avoid taxes. These Long followers were under indictment when the January election took place.

Shortly after election, and at a time when the Long machine seemed invincible, there was a meeting held in the city of New York between the administration forces represented by James Farley and the newly elected Governor Richard W. Leche. At that meeting an agreement was made between these two warring factions, and all political differences were agreed to be settled. In this agreement the Long forces were to do two things in particular: First, the Long Congressmen were to withdraw their names from the Frazier-Lemke petition then on the Speaker's table, and were to vote against the bill if it did come up; and, second, the Long machine was to deliver Louisiana for President Roosevelt. The other part of the agreement was that the criminal indictments against Weiss and other conspirators were to be dismissed, although it was agreed that civil suits might be continued to recover any taxes lost to the Government. Certain patronage theretofore withheld from the Long machine was to be restored, especially that pertaining to New Orleans. This deal was made and each side agreed to carry out their part of the agreement.

Neither the Long Congressmen nor Mrs. LONG, then Senator, knew anything about the deal, where it was made, who made it, or what the terms were.

I knew of this deal within a few days after it was made, and wrote out this statement then, but did not offer it in the CONGRESSIONAL RECORD because I was pretty sure no one would believe it. Since January, however, my statement has been proved in full, and I now offer it to show that the followers of Huey Long ignominiously surrendered to the present administration, and James Farley is in full command of the situation in Louisiana. Even the loyal administration Congressmen who fought Huey Long and were overwhelmingly defeated have been left out in the cold by Mr. Farley, and from now on he will deal with their enemies in Louisiana. Their loyalty to the administration makes no difference now since they have been defeated.

What is the proof of this New York sale, the second Purchase of Louisiana?

First. The Long Congressmen were notified on or about January 20 to remove their names from the Frazier-Lemke petition and to vote against the bill if it came up. They immediately removed their names on the very day they were told to do so, and later, when the bill came up, they voted against it. This part of the deal has been carried out.

Second. The Long machine is now for Roosevelt, and the President has Louisiana in his pocket.

Third. The administration has kept its word with respect to the indictments. Since the New York deal, no one has been criminally prosecuted for any of the indictments then pending, and at this date the Federal attorney has moved to dismiss the indictments on the ground that there is not sufficient evidence. One of the civil suits was tried, but a verdict rendered in favor of the defendant.

Fourth. The administration has adjusted its affairs in Louisiana favorably to Governor Leche, and the withheld patronage is being returned. Fight over relief has also been smoothed out.

The administration has been particularly strong in bringing in indictments charging "conspiracy", and the strong club it held over Louisiana was this list of conspiracy indictments. Through these, and these alone, Farley was able to club Louisiana into submission. Huey Long would have paid no attention to these indictments because he and everyone else knew that they were nothing but political indictments.

It is admitted now by the Government, for the Government now says it has not sufficient evidence upon which to secure a conviction. If they do not have sufficient evidence now, it is a sure thing they did not have it before or at any time. The Long followers were either bluffed or purposely deserted the Long fight, and Gov. Richard W. Leche is the man who is responsible for this sale.

It does not seem possible that the Department of Justice of the Federal Government in Louisiana could be put on the auction block by James Farley or anyone else, yet the fact is that precisely that has been done. At the date I first wrote the terms of the New York deal it is doubtful if anyone in Congress would have believed it, but today the record shows that every word of it was true.

Huey Long would turn over in his grave if he knew his faithless followers had delivered his well-working political machine to the arch enemy, James Farley. All of the reforms that Huey Long fought for have been forgotten, the people of Louisiana have been forgotten; they have been delivered

by the politicians of Louisiana to the politicians of the present administration. The question is, Will the people of Louisiana remain sold? Will they quit the fight they made with their dead leader? If they do, it is a devastating blow to the progressive cause of the Nation.

RECIPROCAL-TRADE AGREEMENTS

Mr. WOODRUFF. Mr. Speaker, at one time George N. Peek, the President's foreign-trade adviser, wrote an open letter to the President wherein he strongly condemned the policy of our State Department in negotiating foreign-trade agreements which leave us to hold the bag. According to Mr. Peek, we sustained a loss of approximately $1,000,000,000 last year on our foreign trade. Mr. Peek very properly takes the position that when we negotiate a trade agreement with Belgium, for instance, and permit under that agreement certain importations of commodities which compete with like commodities produced in this country, the benefits of such trade agreement should be limited to Belgium and not extended, as is the present policy of President Roosevelt and his Secretary of State, to all other countries producing similar commodities.

For instance, if in the trade agreement with Belgium we agree to reduce the tariff on any given agricultural or industrial product, automatically every other nation producing these same products is given the same reduction in the tariff rates, without, however, yielding anything to us for the privilege which accrued to them as a result of the Belgium agreement.

It can readily be seen that a very few trade agreements negotiated and ratified between this country and others will completely change the entire protective system in this country, because, through the medium of these few treaties, the nations of all the world will have the privilege of bringing practically every product they export into this country at a greatly reduced rate of duty.

Just what the administration can hope to accomplish by this policy, it is difficult to understand. Secretary Hull, whom I have known for a great many years, and who is a most estimable gentleman, but who on the other hand is probably the most outstanding free-trader who has been in public life in this generation, has always believed that the way to prosperity is through tearing down all tariff walls. He deliberately closes his eyes to the fact that we cannot follow his line of reasoning without bringing about a reduction of the American standard of living to the level of that in every country which would compete with us in our own market.

Certainly the American farmer does not want to be reduced to the economic standard of the Japanese coolie or the South American peon. Surely the American workingman does not wish to have his standard of living reduced to that of the workingman of all the other countries of the world, including those of the Orient. But this is the thing that will inevitably follow a continuation of the present policy of this administration in their endeavor to promote foreign trade.

Figures already available disclose that while we have increased our exports to some slight extent, our imports have at the same time increased several times faster than our exports. As I have heretofore stated, 6 to 1 is a price altogether too high to pay for the luxury of this foolish attempt to promote our foreign trade by surrendering our markets to the foreign producer.

Mr. Peek, of course, was 100 percent right.

AGRICULTURAL IMPORTS

Mr. WOODRUFF. Mr. Speaker, a farm conference at which delegates from eight Midwestern States were present in force was held recently at Sioux City, Iowa. Resolutions were adopted calling for the "immediate repeal of the reciprocal trade agreements", restriction of imports of "raw material products of farms, forests, and mines, and substitutes therefor."

This action was precipitated by reports from governmental departments showing imports of animals and edible animal products in 1935 amounted to $74,798,930, while imports of inedible animals and animal products amounted to $151,127,431; that we imported vegetable food products and beverages made therefrom valued at $506,440,885, and imports of inedible vegetable products, exclusive of fibers and woods, amounting to $282,121,473; and that imports of textile fibers and manufactures reached the total of $306,701,119, a total of $1,321,189,838.

These importations come directly in competition with the products of American farms and forests. They have a value of approximately 25 percent of the total cash income of the American farmers for 1934, less the benefit payments. Nearly every dollar's worth of these products can be produced on American farms, provided always the Congress and the President will protect the American farmer in his fundamental right to produce these commodities.

The following official figures on imports of farm products for the years of 1932 and 1935 demonstrate more forcibly than mere words what has been taking place since the present administration has been in power, and more particularly to what extent President Roosevelt, through his reciprocal trade agreement treaties, has surrendered the American market for farm products to the foreign farmer:

Product	Unit	1932 imports	1935 imports
Corn	Bushels	347,627	43,242,296
Oats	Bushels	58,786	10,106,903
Wheat	Bushels	10,026,320	27,438,870
Barley, malt	Pounds	52,532,636	320,622,537
Rye	Bushels	87	9,642,523
Tapioca (starch substitute)	Pounds	130,000,372	202,112,319
Hay	Tons	13,858	67,171
Soybeans	Pounds	36,568,700	107,463,044
Cottonseed (cake and meal)	Pounds	1,058,945	59,743,572
Butter	Pounds	1,052,598	22,674,642
Cattle	Number	95,407	364,623
Hogs	Pounds	28,875	3,414,317
Fresh pork	Pounds	1,657,500	3,922,609
Hams, bacon, etc	Pounds	3,015,489	5,297,335
Fresh beef	Pounds	796,594	8,584,114
Canned meats	Pounds	24,638,261	76,653,242
Total meat products	Pounds	45,706,926	115,059,124
Eggs in shell	Dozen	243,784	432,076
Dried yolks	Pounds	726,400	3,952,664
Frozen yolks	Pounds	422,060	1,199,772
Egg albumen	Pounds	1,275,790	1,876,445
Wool and mohair	Pounds	56,535,176	202,732,658
Dried milk	Pounds	596,448	2,743,349
Hides	Pounds	188,013,286	303,475,633
Inedible molasses	Gallons	155,888,307	235,161,684
Beet sugar	Pounds	1,139,134	1,681,598
Sunflower-seed oil	Pounds	16,456,724	37,051,732
Palm-kernel oil	Pounds	2,938,209	7,977,812
Peanut oil	Pounds	1,512,682	80,723,225

This table does not show the tremendous loss to the American farmers resulting from the annual importation of 4,500,000 tons of sugar, valued at $405,000,000, every pound of which could be raised on American farms if our farmers were permitted to do so. Nor does it disclose the reprehensible administration program under which the American production of sugar is curtailed.

The fact that we grow and refine only 30 percent of the sugar we consume is given no consideration whatever by the bureaucrats now regimenting the sugar industry. They go merrily on their crackpot way, taxing our people to pay the farmers to take out of production millions of acres of fine agricultural lands upon which we might well produce those foreign products now flooding the American market and ruining the price the American farmer receives for the products of his labor and investment.

It is announced that the President has completed negotiations with the Republic of France for another trade agreement. This treaty has already been signed, sealed, and delivered, and no American citizen is allowed to know until May 15 a single thing incorporated in the treaty, no matter how adversely he may be affected by its provisions. We may be sure, however, that this treaty will still further open our gates to the French, who give us something in return, and also to the 77 other nations who give us nothing in return. This "hoss trading" engaged in by Mr. Roosevelt and his Secretary of State is of a quality to make even the most unenlighted "hoss trader" seem a veritable mental giant in comparison.

AIRWAYS IN ALASKA

Mr. DIMOND. Mr. Speaker, recently I called the attention of the House to the pressing need for the construction of additional roads in the Territory of Alaska, and I then attempted to point out the great economic good which would be accomplished by the building of the roads proposed. At that time I took occasion to say that one other matter was of even more pressing and vital necessity for the development of the resources of the Territory, and that was the prompt establishment of a system of airfields and airways to cover Alaska. In making these remarks I gave airways priority by reason of the fact that airfields can be built and established and used long before a complete and comprehensive system of highways for Alaska can possibly come into existence. Airfields for Alaska are like the advance guard of the Army—like the modern advance guard of an army, which is its air force. The development of a new and raw country proceeds in some fashion like the march of an army in modern times. To both, aircraft is a vital necessity. For, without superiority in the air, no army can succeed. And after that, roads are equally necessary, for without roads the army cannot march.

It is my considered judgment that for the immediate future, with benefits even for the distant future, the prompt setting up of a system of airways in the Territory of Alaska is the one thing which would do most to stimulate the immediate economic development of the Territory.

During the past winter the subject has been given very careful attention by the several departments of the Government. A meeting was held of what is known as the Interdepartmental Committee, consisting of representatives of all the several departments of the Government, under the chairmanship of Dr. Ernest Gruening, Director of the Division of Territories and Island Possessions in the Department of the Interior. At this meeting, without a dissenting voice, it was agreed that a system of airfields and airways ought to be established in Alaska at the earliest possible date, and that conclusion was arrived at upon sound economic grounds, having in view also the inescapable fact that airfields and airways, useful and necessary for commercial purposes, will be equally useful for military purposes in the event of armed combat. However, in consideration of this matter, the economic features outweighed 10 to 1 the military considerations, and the system of airfields and airways which I am about to outline for Alaska is desired almost entirely for the development of the Territory.

While I do not say that all I am presenting here has the approval of the Department of the Interior or the Department of Commerce or any other department of the Government, I believe that most of what I have to present is entirely approved by all the administrative departments of the Government, and that differences of opinion from the views herein expressed will exist only as to relatively minor matters.

In treating of airfields in Alaska I shall roughly classify them in three categories, namely: First, terminal fields built in L shape with two runways, each runway being approximately 500 by 3,000 feet; second, intermediate fields having one runway approximately 500 by 3,000 feet; third, local fields having one runway approximately 300 by 2,500 feet. It is realized that these specifications cannot be met in every individual instance, but I think that generally the descriptions above given of the classes of fields will be found reasonably accurate.

At the present time no regular air-transport service exists between Alaska and our nearest neighbor in the States, the State of Washington. Most of the traffic for Alaska comes from the city of Seattle, Wash., and therefore that city is used in order to give the distance between the Territory of Alaska and the United States. In Alaska the nearest city to Seattle is Ketchikan, which is located 747 statute miles northwest of Seattle. In describing the airfields desired for Alaska, it may be well to begin at Ketchikan. At Ketchikan a terminal land field should be built as well as a water port for aircraft. This I deem a real necessity, for the reason that the city of Ketchikan is situated in almost the extreme southeastern tip of Alaska and is, as above stated, that city of Alaska which is nearest the United States. We all know that with modern aircraft a flight of 750 miles is not an extreme or a dangerous one, and one can well understand that, even if the landing field at Ketchikan is not used frequently, the existence of one is highly desirable.

Taking, then, Ketchikan as our base, we proceed northerly and northwesterly on one of the projected main air lines to Alaska, terminating at Nome on the Bering Sea. Along this line fields should be established or improved at Wrangell, Petersburg, Juneau, Taku, Berners Bay, Haines, and Skagway. From Skagway, unless the coast is followed, the planes must cross into the Dominion of Canada following the line through Carcross, White Horse, Kluane, Donjek River, and crossing again into Alaska at a place which may be arbitrarily named Boundary, a point near the Chisana River just west of the international boundary line between Alaska and Yukon Territory. Proceeding from Boundary, fields should be established, or existing fields improved, at Tetlin, Tanacross, near the mouth of the Johnson River, at Big Delta, Salcha, and Fairbanks. Fairbanks may be considered the center of the northern part of Alaska for aviation purposes. But proceeding along the same we ought to have fields at Tolovana, Chena, Hot Springs, Tofty, Tanana, Birches, Kokrines, Ruby, Galen, Koyukuk, Nulato, Portage, Koyuk, White Mountain, Golovin, Bluff, and finally at Nome on the Bering Sea.

The line, therefore, from Ketchikan to Nome may be considered as one of the main air thoroughfares of Alaska.

However, it is realized that if at any time it is impracticable to use the first section of this route into the interior of Alaska, an alternate route is desirable and, indeed, highly necessary. Therefore an alternate route may be considered for that part of the line north of Juneau proceeding westerly and northwesterly along the coast of Alaska with fields at Glacier Bay, Dry Bay, Yakutat, Cape Yakataga, Katalla, and finally terminating at Cordova or Valdez, which may be described as part of another air route.

Another line would comprise the route between Cordova and Valdez at the south, and Fairbanks at the north, with terminal fields at Cordova and Valdez and other intermediate or local fields at Thompson Pass, Tonsina, Copper Center, Gulkana, Paxson, Donnelly, and thence by way of Big Delta and Salcha to Fairbanks.

Let us go back now to the main line between Ketchikan and Nome and proceed as far as Tanacross. From Tanacross a route may be envisioned as proceeding southwesterly with fields at Slana, Chistochina, Gulkana—which is a point on the Cordova-Valdez-Fairbanks line—Nelchina, Chickaloon, Palmer, and thence to Anchorage on Cook Inlet.

Another route may be considered as connecting Seward and Fairbanks, and proceeding northerly from Seward with fields at Stetler, Anchorage, Willow Creek, Talkeetna, Cantwell, McKinley Park, Healy, Nenana, and Fairbanks.

A sixth route, proceeding from Anchorage to Goodnews Bay, an inlet of Kuskokwim Bay, with fields at Kenai, Kalgin Island, Iliamna, Seversons, Koggiung, Dillingham or Kanakanak, Togiak, and finally Mumtrak on Goodnews Bay.

Another line from Anchorage to McGrath, and thence to the lower Kuskokwim River, would be provided with fields at Susitna, Mountain Climber, Rainy Pass, Farewell Mountain, McGrath, Ophir, Dishna, and Flat. From Flat the line may be deemed as proceeding further southwesterly to Bethel and perhaps thence on to Goodnews Bay, or northwesterly to Nome—in the latter case with fields at Dementi, Unalakleet, Cape Denbigh, Koyukuk, and thence to Nome. As indicated above, the lines from both Fairbanks and Anchorage to the lower Kuskokwim join at McGrath.

Commencing at Fairbanks, fields should be established, or existing fields improved, first at Nenana (which is on the Seward-Fairbanks line), then other fields at Kantishna River, Lake Minchumina, North Fork of the Kuskokwim, Medfra, McGrath, following thence through Ophir and Dishna to Flat, thence southwesterly with fields at Georgetown, Napamute, Aniak, Kaltshak, Akiak, and Bethel.

From the foregoing it will be evident that a number of the air routes above described join and cross each other at various points. This is, of course, essential in any comprehensive air-transport system for Alaska.

Another line may be conceived of as extending from Cordova or Valdez northerly along the line to Fairbanks as far as Gulkana, thence along the line to Tanacross as far as that place, and projecting further on northerly to Chicken, Jack Wade, Steel Creek, and Eagle. Northerly from Fairbanks a route will cover Circle Hot Springs, Woodchopper, Circle, and Fort Yukon, and still another, Livengood and Rampart.

The same is the case with the second judicial division of Alaska in all of the region northerly from Norton Sound. It is planned that a number of fields shall be established there which will be served, perhaps not as part of any definite schedule flights but as needs arise.

The lower Yukon also should have service to include Kaltag, Holy Cross, Marshall, or Fortuna Ledge, Akulurak, and other places in that region. A field is also contemplated for the east end of Nelson Island.

Hereinafter set out is an alphabetical list showing the names of the individual fields, indicating those places where fields already exist and the size thereof, from which it can be readily discerned the really broad nature of the program and how well the construction of such fields and the installation of the air facilities contemplated will benefit air transportation in Alaska.

The carrying out of this project can be accomplished at no prohibitive cost, for it has been estimated that the total expense of the construction of the fields and the purchase and installation of air facilities for the entire program will probably not exceed $4,000,000.

The economic justification for such an expenditure is based upon the known actual wealth and greater potential wealth of the Territory, and the fact that other means of transportation generally are not available. Alaska has in all only about 2,400 miles of motor road in the entire Territory, including Mount McKinley National Park and the national forest areas. As a result, most of the Territory is entirely without roads and the only practical way to get over it is through the air. There is probably 100 times the justification for establishing a system of airfields in Alaska that there is for establishing a system in the 48 States. In the States in recent years good highways have been extended in every direction so that one may cross the continent from north to south or east to west, or in any other direction, and find everywhere good roads. That is not the case in Alaska, in large parts of which roads are entirely nonexistent and other parts are at best but poorly served. The Alaska flyers have accomplished marvels with the poor fields and the poor facilities at hand. They have done things which would not be attempted by ordinary flyers in the United States and, as a result, in many places even under present conditions we have seen a real beginning made, particularly in the development of mining through the use of airplanes. The construction of the fields outlined would inevitably stimulate to a very great degree all of the economic life of Alaska. This can be done at once without awaiting the construction of roads which will necessarily be much more delayed. Practically all of the airfields can be built and the air facilities installed within a year.

A list of fields with other relevant data follows:

Airfields in Alaska and locations of proposed airfields

NOTE.—Recommended class of field shown for each location indicates the following approximate dimensions:

Terminal field: Two runways forming an "L", each runway 500 by 3,000 feet.

Intermediate field: One runway 500 by 3,000 feet.

Local field: One runway 300 by 2,500 feet.

Airfields in Alaska and locations of proposed airfields—Continued

Location of field	Class of field proposed	Dimensions of existing field, if any
Akiak	Local	
Akulurak	do	
American River		250 by 780 feet.
Anchorage	Terminal	400 by 2,000 and 400 by 3,260 feet.
Aniak	Local	
Baldwin	do	100 by 1,100 feet.
Barnharts	do	
Bear Creek	Local	150 by 800 feet.
Berners Bay	do	
Bethel	Terminal	
Bettles River	Local	250 by 600 feet.
Big Delta	do	
Birches	do	
Bluff	do	400 by 900 feet.
Boundary	do	
Bremner	do	170 by 800 feet.
Brooks (Livengood)	do	200 by 1,600 feet.
Cache Creek	do	100 by 900 feet.
Candle	do	200 by 1,200 feet.
Cantwell	do	200 by 1,000 feet.
Cape Denbigh	do	
Cape Prince of Wales	do	250 by 1,000 feet.
Cape Yakataga	do	
Chandalar	do	250 by 750 feet.
Chena Hot Springs	do	300 by 800 feet.
Chickaloon	do	
Chicken	do	200 by 1,400 feet.
Chisana	do	150 by 1,000 feet.
Chistochina	do	250 by 1,700 feet.
Chitina	do	
Circle City	do	Dimensions unknown.
Circle Hot Springs	do	400 by 1,700 feet.
Copper Center	do	350 by 1,400 feet.
Cordova	Terminal	220 by 2,000 feet.
Cripple Creek	Local	125 by 1,450 feet.
Curry	do	200 by 1,100 feet.
Dementi	do	
Deering	do	150 by 2,000 feet.
Dillingham (Kanakanak)	do	
Dishna	do	
Donnelly	do	300 by 1,200 feet.
Dry Bay	do	
Eagle	do	350 by 1,600 feet.
Egegik	do	
Fairbanks	Terminal	400 by 2,100 and 400 by 1,900 feet.
Farewell Mountain	Local	
Flat	Intermediate	400 by 1,300 and 150 by 1,950 feet.
Fortuna Ledge (Marshall)	Local	200 by 1,300 feet.
Fort Yukon	do	250 by 1,400 and 150 by 800 feet.
Gakona	do	300 by 1,500 feet.
Galen	do	
Ganes Creek	do	100 by 800 feet.
Georgetown	do	
Glacier Bay	do	
Gold Run	do	
Golovin	do	100 by 1,700 feet.
Goodnews Bay	do	400 by 3,000 feet.
Gulkana	do	
Haines	do	
Haycock	do	150 by 1,400 feet.
Healy	do	250 by 800 and 250 by 700 feet.
Holy Cross	do	
Homer	do	
Iliamna	do	
Jack Wade	do	
Juneau	Terminal	200 by 2,000 feet.
Kalgin Island	Local	
Kaltag	do	250 by 2,000 feet.
Kaltshak	do	
Kantishna River	do	
Kasilof	do	150 by 1,200 feet.
Katalla	do	
Kenai	do	200 by 1,200 feet (winter only).
Ketchikan	Terminal	
Kiana	Local	
Kiwalik	do	250 by 1,600 feet.
Kobuk	do	240 by 1,300 feet.
Koggiung	do	
Kokrines	do	
Kotzebue	do	180 by 1,200 and 195 by 720 feet.
Kougarok	do	
Koyuk	Intermediate	280 by 1,600 feet.
Koyukuk	Local	
Lake Minchumina	do	600 by 1,500 feet.
Lost River	do	250 by 1,250 feet.
Lower Tonsina	do	150 by 900 and 150 by 900 feet.
Lucky Shot	do	
May Creek	do	150 by 1,500 feet.
McCarthy	do	300 by 1,164 and 191 by 2,167 feet.
McGrath	Intermediate	330 by 1,350 feet.
McKinley Park	Local	100 by 700 feet.
Medfra	do	115 by 1,000 feet.
Moose Creek	Local	200 by 1,000 feet.
Moses Point	do	200 by 1,500 feet.
Mountain Climber	do	
Nabesna	do	200 by 900 feet.
Naknek	do	
Napamute	do	
Nelchina	do	
Nelson Island	do	
Nenana	Intermediate	Do.
Ninilchik	Local	240 by 1,335 feet (winter only).
Nome	Terminal	225 by 1,400 and 200 by 3,200 feet.
North Fork of Kuskokwim	Local	
Nulato	do	300 by 1,100 feet.
Noorvik	do	130 by 1,500 feet.
Ophir	do	200 by 800 feet.
Palmer	do	
Palmer Creek	do	Do.
Paxon	do	
Peters	do	
Petersburg	do	
Pilgrim Hot Springs	do	200 by 1,200 feet.
Poorman	do	100 by 1,500 feet.
Portage	do	

Airfields in Alaska and locations of proposed airfields—Continued

Location of field	Class of field proposed	Dimensions of existing field, if any
Rainy Pass	Local	
Reindeer	do	
Ruby	do	350 by 1,500 and 200 by 1,100 feet
Salcha	do	
Selawik River	do	
Seldovia	do	
Severson's	do	
Seward	Terminal	200 by 1,900 and 200 by 1,000 feet.
Shungnak	Local	
Skagway	Intermediate	300 by 1,960 feet.
Slana	Local	
Sleitmute	do	
Slate Creek	do	150 by 1,700 feet.
Squirrel River	do	150 by 1,200 feet.
Solomon	do	235 by 5,200 feet.
St. Michael	do	
Stetler	do	
Steel Creek	do	
Susitna	do	
Susitna Station	do	225 by 1,500 feet.
Takotna	do	300 by 1,300 feet.
Taku	do	
Talkeetna	do	
Tanacross	Intermediate	300 by 1,500 feet and 500-foot extension.
Tanana	do	300 by 1,400 feet.
Taylor	Local	
Teller	do	250 by 1,400 and 300 by 1,250 feet.
Tetlin	do	
Thompson Pass	do	100 by 1,000 feet.
Tin City	do	150 by 1,000 feet.
Tofty	do	
Tolovana	do	
Unalakleet	do	250 by 1,500 and 200 by 1,500 feet.
Ugashik	do	
Upper Tonsina	do	250 by 1,000 feet.
Valdez	Terminal	200 by 2,500 and 200 by 1,600 feet.
Valdez Creek	Local	125 by 900 feet.
Wasilla	do	200 by 1,000 feet.
White Mountain	do	
Willow Creek	do	240 by 1,200 feet.
Willow Creek Mines	do	130 by 1,500 feet.
Willow Station	do	150 by 1,100 feet.
Wiseman	do	400 by 1,400 feet.
Woodchopper	do	
Wrangell	do	
Yakutat	do	

ELKS LODGE OF SORROW

Mr. GEARHART. Mr. Speaker, pursuant to the unanimous consent of the membership of this honorable body, I am this day including in the CONGRESSIONAL RECORD an address which I delivered on Sunday, December 5, 1935, to the membership and friends of Hanford Lodge, No. 1259, of the Benevolent Protective Order of Elks, and at Modesto on December 7, 1935, to the members and friends of Modesto Lodge, No. 1282, of the Benevolent Protective Order of Elks:

Exalted Ruler, brothers, friends, this is the day set apart by the Benevolent and Protective Order of Elks to do formal and public honor to the memory of those of our brothers who have gone to "the undiscovered country, from whose bourn no traveler returns." It is a beautiful custom and one highly characteristic of the principles upon which this great brotherhood is founded. Once a year all over this broad land, in assemblages similar to this, gather the lodges of the order and the friends of its members, and by spoken word, ritualistic ceremony, music, and song, expression is given to the deep and abiding love which the Elks have for their dead; that love which is one of the evidences of immortality, since it lives beyond the tomb.

There is no family to which death has not come; that sorrow is common to humanity; and you, my friends, who have met here with this lodge of Elks to take part in this ceremonial function, will in this solemn hour sadly remember the graves upon which your tears have fallen.

But there is one consolation which is peculiarly ours in this year of blessed peace, the graves of our recent dead have their places in the sun; they each have their allotted space in hallowed ground; the wild flowers creeping along the bosom of the earth know where to find them. They are damp with the dews of night and wet with the rains from heaven, but no red flood of conflict deluges them; no shock of battle, no crash of arms, no thunder of war disturbs the sleep of those who lived and died and now rest in peace.

It is told of the poet Keats that, as he lay dying on a shore far distant from his native land, the last hours of his young life saddened by the savage attacks of those who had closed their eyes against the brilliance of his God-given genius, he composed his own epitaph, which consisted of the simple but pathetic words, "Here lies one whose name was writ in water." It was the last cry of a despairing soul, mourning amid the shadows of death, not for the cruel ending of the unequal warfare waged against him by poverty and disease, not that his night was falling while yet the sun was climbing the eastern sky, but that a cold and indifferent world had turned its back upon him; that he had been denied that sympathy and love which he craved so much.

And so it is with all who are worthy of the name of man; the strongest yearnings are for friendship and love.

There is no word in the English language sweeter than "friend." Not even love, for love withers when friendship dies. Friendship thinks no evil for in friendship there is no evil. Friendship thinks no wrong for friendship can do no wrong. Friendship is trusting, friendship is confiding, and friendship is faithful unto death. It is of such friendship that the Son of God spoke when He said, "No love hath a man greater than this—that a man lay down his life for a friend."

For the purpose of exemplifying this great principal of friendship numerous orders have been established throughout the globe. There is no rivalry amongst them, for each recognizes the great work in the cause of humanity that is being done by all of the others. The mind reverts to one of these great fraternities which has for its inspiration the story of the friendship which existed between the sweet singer of Israel and the son of Saul; and to another which has for its exemplars those two noble souls who dwelt in sea-girt Sicily so many centuries ago and whose sublime and trusting friendship softened the proud heart of the tyrant Dionysius; and yet to another, the oldest, the proudest of them all, whose origin lies beyond the horizon of history, whose early adherents worshiped their God in the temple of Solomon, and whose warriors of a later age wrested the holy sepulcher from the hands of the infidel and wet with their heart's blood the cross of Christ at the gates of Jerusalem.

A peculiar distinction of the Benevolent and Protective Order of Elks is that it is an American order founded by Americans. Born on American soil, grown to its proudest strength amid American influences, it typifies what we may term the spirit of American friendship, and its members are taught that in order to understand the lessons of friendship one's heart must be filled with charity.

The charity practiced and exemplified by the members of this young but mighty order is not that charity which is content with the giving of alms, but that which finds its greatest happiness in the doing of good; which walks in the ways of benevolence, and lightens the gloom of the unfortunate by an encouraging word and a pleasant smile; which scatters flowers along the pathway of life and does not sow thistles by the wayside; which visits the sick and comforts the afflicted; which closes the eyes of the dead and cares for the widow and orphan; that charity which thinkest no wrong, which finds no contamination in the touch of evil, but rejoices to grasp the hand of the fallen and to place the feet of the erring on the rock of virtue. That charity which is modest and kind, long suffering and patient; that charity which is as tender as a loved-one's hand on a fevered brow; as grateful as a cup of cold water to the parched lips of one lost in the desert.

Those beautiful virtues of friendship and charity, shining as they do upon all those who have eyes with which to see, whether they be fortunate or unfortunate, high or low, rich or poor, are the stars which lighten the pathway of this order as it pursues its steady course onward in the beneficent work which it is doing for mankind. It is the practice of these virtues that makes life worth the living; it is the observance of the lessons taught, in their practical exemplification, that through God's love teaches us how to die.

"Is life worth living? Yes;
So long as there is right to wrong,
Tyranny to find, or the wail
Of the weak against the strong;
As long as there is gloom to chase,
Or streaming tears to dry,
One kindred woe or sorrow,
That brightens as we draw nigh.
Long as a tale of anguish dwells
In the heart and lids grow wet,
And at the sound of Christmas bells
We pardon and forget;
So long as faith with freedom reigns
And loyal hope survives
And gracious charity remains
To leaven lowly lives;
While there is one untrodden track
For intellect or will,
And men are free to think and act,
Life is worth living still."

If all mankind would understand and could appreciate the good to come from the universal practice of the virtues of friendship and charity, how different the world would be. No longer would the war cloud lower; no longer would the sons of men be called to battle; no longer would widows mourn and orphans wail for those who had fallen beneath the red fires of death on the field of carnage in order that some mad monarch might win greater renown; in order that some covetous nation might extend its power.

Peace will come to the world in time. The great navies of the nations will be sunk beneath the blue waters of the ocean; armies will no longer be mobilized; and devastating cannon will no longer thunder. The fields of earth will, in that happy day, no longer be plowed by shell and harrowed by bullets and all mankind will enjoy the fruits of Nature's harvest while dwelling together in peace and unity.

But that day will never come until this principle of friendship mingled with charity shall be known and practiced throughout the globe, and that day cannot come until, in the fullness of time, it pleases Almighty God that it shall come.

When man has learned the lessons taught by the gentle Nazarene and is able, through the strength of experience and the guidance of his Maker, to obey, unquestioningly, the Commandments given to Moses on Sinai's awful mount, then the sun of peace will rise and shine forever in the firmament of God's heaven.

The members of this order are taught to believe in the divine goodness of Him who holdeth the earth in the hollow of His hand. But the Elks teach no dogmas and preach no creeds. It leaves to each of its members the worship of his God as his conscience may dictate. But no man can become an Elk who does not believe in the existence of a Supreme Being who rules the universe and whose wisdom is supernal and eternal.

The precepts of the order do not constitute a religion, but their every tenet breathes of immortality. As true friendships can never die, neither can the soul which exemplifies it perish. In this precept the Elk's faith is complete.

Man, proud man, boasts of his wisdom and exults in the vastness of his knowledge. He is the heir of all the ages, and the wisdom and experience of the past are to him an open book. He plows the seas and swims the air; he speaks and the distant nations hear his voice; he nods, and mountains tremble and fall into the seas; he measures the sun in his scales; he times the flight of comets, and, yet, with all his boasted knowledge and undoubted wisdom, he cannot tell what makes the tiny blade of grass to grow, nor what causes one rose to be white and another to be red. The mysteries of life and death must ever remain to him unknown. He cannot tell what puts the breath of life into the lips of a new-born babe; he cannot know what takes that breath away.

But faith, greater than knowledge, teaches, and its lessons we believe, that all this did not come by chance; that the Creator of the universe did not intend that the soul which He had placed upon this earth to love and to suffer, should perish upon this mundane sphere. So the Elk, with confidence unshaken, dreams dreams of happiness which shall have their fulfillment beyond the sealed door of the silent sepulcher.

Those whom we have loved have gone from us; we have followed them to the earthly shore of the dark river, but though we have strained our eyes, we have not seen their crossing.

Although we have listened with ears intent we have not heard the sound of the oars which have carried them over its deep and hidden bosom.

But this we know, although they have gone from us, they still live.

Somewhere for them the waters are flowing; not earthly waters, bitter with time, but the crystal waters of the river of life, on whose banks do stand the trees of paradise.

Somewhere for them arises the voice of song; not the melodies of this world, to which our mortal ears are attuned, but the glorious chanting of angels and archangels, pouring forth praise and thanksgiving before the throne of the living God.

Somewhere for them a sun is shining, a sun without a cloud, a sun which never sets, but shines on in glory and unutterable splendor—the never-ending sun of God's unending love.

ACCOMPLISHMENTS ON BEHALF OF THE NEGROES OF ST. LOUIS DURING THE SEVENTY-FOURTH CONGRESS

Mr. HENNINGS. Mr. Speaker, I wish to call to the attention of the House, at this time when we are preparing to adjourn the Seventy-fourth Congress, the value of the New Deal to more than 100,000 Negroes of St. Louis, Mo., residing within my congressional district. The district embraces the downtown, or metropolitan, part of St. Louis. It is entirely an urban population, and the Negro residential and business section comprising part of it is one of the most compact in America.

We know without my repetition here, that when the claws of the depression spread over our Nation, the tentacles were unsparing in whom they clutched. Industrialist as well as farmer, Negro, and white were caught in the depression, so thoroughly that by the winter of 1932 and 1933, our banks were in a crisis, our credit was exhausted or in jeopardy, our business was at low ebb. It was a zero hour. The Negroes of St. Louis, as well as of the Nation, were in distress. Money was scarce. Jobs were unavailable. Those who had security dared not part with it; those who didn't were near starvation. Privation and want, like a grim spectre, stalked the land.

The pages of history that our children and grandchildren will read, will glisten with the accomplishments of our President, Franklin Roosevelt, who overnight started the wheels of industry turning anew, who in a short period of time restored faith in our Nation, industry to our people, dollars to our pockets. It was a bold stroke—and it had to be bold to avert disaster.

How did the Negroes of St. Louis respond? For more than 60 years they had been following the promises of others, promises that were never fulfilled, and usually not checked in the boom days of our country's expansion. But when the Nation had grown up, and these hollow promises had to be fulfilled for care and sustenance, they looked to someone who might do more than promise. In 1932, and again in 1934, they turned to Roosevelt and to Democracy. In 1932 they did it as a hope. In 1934 it was approbation.

For these colored people, what has the present administration done? So voluminous would be the report of accomplishments of the entire administration on their behalf that I could not ask your time to listen, even though the figures would be enlightening and most encouraging. But I will give you the accomplishments which I personally have been able to achieve, working hand in hand with our President, with the departments, and Congress.

As I started the present term of Congress a fundamental tenet of my legislative program was and is to favor legislation designed to benefit the conditions of the great masses of American people and to oppose measures that would curtail the God-given rights of all.

The Hennings antilynching bill was one of the first measures which I introduced, and I appeared on behalf of this measure before the Judiciary Committee to urge its passage. When it became apparent that no individual antilynching bill would become law without the support of everyone interested in this humane legislation, I gladly forsook my personal desire with respect to my own bill. I assisted in circulating and was one of the first to sign the petition calling for a Democratic caucus on antilynching legislation. The caucus decided to throw its combined strength behind the Gavagan bill, almost identical to my own. I was among the first to sign a petition to discharge the bill from committee, to bring it on the floor of the House.

At the present time more than half of the House of Representatives has signed the petition, and the antilynching bill is scheduled to come up for a vote if adjournment can be postponed. It is almost certain to pass if it does reach a vote.

This is by far the most successful antilynching legislative effort in our history.

My legislative record also shows that I supported, among other measures, the farm-tenant bill, designed to aid the Negro sharecroppers of the Mississippi Valley.

It was also my good fortune to be a member of the special committee which sought and arranged for the continuation of the C. C. C. program in its present scope, taking our underprivileged American boys to healthy outdoor environment, to give each of them a man's job and an opportunity for vigor, strength, and manliness.

In connection with this it is well to mention the success which crowned my efforts to arrange a special C. C. C. camp for Negroes. Missouri was allotted three, but too many underprivileged colored boys were still left in the city streets of St. Louis. With the aid of Mr. Robert Fechner, C. C. C. director, and the approbation and cooperation of three Federal departments, I obtained a fourth Negro C. C. C. camp for Missouri to take care of a good many of these boys. I am also carrying on a vigilant, almost ceaseless campaign to see that competent Negro directors are the officials of these camps.

Since the first days of the depression, an undertaking of increasing importance to a Congressman has been that of trying to find employment for his constituents. Special Federal agencies were attempting to relieve distress in all of our States. While I had no power to designate individuals to employment in these agencies, I did demand that the Negroes of St. Louis be given every consideration. The Works Progress Administration cooperated to such an extent that in the spring of this year 13,766 St. Louis Negroes had been taken from the relief rolls and were given employment. I also sought the cooperation of the Missouri State Employment Service and other State-managed agencies for the jobless. The Census, National Youth Administration, Resettlement, and other new projects which were reducing unemployment were all prevailed upon by me, in my demands for adequate Negro representation.

With respect to appointments to our Military and Naval Academies, I made my vacancies available to every boy within the congressional district. Competitive tests were conducted, and I personally interviewed the candidates. As a result, 4 Negro boys from the district, among the 50 or more candidates, were designated as alternates to the academies. It is the first time in history that such recognition has been given to the colored youth of St. Louis.

Through my first year and a half in Congress I have consistently demanded adequate, proportionate Negro representation in all fields of Government and party activities, and it is gratifying to see that both my Government and the Democratic Party have responded, for the Nation and for my district. The cooperation extends even to the selection of delegates to the Democratic National Committee, where my demands for adequate Negro representation were acted upon favorably by the district committee.

In such instances as these, the new, true spirit of the Democratic Party and the New Deal show clearly that it has the welfare of the American Negro at heart. The New Deal is ever vigorous and watchful for the commonweal and the interest and welfare of all of our people without regard to race, creed, or color.

H. R. 12835. TO PROVIDE ADEQUATE LOW-COST HOUSING

Mr. SCOTT. Mr. Speaker, it has been estimated—in the absence of Federal statistics—by housing authorities that approximately 15,000,000 low-rental dwellings are needed to house American families adequately.

This need affects one-half of the Nation's population now forced to live in houses unfit for habitation—in slum areas, in overcrowded dwellings, in dilapidated and unsafe firetraps, in houses with no sanitary conveniences whatever.

This half of the Nation—with an income less than $1,000 per year per average family of four—cannot obtain adequate housing, as operated and controlled by private enterprise, at rents within their means.

An additional 25 percent of the Nation's population can afford only part of the rents charged by private enterprise.

Thus adequate housing is beyond the reach of three-fourths of the American families who are forced to pay high rents for housing unfit for habitation at the sacrifice of necessary food, clothing, and medical care.

Private enterprise has proved its inability to provide adequate housing for these families. The high cost of private building, including speculative land values and high-construction profits, interest and amortization rates, taxes and depreciation charges, does not permit rental charges that three-fourths of the American Nation can afford to pay.

The inability of 75 percent of the American Nation to obtain adequate housing constitutes a condition of social peril. Slums and bad housing are a social and economic liability. No one escapes the high cost of their maintenance. Studies in Cleveland, Boston, New York, Philadelphia, Chicago, Detroit, and many other cities have proven conclusively that slum areas add to the taxpayers' contribution to the cost of government. These increased costs result from juvenile delinquency and crime which breed in slum communities. The increased costs of hospitalization, fire and police protection of these areas are a charge on every citizen of the community. Modern society cannot long tolerate a condition which condones blighted lives and which actually permits a subsidy for the maintenance of these communities.

Millions of dollars out of Federal funds—by the payment of relief checks which go for rent—have gone into the pockets of landlords for the preservation of communities which are a blight and a charge on society as a whole. The Federal Government must initiate and assume the responsibility for a planned Nation-wide program of modern housing construction. These dwellings must be publicly financed, and low rentals must be guaranteed the income groups for which the houses are intended.

H. R. 12835 aims to correct the deplorable housing conditions under which great sections of the American people are living today. It was designed to meet the needs for adequate housing for the low-income groups.

In addition to the social advance of providing decent, healthful homes and communities for millions of American families, widespread and continuous employment would result from this program of construction.

The benefits of employment would not merely be confined to the actual construction but would be felt throughout the construction and related industries. The employment of labor and skill in the development of new industrial methods and materials would put into constructive use the potential productivity of our industrial system in terms of modern housing and communities for the entire Nation.

The introduction of H. R. 12835 was prompted by the failure of the housing division of P. W. A. and other New Deal agencies, which, after 3 years, has produced a negligible quantity of housing, and by the inadequacies of such proposed legislation as the Wagner-Ellenbogen housing bill. The Wagner-Ellenbogen bill, which was recently introduced into Congress by Senator WAGNER and Representative ELLENBOGEN, is inadequate because:

First. The total sum of $900,000,000, which is made available over a 4-year period for housing under the bill, is grossly insufficient in the face of the needs. In the process of being reported out of committee even this meager appropriation has been whittled down.

Second. Although low rents are referred to in general terms, no statement is made of a maximum rental. There is no assurance, therefore, that low rents will actually be realized. Indeed, the provision in this bill that outright grants by the Federal Government shall not be more than 45 percent of the cost of the housing makes inevitable a rental charge which will be too high for the vast majority of American families.

Third. Too much discretionary power is placed in the hands of the authority created under the bill. Such latitude may not only cause the bill to be deemed an unconstitutional delegation of legislative power, but it also carries the danger that the authority will construct very little housing, or possibly none at all, if it so chooses.

H. R. 12835 represents the only realistic and adequate solution of the housing problem of the low-income groups. The following are the basic concepts and provisions of this bill:

1. Private enterprise in establishing rental charges of necessity includes the items of (a) the repayment of the land and construction cost together with interest or profit thereon, (b) the cost of maintenance, and (c) taxes. Experience has demonstrated that the rental charge for new, adequate housing, which is based on all of these items, is beyond the means of the majority of American families. Three-quarters of the families in the United States have annual incomes of less than $1,500, and can safely pay for rent not more than about $5 per room per month. Because of this the Scott bill is founded on the concept that low-rental housing can be achieved only where there is an outright grant of the total land and construction cost and where the rental charge is based only upon the cost of maintenance and the payment of local taxes. Under present conditions such a charge would not exceed $5 per room per month in large cities like New York, Chicago, and Philadelphia, and would be less elsewhere.

2. The creation of a housing fund out of the United States Treasury. Outright grants to public housing agencies of 85 percent of the land and construction cost will be made out of this fund for the purpose of providing modern housing for families of low income at a rental charge not exceeding $5 per room per month.

3. The creation of a housing authority to disburse the housing fund. Federal grants will be made only to public housing agencies who agree to certain conditions under which the housing will be constructed and operated. These conditions are:

(a) That the public housing agency contribute the balance of 15 percent of the land and construction cost in the form of a local outright grant.

(b) That the rental charge shall not be more than $5 per room per month and less where possible.

(c) That no family shall be eligible for this housing whose income exceeds $1,000 plus $250 for each dependent in excess of two. This means that the maximum annual income for the average family of four would be $1,500.

(d) That priority of application shall determine the right of occupancy.

(e) That union wages be paid to all employees in any way connected with the construction and operation of the housing.

(f) That tenants shall have adequate tenure rights and that there shall be no discrimination by reason of religion, political opinion, etc.

(g) That construction standards of the research and planning division created under the act be followed.

4. The establishing of a schedule of annual construction under which the Housing Authority will be required to make outright grants to qualified local agencies for the construction of a total of 10,000,000 dwelling units within a period of 10 years.

In view of the action of the United States Supreme Court in declaring much New Deal legislation unconstitutional, it is important to examine H. R. 12835 in this respect. In the first place, the efforts of the Federal Government to condemn land and construct public housing projects has been deemed an unconstitutional invasion of State and municipal rights. Under this bill the United States Housing Authority does not construct, own, or operate the housing. This is done exclusively by the local public housing agencies. Secondly, the powers of the Housing Authority have been circumscribed as rigidly as possible for the purpose of assuring the realization of the objectives of the bill. Consequently, it cannot be said that unwarranted powers have been delegated to the Authority. The right of Congress to appropriate money out of the Treasury is unquestioned, so that the bill stands on solid constitutional grounds.

It must be noted that in attempting to make the bill constitutional no compromise has been made with the basic concepts of an adequate low-rental housing program. On the contrary, in every respect the constitutional provisions are also desirable instruments for achieving the objectives of the bill.

The Wagner bill, as amended, passed the Senate on Tuesday of this week. I do not know whether it will be called up in the House during this session or not. If it is, I shall propose H. R. 12835 as a substitute. I hope the Members will do me the courtesy to give some study to the bill and the substitute which I shall offer, and in this connection study these remarks.

Since the Senate has passed the bill and since it will undoubtedly be offered again next year, if not passed during this session, I hope Members will give the legislation considerable study before the opening of the Seventy-fifth Congress.

RECOGNITION OF THE AMERICAN NEGRO YOUTH

Mr. HENNINGS. Mr. Speaker, democracy, in the larger application of the term, carries with it, as an integral and essential component, equal opportunity for all citizens of a Republic "dedicated to the proposition that all men are created free and equal."

While the latter proposition may be subject to certain refinements of interpretation, I believe that opportunity for all citizens for self-improvement and betterment is not a rigid and inflexible state, but a goal which can only be attained by a relentless and continual assault upon the strongholds of privilege and predatory power.

I rise in the House today to call upon my colleagues to consider the problems of the youths of America, and in this instance, to the attainments of our Negro youths in being designated as candidates for commissions in the armed forces of the United States, by virtue of their having been designated as principals or alternates to the Military and Naval Academies.

Our distinguished colleague, ARTHUR W. MITCHELL, of Illinois, has seen the admission of James Lee Johnson, Jr., a Negro boy, to the Naval Academy at Annapolis, a boy whose achievements and record thus far presage a successful career in that great institution, and later in the service of our country. He is the first of his race to be admitted to the Academy since 1879.

I am proud to say, that from the numerous applicants of the Eleventh Missouri Congressional District, on their merits I have designated four Negro boys, James Allen, Raymond Holly, William White, and Jasper Williams, as alternates, two to Annapolis and two to West Point. These boys, through competitive examinations and through personal fitness, demonstrated their character and worth. They are not only a credit to the Negro race, but are the finest type of American youth.

As a Democratic Member of Congress, I am happy to have been able to, in substantial form, demonstrate my faith and confidence in these boys, and to have been able to have accorded them this favor and distinction, an honor in which every American boy would take justifiable pride.

Those of us who live among our Negro citizens, who esteem them as our friends and respect them for their magnificent progress and courage as a race, and for their contribution to our people, know that the Democratic Party and the New Deal have opened the door of opportunity to our Negro citizens as never before, as an abundance of fact and instances clearly demonstrate. We know that our Negro citizens in all walks of life are beholding new vistas of more complete, more abundant, and more constructive lives for their families, themselves, and their race.

Let our party, and we as individuals, ever be mindful of our sacred duty to consider the welfare of all the people as our paramount law, and thus continue to build a greater and more glorious America.

ELWOOD MEAD, B. S., M. S., C. E., D. E., LL. D.

Mr. TAYLOR of Colorado. Mr. Speaker, I want to pay a humble tribute to a very dear friend, Dr. Elwood Mead, the late Commissioner of the Bureau of Reclamation.

I knew him well for 50 years. From 1886 when he was professor of irrigation engineering at the Colorado Agricultural College and assistant State engineer of our State, and from the day of his appointment to the office of Commissioner on April 19, 1924, until the day before his death on January 26, 1936, I was in almost constant communication with him over reclamation matters throughout the West.

Many others have ably chronicled his eventful and great public services.

The milestones of progress in this public servant's long and useful career have been duly recorded and spread upon the minutes of learned scientific bodies. Editorials of a deserved laudatory nature have appeared in the press of the country. Memorial services have been held throughout the land. Expressions of regret at his passing have been voiced by the President and public officials everywhere.

Of his career as a benefactor to the Nation in the field of engineering, irrigated agriculture, and land settlement all are familiar, particularly those inhabitants of our great West, who knew of his genius through personal associations.

Recognized as an eminent authority in his particular sphere of activity, his fame was world-wide. His opinions and advice were sought by foreign governments. His researches in distant Palestine made him as well known in Europe as he was in Australia.

So it seems fitting now, several months after his passing from our midst, to peer behind the scenes somewhat and inquire into the cause of the sublime impetus with which this man, like so many other true Americans, was endowed, for no man was more nobly endowed with the spirit of patriotic service than was Elwood Mead. For over half a century he labored in the cause of the struggling farmer on arid lands.

ELWOOD MEAD A TRUE PIONEER

This inquiry, this delving as it were, into the inner spirit of the man leads us back perhaps to the beginnings of the Nation. It carries us back to the pioneer days, when our forbears left behind them decaying Europe, and with enterprise, high expectations, and a sublime faith in God landed upon these

shores. No weaklings, either men or women, had any part in that journey to this then unknown land.

The seeds of the pioneer spirit were planted in the minds of the early settlers. And in this great spirit is seen the root of that urge, that impetus with which our leaders are most happily possessed.

Above all else, Elwood Mead had inherited this true pioneer spirit, both in thought and in deed.

Naturally, our thoughts take us back to that early pioneer family in Indiana who passed on to its son a rich heritage of hope and a strong will to explore new fields of thought. Born on a farm a few years before the outbreak of the Civil War, the boy Elwood experienced the usual rugged hardships of frontier youth. He saw Indians; he saw soldiers; and he witnessed the trying days following reconstruction of the Nation. He saw the Conestoga wagons and prairie schooners from Pennsylvania, filled with settlers on their journey to the great West.

His early ambition was that of a soldier. Service to his country prompted him to take the examination for entrance to West Point, but through unfortunate circumstances, poor health, and parental objection, he was deterred from that hope. Nothing daunted this pioneer youth. He began preparing himself for possibly a greater service. While not so enticing a career as that of an Army officer, his was to be a service to agriculture, a lifework devoted to the thousands of men, women, and children whom he had seen treking across his native State to the wilderness of the West. Our country was then largely agricultural, and this far-seeing youth looked forward to the day when he might help solve the problems that would surely arise from this great migration to newer settlements.

LAYING THE FOUNDATION

With an intensive mind, and realizing that but few scientific principles had been applied to man's oldest occupation, he saw that vast agricultural problems would some day become of national and governmental importance. He began to lay the foundations of a broad technical knowledge that would enable him to solve them and be of service to his country and fellowman. Working as a rodman with a surveying crew he gained practical experience and at the same time earned sufficient to pay his tuition at Purdue University, where he graduated with the degree of bachelor of science. Later, at Iowa State College, he acquired his degree of civil engineer.

As an engineer his vision pictured the mighty rivers harnessed by power plants, furnishing light and power to homes and towns yet unbuilt.

As an agriculturist he saw great supplies of life-giving water stored up in artificial lakes behind these dams, to be used in irrigating the arid soils. He realized that the fast-growing and overcrowded communities of the East would soon need room for expansion. He knew that our virgin soil was fast becoming depleted. He saw the urgent necessity for a scientific scheme to bring arid lands under cultivation. Truly, the youth Elwood Mead was a pioneer in constructive thought as well as a pioneer in the mighty reclamation projects which he later consummated. He felt that the development of the vast area west of the Mississippi was to become the most remarkable in the history of the world. It has. He was an exemplar of "Westward, the course of empire makes its way."

A few earlier minds had grasped the significance of a study of agriculture. George Washington had expressed the hope that a clearing house for the dissemination of agricultural information be set up. But it was not until Benjamin Harrison's administration, in 1889, that the Department of Agriculture was established. Thus we see Elwood Mead a pioneer in the field of sound agricultural principles many years before the Federal Government became cognizant of this crying need in the internal affairs of the people.

Dr. Mead progressed not only as a builder of enduring works but, being rural-minded, as a conservator of man's inherent right to the bounty and beauties of Nature. The philosophy of his very soul filled him with the desire to improve the conditions of those who lived by the sweat of their brows. Throughout his life he strove for that end.

Edwin Markham's words describing "the man with the hoe" were perhaps ever with him:

> Bowed by the weight of centuries, he leans
> Upon his hoe and gazes upon the ground,
> The emptiness of ages in his face
> And on his back the burdens of the world.

He wanted no Old World conditions in this country.

THEORY PUT TO PRACTICE

His imaginative foresight, coupled with his ability as an engineer, was a most useful guide. While not neglecting the lessons his trained scientific mind had taught him, he was amply endowed with the most precious of faculties, the faculty of a wise, sympathetic, yet disciplined imagination, without which few men can be said to have fulfilled the purpose for which the Great Architect placed them upon this earth.

Referring to Dr. Mead's career in Federal Government, it was not idle chance that placed him there. The history of this Nation from earliest times has demonstrated that responsibility placed on our men and women in public life has brought with it always a just consideration of all classes. These thoughts Dr. Mead particularly carried with him during all his administrative positions. His comprehensive broad-mindedness toward social and economic conditions stood him in good stead during a long and honorable career.

Better, thought this man, to deserve office and not achieve it, than achieve office and not deserve it. He sought no public office, though he served many States as an engineer and planner. He held offices under both of our political administrations. His fundamental partisanship was devotion to the people's interests. His allegiance was to duty, which he considered the sublimest word in the English language. His consciousness of duty well performed gave him as much satisfaction as the honorary degrees bestowed upon him by colleges, and the acclaim accorded him by a discerning nation.

It is refreshing to note that the great executive branches of our Government have been singularly fortunate in attracting such men of science and technical ability as Dr. Mead, and it redounds to the credit of our Presidents that they have had that devoted national spirit to seek out such men of ability, irrespective of what, if any, political views such men may have had.

From his first endeavor in public affairs, as engineer for the Territory of Wyoming, Dr. Mead began to put into operation his advanced theories and scientific plans. He felt that the prosperity of this country would not long endure if its foundations were not laid in the material benefits which come from the soil and application of scientific methods to preserve these benefits. He proceeded to acquaint legislators with this fact, and the need of conservation, preservation of the public domain, irrigation and flood prevention. He was one of the first to bring to the attention of the country that these questions were not a political or partisan matter. His fame as a progressive young official and the reforms he instituted in Wyoming did much to bring that sparsely settled Territory into statehood. A new law initiated by him and incorporated in the constitution of the new State upset the old theory of water rights that had been passed down through the ages, from Rome to England and to this country. The principle of the older law, in effect, was that the owner of the land through which a stream passed had full control of all the water flowing through it. Serious hardships, contention, and innumerable legal battles had developed through this antiquated precept. Dr. Mead's new concept, that all the peoples were to share in Nature's beneficence, was universally endorsed and was soon incorporated in law by many other Western States.

From Wyoming, after 10 years of auspicious service, he was appointed Chief of Irrigation and Drainage Investigations in the Agricultural Department. His reports while serving in that capacity, his papers, addresses, and contributions to scientific and agricultural journals of the world,

gained for him new prestige. His fame spread to that other colonized country, Australia. He felt that duty called when he accepted a demand from that Government to come and straighten out its own inland water problems.

Our men of science, our engineers, our inventors, and even our statesmen are all essentially pioneers. With known facts behind them, and an analytical and logical mind to guide them into future fields, each pursues his own particular path. But it is a straight path toward the establishment of enduring good works, and no one pursued a straighter path than Elwood Mead.

EARLY PLANNING OF OUR NATIONAL RESOURCES

With foresight to see that our Nation's resources would be soon wasted unless systematic plans and strong efforts were brought to bear, Dr. Mead labored unceasingly to awaken the people to the danger. He aroused the Nation to proper utilization of these resources, and to prevent spoilation of them by selfish interests. Involving a great moral and humanitarian aspect and staunchly advocated by him and other public-spirited associates, the question of conservation and preservation of nature's gifts has been opposed by one pretext or another, until recent years. Until a few years ago the question was closely allied to political and economical discussion.

Such universal popular approval as has been given to conservation and reclamation projects is largely the natural result of the sublimity of this man's devotion to the cause for which he fought. An evidence of the hold these ideas have on the country is the establishment of the National Resources Board and the widespread desire to rename the Department of the Interior to that of the Department of Conservation and Public Works.

There is something for everyone in the life of Elwood Mead. We, of today, who are living can gain inspiration from this unselfish man's life. Our children of tomorrow, in whatever walk of life they may follow, will be materially benefited by the labors of this conservator and patriot.

At this point one might pause and ponder the mystericus ways of divine Providence that gave this pioneer to the American people. He was born near the village of Patriot.

Elwood Mead was a man steeped in a profound knowledge of his chosen line of endeavor. During more than 50 years of labor his researches took him into the study of land colonization, government aid to homesteaders, farms for soldiers, rural child labor, planned rural development, drought problems, reservoirs, irrigation structures, water-right controversies, various Australian studies, land settlement in California, economic development of waterways, plans for creating rural communities, conservation of the public domain, building dams, electrical development, soil erosion, control of silt, and all other allied investigations.

His literary efforts were many. His contributions to scientific journals and magazines covered the same wide scope as did his official investigations. They appeared frequently in the following: Outlook, International Quarterly, Independent, Agriculture Year Book, Engineering News-Record, New Republic, Annals of American Academy, Australian Bulletin, Reclamation Record, Metropolitan, Sunset, American Economic Review, World's Work, Review of Reviews, Ladies Home Journal, Country Gentleman, American Child, Agricultural Record, Scientific American, Southwest Builder and Contractor, Forum, Current History, the Reclamation Era, New York Times, and others.

MONUMENTS TO ELWOOD MEAD

When future generations of our great West, when the millions of dwellers in happy homes and firesides that are now coming into being around our 40 great reclamation projects, when the teeming thousands, tillers of the soil, blessed by nature's full bounty; when these peoples shall lift their eyes aloft, they shall see monuments to high spiritual endeavor, mighty monuments that were first conceived in the mind of this master builder, Elwood Mead.

And when these future agricultural peoples shall have cast their eyes toward that greatest of all his endeavors—the Boulder Canyon Dam—holding in check the gigantic flow of that mighty "Nile of America", the Colorado River, and its thousands of tributaries; when they shall view that great expanse of water, producing power and light for their farms, as well as for many great cities and industries, and supplying them with life-giving water; when they shall view this mightiest of all artificial lakes, this lake that has been so aptly designated "Lake Mead", who can say what thoughts will pass through their minds?

And who can say, as they silently bare their heads in reverence and gratitude before this, his monument, that they will not silently shed a tear?

It is thus we, and all succeeding beneficiaries of those pioneers in thought and deed, are handed the torch of spiritual enlightenment and patriotism. It is for us to keep the flame ever bright and to revere them in an humble spirit, and to preserve the example of their teachings and follow as best we can, their footsteps.

National recognition will be given Dr. Mead when, on June 25, on the occasion of the annual meeting of the American Society of Agricultural Engineers at Estes Park, Colo., he will be posthumously awarded the highest honor the society can give, by conferring the Cyrus Hall McCormick gold medal for "the greatest achievement and contribution to agriculture."

A few years ago, recognizing Dr. Mead's leadership in irrigated agriculture, the society made him a life honorary member. The conference of this high honor during his lifetime, combined with the posthumous award of the medal, makes Dr. Mead one of the outstanding members of the society and one they will always be proud to refer to as being one of them.

It is fitting we thus honor Elwood Mead. The annals of humanity and agriculture will bear large his name, as benefactor, humanitarian, and conservator.

THE SYMBOLISM OF THE FLAG

Mr. ROBERTSON. Mr. Speaker, under leave to extend my remarks, I include the following address I delivered at Harrisonburg, Va., June 14, 1936, to the Harrisonburg Club, B. P. O. E.

Mr. Chairman, ladies, and gentlemen, I esteem it a high privilege and honor to be permitted to participate with the Elks' Club of Harrisonburg in the dedication, to the high purposes of peace and good citizenship, of an American flag, the gift of local Veterans of Foreign Wars.

From time immemorial nations have employed standards, colors, and flags to indicate their individuality, but these national emblems, usually born of conflict, have in times past represented more the accomplishments of war than those of peace.

Our own flag, for instance, was born of the Revolutionary War. When Great Britain ceased to treat the Colonies as a mother should a child, the "three crosses of England" became repugnant to them. The British flag no longer represented their welfare. Some of the northern Colonies adopted the pine-tree flag, with the inscription "An appeal to God"; some in the South the serpent flag, representing a coiled rattlesnake, ready to strike, with the inscription "Don't tread on me."

Although we declared our independence in July 1776, our present flag was not adopted until June 14, 1777. On that date the American Congress resolved, "That the flag of the 13 United States be 13 stripes, alternate red and white; that the Union be 13 stars, white in a blue field, representing a new constellation."

Alfred B. Street, in a speech on the Battle of Saratoga, said: "The stars of the new flag represent a constellation of states rising in the West. The idea was taken from the constellation Lyra, which, in the hands of Orpheus, signified harmony. The blue of the field was taken from the edges of the Covenanter's banner in Scotland, significant also of the league and covenant of the United Colonies against oppression, incidentally involving the virtues of vigilance, perseverence, and justice. The stars were deposed in a circle, symbolizing the perpetuity of the Union, the ring, like the circling serpent of the Egyptians, signifying eternity. The 13 stripes, with the stars, showed the number of the Colonies and denoted the subordination of the States to the Union as well as equality among themselves. The whole was a blending of the various flags, previous to the Union flag, namely, the red flags of the Army and the white ones of the floating batteries. The red color, which in Roman days was the signal of defiance, denotes daring and the red blood that was spilled in the defense of freedom and liberty; the white, purity and peace; and the blue, loyalty. What eloquence do the stars breathe when their full significance is known? A new constellation, union, perpetuity; a covenant against oppression; justice, equality, subordination, courage, and purity."

Members of the Benevolent and Protective Order of Elks, this is the flag, born of conflict, that my comrades of the World War

have presented to you. Decked with only thirteen stars, representing the Thirteen Original Colonies, it had first waved over Washington's raw levies at Valley Forge. As the cluster grew it was flown by John Paul Jones and disputed on equal terms with the Cross of St. George, its ancient lordship of the seas.

Andrew Jackson, whose home in Tennessee I visited last Sunday, kept it flying over New Orleans, and Stonewall Jackson, under Scott, carried it to the heights of Montezuma in the Mexican War. And the boys who donated it to you carried it, now bearing its full complement of 48 stars, symbolizing great and free States stretching from ocean to ocean, for the first time upon a European battlefield, where it received as its baptism of fire a salute from the arsenals of hell. Time, the great alchemist, had blotted out the tragic reconstruction era and we could all join in saying:

"Here's to the blue of the wind-swept North;
When they meet on the fields of France
May the spirit of Grant be with them all
As the sons of the North advance.

"Here's to the gray of the sun-kissed South;
When they meet on the fields of France
May the spirit of Lee be with them all
As the sons of the South advance.

"Here's to the blue and the gray as one;
When they meet on the fields of France
May the spirit of God be with them all
As the sons of the flag advance."

You, sons of the noble order of Elks, in Harrisonburg, in Virginia, in a thousand cities and hamlets throughout the United States, are sons of the flag—a flag in your hands dedicated not to war, but to the high calling of peace on earth, good will to all men. Your order came into being in 1868—in the midst of the tragic era. Your order was born in a spirit of brotherly love, and through the teaching and practice of charity, justice, and fidelity you have given form and substance to the highest and noblest symbolism of the flag. In your hands it symbolizes a capitalistic system of society operating under a constitutional form of Government, "of the people, for the people, and by the people." It symbolizes churches, hospitals, schools, and the sanctity of the home. It means that the strong must protect the weak and in every sense be a good neighbor. For the past 4 years our Nation has been striving to evolve a higher code of business ethics, in the full meaning of the Elks' tenets, benevolent and protective. You realize that the whole of justice is not expressed in the law. "Such sentiments", said Woodrow Wilson, "sweep across our heartstrings like airs from the presence of God, where justice and mercy are reconciled and the judge and the brother are one."

And the veterans who donated to you this flag have marched under its banner in the trying period of a war against depression with the same courage and loyalty with which they carried it upon the fields of France. In every major economic upheaval, enemies of constitutional government seek to capitalize the spirit of unrest. They foment strikes and disorders in the industrial world; they hold out to the aged and infirm the hope of Government bounties that can never be realized; they subsidize the criminal activities of the underworld to make it appear that organized society is disintegrating; in subtle ways they suggest that our Constitution is an instrument of bondage, designed by a capitalistic class for the economic slavery of the masses.

To those of us who have served in the Congress during the trying time of the past 4 years, nothing has given us more satisfaction nor a greater feeling of security than the realization of the fact that the boys who served under the flag in foreign lands in times of war are still true and loyal to their flag and country in times of peace, and ready to combat all subversive doctrines that seek to undermine and destroy our Constitution, and with it the greatest degree of personal liberty that the people of any Nation have ever enjoyed. They subscribe to the sentiments of Daniel Webster who, on the one hundredth anniversary of the birth of George Washington, said:

"Other misfortunes may be borne, or their effects overcome. If disastrous wars should sweep our commerce from the ocean, another generation may renew it; if it exhaust our Treasury, future industry may replenish it; if it desolate and lay waste our fields, still, under a new cultivation, they will grow green again and ripen to future harvests. It were but a trifle even if the walls of yonder Capitol were to crumble, if its lofty pillars should fall, and its gorgeous decorations be all covered by the dust of the valley. All these may be rebuilt. But who shall reconstruct the fabric of demolished government, who shall rear again the well-proportioned columns of constitutional liberty, who shall frame together the skillful architecture which unites national sovereignty with State rights, individual security, and public prosperity? No; if these columns fall, they will be raised not again. Like the Coloseum and the Parthenon, they will be destined to a mournful, and a melancholy immortality. Bitterer tears, however, will flow over them than were ever shed over the monuments of Roman or Grecian art; for they will be the monuments of a more glorious edifice than Greece or Rome ever saw, the edifice of constitutional American liberty."

Therefore, on this one hundred and fifty-ninth anniversary of the birth of our national flag, the veterans who present it and the Elks who receive it can appropriately clasp hands in a common cause and a mutual understanding. For both the flag is the symbol of our liberty under the Constitution—the guardian of our homes. The one group swore allegiance to it when it entered military service; the other when it accepted membership in a great fraternal order.

As the silken folds of Old Glory unfold to the breeze as it rises to the top of yonder flagpole, I can say to you, in the words of Henry Ward Beecher: "Accept it, then, in all its fullness of meaning. It is not a painted rag. It is a whole national history. It is the Constitution. It is the Government. It is the free people that stand in the Government on the Constitution. Forget not what it means; and for the sake of its ideas, be true to your country's flag."

"May the spirit of God be with them all
As the sons of the flag advance."

THE ST. LAWRENCE SEAWAY

Mr. CULKIN. Mr. Speaker, the outstanding national power and navigation project of America is the St. Lawrence seaway. It is conservatively estimated that as a result of the development of the St. Lawrence River more than 2,500,000 horsepower of electrical energy will be generated, one-half of which will be available for use in the State of New York and New England. This vast horsepower so created will come into the north country, which includes all the counties of my congressional district, and will be available for manufacturing purposes. Uncalculable benefits from this great volume of energy will be passed on to every city, village, and hamlet in northern New York. Under the improved methods of transmission New England will likewise share in the benefits of this power development.

ADDITIONAL SEACOAST

Nor is that all. This seaway will open up 3,576 miles of new seacoast interconnecting with the Atlantic and Gulf coasts. It brings the Atlantic Ocean 1,000 miles inland. It will lessen the economic handicaps of adverse transportation costs to the vast area in the interior of the American Continent. This area embraces more than 22 States. Within these States are more than 40,000,000 people who gain their livelihood from agricultural production and manufacturing. It cannot be denied that the people of this inland section have had their progress retarded both from manufacturing and agricultural standpoints by handicaps in transportation.

LOW-COST TRANSPORTATION

The building of the Panama Canal left them marooned in the interior of the continent. It placed on them unfair handicaps in the matters of transportation. During the greater part of the last few years railroad rates for transportation per 100 miles on corn, wheat, and other staple products have gradually increased. The people in these inland areas of the United States are entitled to relief from the present exorbitant and destructive freight rates. The potential annual tonnage of this waterway is 30,174,625 tons.

I am of course vitally interested in this seaway by reason of the fact that my district participates in the benefits resulting therefrom. I am interested in it as well for the reason that it is a truly national project which will advance the cause of America. This seaway should have been completed long since. The delay in its construction has been due to the failure of the United States Senate to ratify the treaty providing for its construction in the international sector. I have had a part in the preliminaries leading up to the commencement of this seaway. I had a hand in obtaining the depth of 27 feet in the St. Lawrence River from Lake Ontario to Ogdensburg. I had a part in the ratification of the agreement whereby New York State pays $89,000,000 of the initial cost in consideration of the power. I have served for 8 years on the Rivers and Harbors Committee of the House and know the national picture. I know that America will never fully come into its own until this seaway is completed. Not long since, I helped organize a nonpartisan steering committee in the House for the purpose of promoting the ratification of the treaty. Some 50 Members of the House, representing the Great Lakes and the prairie States, are now members of this steering committee and are active in the promotion of the seaway. My colleagues did me the honor to elect me chairman of this group.

TREATY WILL BE RATIFIED

On may 28 our group was addressed by Senator KEY PITTMAN, chairman of the Foreign Relations Committee of

the Senate, which has the treaty in charge. He assured us that the way for ratification is clear and that the senatorial differences would be ironed out by some minor change in the treaty. We were likewise addressed by Senator ROBERT M. LA FOLLETTE, of Wisconsin, who made a stirring address in which he outlined the economic benefits of the seaway and its value to present and future generations. It is the purpose of our steering committee to promote the cause of this seaway by every honorable means. It is our purpose, however, to carry the war to those sections who, unmindful of our rights to this development, are being influenced by the selfishness of locality. We have back of this project the National Grange, American Farm Bureau Federation, Great Lakes-St. Lawrence Tidewater Association, Power Authority of the State of New York, Northern Federation of Chambers of Commerce, Minnesota Arrowhead Association, Champlain Valley Council, Ohio Lake Ports Association, West Michigan Legislative Commission, and Great Lakes Harbors Association.

This project has been approved by Presidents Harding, Coolidge, Hoover, and the present incumbent of the White House, President Franklin D. Roosevelt. It has been repeatedly approved by the United States Engineers, who, to my mind, are the greatest economists on water transportation in the world today.

ATTITUDE OF ADMINISTRATION

President Roosevelt in his message to the St. Lawrence seaway meeting at Detroit on March 11 this year stated:

I wish the conference at Detroit to be assured not only of continued unremitting effort to complete the seaway and power development but also of my strong conviction that recent events have helped to clear the way for action, upon the broadest lines of public benefit.

The use of electric energy is gaining so rapidly today that no sane person would dare to assert that after the 7 years required for construction of works, St. Lawrence power would provide a surplus above actual needs.

As a matter of fact careful studies have shown that there will be a serious shortage of electric energy in the Northeast before the project can be completed.

The Great Lakes-St. Lawrence Treaty of 1932 has not been ratified in either country. Something further than mere resubmission of a treaty is called for under these conditions.

We are seeking, therefore, a new approach to the problems involved in the many projects for improvements in the Great Lakes-St. Lawrence Basin.

Considering all the elements involved, I am more than ever convinced that means can be found to go forward with the development on terms that will serve public requirements.

The Great Lakes-St. Lawrence project is in keeping with the spirit of the times and with the policy of cooperation now firmly established on this continent.

For the United States and Canada to demonstrate the full value of such a policy on a frontier that spans a continent would contribute immeasurably to security and progress in the Western Hemisphere.

REPUBLICAN CANDIDATES FOR SEAWAY

No one questions President Roosevelt's complete loyalty to the cause of the seaway but it is encouraging to know that the Republican candidate for President, Governor Landon, of Kansas, and his running mate, Colonel Knox, of Illinois, are vigorously for it. I have been assured by an authoritative source that during the campaign Governor Landon and National Chairman Hamilton will espouse the cause of the seaway in no uncertain terms, so that in the event of the election of a Republican President we may likewise be assured that the project will be pushed to completion.

So the record may be clear, I include the statement made by Governor Landon in a petition to the United States Senate on March 12, 1934. Governor Landon said:

I demand the setting aside of special privilege and sectionalism in the consideration of this great national and international undertaking. In voicing that demand I speak for the homes, for the industries, for the agriculture, for the united common need of a great body of the American electorate, impelled by one great desire—that the doors of transportation opportunity shall be opened to the widest possible extent by bringing the sea base into the heart of the North American Continent.

These words are clear and unequivocal, and I know from my own contacts with the situation that they are spoken with sincerity. It is interesting to note the views of the Republican Vice-Presidential nominee on this question. In a telegram to the Senate February 12, 1934, Colonel Knox said:

The seaway is a continental betterment, designed to link the productive heart of the continent to the seven seas. By making the entire continent a more efficient, productive, and transport mechanism the seaway is bound to benefit practically every useful industry now contributing to the incomes or goods and services available to the American and Canadian peoples. All the world shared the benefits of Suez and Panama * * *. The St. Lawrence seaway, designed to link the West to blue waters, is of the order of world-helping works.

With every forward-looking influence in America back of the seaway proposition, the ratification should be accomplished early in the next session. Already we are assured support from States that were hostile before, and it is my honest judgment that if the treaty could be submitted this session there would be sufficient votes in the Senate for ratification. However, the States and localities that are interested in this seaway must keep the project before the people of the country through the medium of discussion and a continuing presentment of the seaway's merits as a navigation and power project.

NATIONAL BENEFITS

The building of this seaway with its resulting development of 1,125,000 horsepower of electrical energy will be available for distribution in New York State and in New England as well. It will bring relief from excessive and oppressive charges for domestic lighting on the farm and in the homes. Never in the history of the Republic has a project been offered that was so fruitful of benefits to the whole country. This waterway will require 7 years for completion, during which time the normal growth of traffic in the Nation will far more than compensate for any diversion from the American railroads or American port facilities. It is thoroughly national in scope. It rises above the whims and littleness of locality.

The resulting benefits of the St. Lawrence waterway with its power development will confer very material blessings upon the people of the West and Middle West. It will be a great aid to the future development of America. It will permanently confirm the title of the people of the Northeast to this great national resource. It would be the crime of the ages to stop this development. The construction of this seaway with its resulting power will mean great things for the farmer and manufacturer of the Middle West. The leadership of both parties is for it. Its consummation will be in the interests of a real nationalism. [Applause.]

LITTLE AMERICANS

Mr. McGRATH. Mr. Speaker, I was deeply impressed by the leading editorial published in the New York Times under date of June 14, 1936, entitled "Little Americans."

The editorial comments upon the platform adopted by the Republican convention at Cleveland. It is so rational and convincing that I believe the American people ought to have a further opportunity of reading it. Therefore I request that the editorial be printed in the CONGESSIONAL RECORD.

The editorial follows:

[From the New York Times, June 14, 1936]

LITTLE AMERICANS

"Little Englanders" used to be a term of reproach applied to those who had small concern for the British colonies and who did not realize the vast importance of British commercial and political interests across the channel and beyond the seas. Their narrow views and limited vision appear to have been transferred to those who wrote the Republican platform at Cleveland. Many feared or predicted in advance that it would be a "reactionary" document. In a humanitarian sense it was not. With the New Deal, it looked forward to social betterment. It also called for Federal regulation of utilities doing an interstate business, and for severe measures against private monopoly of every kind. But in an economic sense the platform was reactionary in the extreme. If carried out according to its promises, it would condemn the United States to a shrunk and stagnant existence, to a lessened instead of expanding production, and to a lower standard of living.

Such results would surely follow if the policies urged in the platform were to be followed. They are, in effect, policies of nonintercourse, whether commercial, financial, or political. The already high tariff is to be made higher. The American market is to be reserved exclusively for Americans. Every pound of beef or butter or cheese that comes from abroad into this country is to be thought

of as a wicked invader of our sacred preserve, and is hereafter to be excluded by every device of law and discrimination. The act under which Secretary Hull has negotiated reciprocal trade treaties is to be repealed forthwith, although for many years reciprocity in trade has been a good Republican doctrine enshrined and lauded in many platforms of the party. In theory, if not in practice, this would put the Nation in the attitude of saying coldly to every other: "Do not try to send any of your goods to this country, for we shall buy nothing of you that we can possibly produce ourselves."

To pile one absurdity upon another, the Republican platform pledges itself to collect the debts owed our Treasury by foreign nations. It blames the Democratic administration for having made no serious effort to do this. But what could a Republican administration do? It would have set up a system by which our debtors were forbidden to pay us anything, even on account, in the only way possible. There has recently been some faint evidence in France and England of the desire to open negotiations with the United States regarding the debt settlement. This was generally traced to the better feeling and to the prospect of more normal commercial relations, created by the intelligent and persistent efforts of Secretary Hull to start international trade flowing again, if only at first on a small scale. But now the Republicans would wipe all this out; at the same time that they would brand our debtors as shameless delinquents unless they did the impossible thing of paying up at once. This is high protection and inflated nationalism with a touch of midsummer madness upon them.

The Republican platform does not appreciate the distinction between being self-governed and self-contained. Of course, we make our own laws and allow no other nation to dictate a policy to us. But this does not mean that we can stand alone on the earth as if no others existed and as if we could maintain ourselves in comfort and happiness though completely isolated. We cannot forget what the industrial revolution has meant for the world. We cannot overlook the immense expansion of our capacities for production and for manufacturing, far beyond the consuming power of our own people. Unless we can enter into trading agreements with foreign nations and find an outlet for our varied surpluses in markets abroad we shall inevitably find ourselves shut into a cramped country, fit perhaps for the residence of little Americans, but wholly unlike the United States with a great and growing world trade which we were rapidly becoming a few years ago.

It is in keeping with this proposed policy of commercial and industrial aloofness that the Republican platform turns its back on international cooperation. Not content with banning the League of Nations, it declared against our adherence to the World Court, although this has been recommended by three Republican Presidents and once voted, with reservations, by a Republican Senate. The whole plan and picture of the platform builders is, in the matters referred to, not merely provincial but parochial. It is out of touch with realities. It ignores the past and shuts its eyes to the future. In a word, it is an example of the way in which great empires may be weakened and brought low by little minds.

ANNIVERSARY OF THE SINKING OF U. S. S. "PRESIDENT LINCOLN", MAY 31, 1918

Mr. DORSEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address which I delivered before the President Lincoln Club at New York on May 30, 1936:

I have the privilege of being able to address you as fellow members because 1 year ago you honored me with the distinction of being your first and only honorary member. In the truest sense of the word yours is a fraternal organization. The reason secret societies hold initiation ceremonies is that they seek to weld a stronger bond about their members through a common experience—riding the goat or some such thing. The psychology is plain—a mutual experience brings men together. But a lodge initiation is a synthetic common experience. You men who survived the sinking of the *President Lincoln* had the real thing. And no wonder you meet annually for your tie was a common experience on the broad Atlantic that was harrowing.

When the *President Lincoln* was torpedoed by the German submarine *U–90* on that fateful May 31, 1918—the experiences which were your common lot served to weld you together in a bond of friendship and comradeship that has no parallel in any organization coming out of the World War and identified with naval service. The discipline, behavior, spirit, and action of the men who went through that trying ordeal were not based solely upon individual initiative and recognition of responsibility—when your ship was sunk. Rather, it was the result of the careful preparation and foresight and planning of your commanding officer—Captain Foote.

Knowing Captain Foote as I do, I can well appreciate the meaning of the citation which was given him when he was awarded the Navy's Distinguished Service Medal. These words of commendation read: "The conduct and bearing of Commander Foote under the trying conditions of the disaster, and his handling of the situation were in accord with the best traditions of the naval service."

I can well appreciate the love and respect that you have for the man who commanded you while serving on the *President Lincoln*. It is similar to the opinion held by all with whom he served. His remarkable record in the Navy—which stands out as one of the most brilliant in that service—qualifies him for better than that which he has received at the hands of the Navy Department. He has suffered injuries on four different occasions—in line of duty—these culminating in the sinking of the *President Lincoln* have been the bar which has prevented him from advancing to the grade of rear admiral. The honor that was due him was recognized by the Congress of the United States during the present session and both House and Senate passed unanimously the bill I had the privilege of introducing for his promotion. But unfortunately, the Navy Department—under the guise of protecting its sacred precedents—made sure it would not become a law by recommending a Presidential veto.

He is with you here tonight both as honored guest and comrade. Yours is a reunion that will further cement the ties of friendship and likewise pay trbute to your comrades who have passed to the great beyond. So it is particularly fitting that this gathering should take place on Memorial Day. One of the most beautiful lines from Lincoln's Gettysburg Address is the one which says "That from these honored dead we shall take increased devotion." There are lessons in life and there can be greater teachings in death. Men die in bed and leave honored memories but when men who are not mercenary soldiers die on the battlefield for a democracy such as ours it is usually because of some cherished principle. The honoring of your comrades today may well bring to mind the ideals that were theirs and which should be ours. If democracy is as dear to us as it was to them let us face the fact that there was never a time in our history when it was more threatened. Since the war we have witnessed the type of autocracy which aims at world conquest and which pursues underground methods of attaining its ends. It violates every governmental precept we hold dear for it advocates bullets rather than ballots to win its way. It urges revolution instead of evolution to bring about change. It has succeeded only too well. Eternal vigilance will be the price we must pay for our continued liberties.

The kind of government they would foist upon us is at the opposite pole from our type of democracy—for which men have died. Yet we must realize that we are living in an ever-changing world. While our concept of democracy and its principles must be maintained—to perpetuate it we must be prepared to meet changing economic conditions—by evolutionary and not revolutionary methods. Legislative enactments and the interpretation of our basic law must be made in the light of such changed conditions if our democracy is to survive.

America is a peace-loving nation and at no time was war in greater disfavor than now. That is a good sign if we bring reason and balance to the idea. We have learned past lessons in a forceful way. There are crosses—row on row—which bear mute testimony to the price we paid in human sacrifice. We had our generosity returned in debt repudiation. We have been dubbed "Uncle Shylock" by nations that should be everlastingly thankful to us. So let us put it plainly that the only kind of a war in which we will ever engage is one of defense—where we repel the invader from our shores. We want none of the conditions that lead to war. We demand that our munition makers work at an ordinary profit and that industry be conscripted the same as manpower. If the old destructive fire is rekindled in Europe—we will tell our nationals that they embark on the ships of belligerents at their own risk. We want no part of a Europe at war.

If we could speak to the valiant dead today—we would give an account of our stewardship and a report on world conditions. We would say: "This world was not made safe for democracy—and the war which took your life was not a war to end war. We are working toward a plan of taking the profits out of war so that bankers and munition manufacturers cannot adroitly draw us into conflict. We are through with expeditionary forces and will never again wage any but a defensive war. We will not resort to the old practice of training our boys at the last minute as we did with you. Our problem has changed since you were walking decks or doing squads right with us.

No; the world was not made safe for democracy, Buddy. In fact, our democracy must be jealously guarded, for there are forces afield which would destroy it. These are distressed times—such as you never knew. But America is pulling out from the depths and our form of democracy is proving flexible enough to stand the strain. The old story is repeating itself in Europe, but we are wiser than we were in 1917.

We honor you today—and on all days—and you did not pass this way in vain. Your example is worth a lot. You may have thought you were dying to make the world safe for democracy, but we know we are fighting to preserve it right now. Yet there are those among us today, Buddy, who are still thinking in terms of yesteryear. They speak in platitudes of constitutional guaranties and individual liberty—high-sounding phrases. They would face the problem of 1936 with the solution of 1900. By their blindness to the obvious and apparent things—by their unalterable opposition to progressive change—they are breeding radicalism among a people who are seeking economic freedom. But at this minute, they are a minority among us and even they will be compelled to see the light. For the torch which you have thrown to us shall brighten the path to security and happiness.

In a short while—as time is counted—you will be joined by the old outfit and we'll have a full company formation with regular bugle calls. Then another generation will be paying the floral tributes and firing the volleys over the graves—as was so proudly done by us today. And meanwhile the democratic ideals of America—so jealously guarded, so nobly upheld by you when you gave your life—will live on under the protection of those who follow us.

NEW DEAL POLICIES HAVE DESTROYED EXPORT MARKETS FOR COTTON

Mr. HOPE. Mr. Speaker, Mr. Chester C. Davis, former Administrator of the Agricultural Adjustment Act, in a speech at Memphis, Tenn., on June 17 emphasized the importance of foreign markets for American agriculture. With that idea most Americans will agree. Mr. Davis is particularly interested in foreign outlets for cotton, but seems to be quite critical of some of the methods which have been suggested for securing these outlets. In view of the fact that our loss of foreign markets for cotton is due almost entirely to the policies which have been followed by the administration of which Mr. Davis has been an important part, it would seem that he is in a poor position to criticize the proposals of others.

Mr. Davis' speech is more important from the standpoint of what he left out than from what he said. As might be expected, he said nothing critical of administration policies and conspicuously failed to point out the extent to which these policies have resulted in the loss of cotton markets abroad. He failed to tell the farmers of the South that growers in other lands increased their production of cotton by amounts greater than our restrictions. He omitted mention of the shifts of spinners abroad to foreign growths and the drastic decline of cotton exports from this country during the operations of the compulsory restriction program.

It is well worth while to examine the situation in some detail. America produced 13,001,000 bales of cotton the year preceding the introduction of the disastrous compulsory program (1932–33). The year just closing, the last of the restricted years (1935–36), produced 10,635,000 bales. This reduction of 2,366,000 bales was accomplished, in large part, by the forced reduction of some 14,500,000 acres planted to cotton. While this country was accomplishing this feat, what was happening to cotton growing abroad? Cotton production in other countries increased from 10,937,000 to 15,365,000 bales during the past 4 years. During this period production in the United States dropped from 54 to 41 percent of the world's total. World supplies were reduced during the same 4 years by only 1,268,000 bales.

In 1932–33 exports of American cotton amounted to 8,419,000 bales. Last year (1934–35) it had dropped to 4,799,000 bales. It seems clear that the most effective phase of the cotton-control program was to encourage cotton growing in foreign countries, and to turn over our cotton markets abroad to competitors in other lands.

Mr. Davis also failed to say anything concerning another New Deal policy which has prevented normal cotton exports. I refer to the matter of making cotton loans direct to growers on a basis higher than world prices. This not only resulted in the accumulation of some 4,500,000 bales of cotton by the Government, but, because it established a price level above world prices, foreign buyers were driven to other countries for their supplies. For the same reason our exports of cotton goods were curtailed. In addition, at current prices, the Government has about $45,000,000 more in this cotton than it can get out of it and is faced with the problem of disposing of its stocks without injuriously affecting the normal market.

There may be some question as to the best method for regaining our foreign markets for agriculture. Surely, however, in view of the record, there can be no doubt as to what brought about the present deplorable situation and no amount of discussion or explanation can place the blame elsewhere than directly on the doorstep of the New Deal.

WORK RELIEF AND PUBLIC WORKS ACTIVITIES IN WESTERN NEW YORK

Mr. BEITER. Mr. Speaker, I believe the governmental activities carried on to alleviate undue suffering and morale-breaking inactivity during the depression is one of the major accomplishments of this administration. This work has assumed stupendous proportions. It has accomplished its purpose of easing the burden of many people who have been unemployed through no fault of their own, people who have been caught in the whirlpool of a major economic catastrophe. It has eliminated the enlargement of un-American parties and demonstrations which certainly would have resulted in strife, bloodshed, and chaotic civil disturbances. I believe that a review of the governmental activities in my district, treating specifically those activities undertaken by the Government to cope with these conditions will be of interest to many in Buffalo and Erie County, N. Y.

In my remarks before the House of Representatives on Monday, June 8, 1936, I pointed out that governmental activities resulted in a 50-percent improvement in business in western New York. This discussed in detail harbor improvements at Buffalo and along the Niagara River from Buffalo to Niagara Falls; the stimulating effect of governmental contracts in the Buffalo aircraft industries; the extension work of the United States Department of Agriculture; Federal aid for vocational education; Reconstruction Finance Corporation aid to banks, trust, loan, and mortgage companies; Civilian Conservation Corps activities, and many other governmental departments and agencies directly affecting industry, individuals, and local governments in the Forty-first District of New York. A detailed discussion of relief agencies, however, was left for treatment in a later remark. Mr. Speaker, the following is a discussion of that important subject.

UNEMPLOYMENT SITUATION

In 1933 personal and industrial relief on a national scale was practically an unexplored field. The country was economically ill to say the least. A stimulant to industry had to be found and direct and indirect work relief granted. A survey of the economic forces of the country immediately made clear that direct construction work and the stimulation of construction industry was an ideal means for proper relief distribution.

The average annual expenditure for construction during the years 1926 to 1933 was $8,894,875,000.

In 1928, $12,000,000,000 was expended for construction. This reduced to approximately $11,000,000,000 in 1929 and then collapsed to a little over $3,000,000,000 in 1933. This abnormal fluctuation, with its accompanying disturbances in other industries, was a major factor contributing to unemployment. Further, since the ramifications of the construction industry are so numerous and important and because of the direct and indirect employment furnished, contract construction and work relief was determined upon as the proper means of employment stimulation. The business and social activities of our country are mutually interdependent, and all had to be stimulated in proper proportion to create a balanced economic life and recovery. In addition to the direct employment furnished to those on relief rolls a further employment and stimulation to industry would be offered through the materials used in construction. These have a widespread occurrence in nature and must go through many stages of processing and transportation, before they can actually be used in construction works.

Furthermore, in 1925 to 1933, according to figures published, approximately 122,000,000 people were normally supported by 47,000,000 gainful workers, 13,000,000 of whom were directly employed in the construction field and related producer-goods industries. Since unemployment decreases consumption and increases dependency, when 7,000,000 lost employment through the collapse of the construction industry, it has been conservatively estimated that it caused a further unemployment of another 4,000,000 people.

N. I. R. A. ACT, 1933, PASSED

As a result of these and other studies the National Industrial Recovery Act was passed in June 1933, which made possible increased contract construction work and work relief. This was to become of primary importance to the Nation and to the people of the Forty-first Congressional District. It was the first major step to relieve the chaotic condition

which existed. In my district there were thousands of unemployed persons floundering frantically and hopelessly for employment and for some respectable means of keeping their families together. Upon being elected as Representative of the Forty-first District I immediately resolved to carefully study the causes of unemployment, the effects of relief legislation, to see that the unemployed benefited by this legislation, and to do all in my power to see that as many permanent works as possible resulted from the governmental expenditures. A complete story of the far-flung achievements throughout the United States would fill countless volumes; even the accomplishments in western New York would fill many books. Consequently it is important to but briefly summarize the activities.

The following table lists the work projects of the Civil Works Administration and Emergency Relief Bureau from November 20, 1933, to October 30, 1935. This shows the amount expended for direct labor, materials, and equipment for the construction of desirable public works of a beneficial nature. It lists the expenditures by municipalities in Erie County, N. Y., and clearly indicates how each town has benefited from the program.

Projects from Nov. 20, 1933, to Sept. 30, 1935

Town	C. W. A.	E. R. B.	Materials	Equipment	Total expended	Local contribution
Lancaster [1]	$60,808.04	$93,192.79	$3,433.67	$4,838.32	$162,272.82	$5,495.27
Newstead [1]	42,242.42	89,201.08	6,695.92		138,139.42	3,791.38
Clarence [1]	23,229.87	5,188.57	1.36	50.00	28,469.80	
Cheektowaga [1]	146,960.20	181,564.17	7,954.89	1,415.05	337,894.31	1,322.83
Amherst [1]	70,693.00	139,666.73	3,216.04	11,223.92	224,799.69	13,892.56
Alden [1]	26,419.88	13,393.10		608.49	40,421.47	
Elma [1]	8,734.02	27,777.14	4,294.82	3,741.99	44,547.97	1,455.96
Marilla [1]	5,836.16	30,589.47	441.08	4,401.06	41,267.77	601.58
West Seneca	198,617.14	144,499.36	158.97	13,504.30	356,779.77	44,449.95
Concord	13,664.51	32,287.22	6,209.97	1,725.96	53,887.66	27,219.68
Eden	1,944.23	8,127.55			10,071.78	
Evans	8,374.43	99,096.90	8,137.32	8,393.91	124,002.56	7,291.11
North Collins	11,122.77	22,917.17		7,132.72	41,172.66	852.85
Orchard Park	12,049.54	13,327.68	31.19	305.10	25,713.51	814.53
Sardinia	5,816.22	15,070.94	115.50	1,449.70	22,452.36	
Wales	2,793.44	4,503.60			7,297.04	42.00
Aurora	47,649.77	59,057.97	7,554.19	4,412.43	118,674.36	14,757.80
Brant	18,197.03	22,922.94	1,169.05	51.91	42,340.93	3,796.44
Colden	18,421.51	35,601.29	6,122.45	5,026.27	65,171.52	1,051.18
Collins	1,724.06	15,881.30	2,821.98	975.38	21,402.72	5,667.56
Grand Island	1,487.61	2,589.00	1,720.00		5,796.61	256.54
Hamburg	55,633.84	103,948.93	1,346.22	307.44	161,236.43	23,717.20
Holland	20,507.89	15,177.17	468.43	580.22	36,733.71	9,233.89
Buffalo (total)	4,582,345.04	13,456,150.42	1,933,832.73	599,023.71	20,571,351.90	
Buffalo [1] (Forty-first District)	2,194,788.46	9,789,776.94	1,247,824.69	320,726.15	11,358,327.78	
Grand total (omitting amounts for Buffalo, Forty-first District, which is included in Buffalo total)	5,385,272.62	14,631,732.49	1,995,725.78	669,167.88	22,681,898.77	

[1] Towns located within Forty-first Congressional District.

NOTE.—C. W. A. projects are financed 100 percent by the Federal Government; E. R. B. projects, including materials and equipment, are financed 75 percent by the State and 25 percent by the county. County and State projects, such as parks, etc., are not included in above town figures.

At the same time that the C. W. A. and E. R. B. were in operation the Federal Emergency Administration of Public Works had been created and was aiding local governments to finance and construct the heavier type of public works. These projects included highway construction, schools, sewerage systems, water works, distribution systems, wells, sewage treatment plants, office buildings, irrigation works, and other similar worth-while projects. The following table lists P. W. A. allotments to municipalities within Erie County:

Federal Emergency Administration of Public Works allotments made from National Industrial Recovery Act—grants equal 30 percent of total cost

Location	Type of project	Allotment approved	Type of allotment	Total cost
Erie County [1]	Highway	$1,259,800	Loan and grant	$1,259,800
Buffalo	High school, Kensington	334,500	Grant	1,115,000
Do. [1]	Storm sewer	1,148,370	Loan and grant	1,148,370
Do. [1]	School no. 37	782,000	do	782,000
Holland	Water works	79,000	do	79,000
Hamburg	Wells	56,000	do	56,000
Tonawanda	Storm sewer	77,000	do	77,000
Hamburg	Disposal plant	57,000	do	57,000
Eden	Water works	73,000	do	73,000
Lackawanna	School addition	110,400	do	110,400
Buffalo [1]	Police station	404,000	do	404,000
Total		4,381,070		5,161,570

[1] Projects located in or partially in the Forty-first Congressional District.

Total cost of projects under N. I. R. A. equals $5,161,570.

Total cost of projects under N. I. R. A. in or partially in Forty-first Congressional District equals $3,594,170.

Total cost of project allotments equals $4,381,070.

The Emergency Relief Act of 1935 appropriated further funds for work relief and public works. Of this amount P. W. A. received $389,381,748 for further grants to maintain its stimulating effect on industry and direct and indirect employment. The following table lists the projects in Erie County carried on under this extended P. W. A. program:

Federal Emergency Administration of Public Works allotments made from Emergency Relief Act—grants equal 45 percent of total cost

Location	Type of project	Allotment approved	Type of allotment	Total cost
Gowanda	Municipal building	$26,100	Grant	$58,000
North Collins	School	83,300	do	185,000
Amherst [1]	do	263,536	Loan and grant	263,536
Tonawanda	do	181,818	do	181,818
Buffalo [1]	Sewers	15,000,000	do	15,000,000
Erie County [1]	Office building	175,000	do	175,000
Sloan [1]	Flood abatement	92,727	do	92,727
Ebenezer	School	19,485	Grant	43,300
Angola	School addition	81,000	do	180,000
Hamburg	do	32,400	do	72,000
Clarence [1]	do	31,366	do	69,635
Tonawanda	Municipal building	112,198	do	249,328
Amherst [1]	Eggertsville School	36,000	do	80,000
Angola	Water mains	21,019	do	46,710
Brant	School	18,000	do	40,000
Hamburg	do	68,400	do	152,000
Alden [1]	School addition	52,650	do	117,000
Grand Island	School	90,000	Loan and grant	90,000
Buffalo	Housing	4,500,000	Grant	4,500,000
	Total	20,884,999		21,496,077

[1] Projects located in or partially in the Forty-first Congressional District.

Total cost of projects under E. R. A. equals $21,496,077.

Total cost of projects under E. R. A. in or partially in Forty-first Congressional District equals $15,797,921.

Total cost of project allotments equals $20,884,999.

GRADE-CROSSING PROJECTS

In addition to the above heavy-type projects, approximately $1,675,000 was received for the construction of grade crossings

in Erie County from the E. R. A. of 1935. These are listed in the following table:

Railroad	Location	Amount
Lehigh Valley R. R.[1]	Route No. 1, 3.6 miles north of Buffalo.	$235,000
Erie	Route No. 523, 3 miles north of North Collins.	100,000
Do.[1]	Cemetery Rd., 1 mile east of Lancaster.	100,000
New York, Chicago & St. Louis	Cemetery Rd., ½ mile south of Angola.	120,000
Pennsylvania	do	120,000
City of Buffalo	Tifft St. and other grade crossings to be selected by the city.	1,000,000
Total		1,675,000

[1] Projects located in or partially in the Forty-first Congressional District.

WORKS PROGRESS ADMINISTRATION

At the termination of the E. R. B., the work relief load was assumed by the Federal Works Progress Administration which operated by funds appropriated from the 1935 Emergency Relief Administration. This organization has been, in addition to caring for practically all of the white-collar projects, constructing the lighter type of public works, such as the lighter sewer, water, paving sidewalk, grading, and park development projects.

The following table lists the Federal Works Progress Administration grants by towns and cities in Erie County and the sponsors' contribution for those projects.

Summary of approved Works Progress Administration projects, Erie County, N. Y., July 1935 to June 1936

	Federal funds	Sponsor's contribution
Akron [1]	$16,854.85	$7,069.98
Alden [1]	326,629.21	58,698.28
Amherst [1]	210,412.51	69,280.21
Aurora	113,240.09	44,445.20
Blasdell	24,557.00	18,004.90
Boston	31,760.00	7,422.40
Brant	27,156.00	1,970.30
Cheektowaga [1]	401,656.63	112,229.11
Clarence [1]	22,799.50	4,653.66
Colden	13,753.50	1,675.00
Collins	35,918.50	7,919.70
Concord	72,933.97	43,368.24
Depew [1]	43,356.50	11,981.45
Eden	13,222.50	1,189.00
Elma [1]	38,574.50	9,356.90
Evans	115,711.00	30,353.41
Gowanda	5,975.00	2,797.40
Grand Island	77,477.02	15,689.25
Hamburg	137,683.25	48,610.95
Holland	57,129.49	29,210.67
Kenmore	50,703.50	14,757.56
Lackawanna	478,294.41	176,721.41
Lancaster [1]	96,502.00	21,498.62
Marilla [1]	33,395.50	13,732.71
Newstead [1]	22,264.50	5,335.75
Orchard Park	169,647.49	86,086.98
Sardinia	66,736.50	15,793.73
Sloan [1]	4,372.00	716.90
Springbrook	3,818.00	513.50
Springville	27,667.50	8,218.55
Tonawanda—(town)	206,323.42	39,398.48
Tonawanda—(city)	9,822.50	3,030.91
Wales	13,735.50	1,328.00
West Seneca	134,256.93	34,548.03
Williamsville [1]	139,971.69	33,700.39
Buffalo (Forty-first District, partially within)[1]	18,142,100.00	2,764,697.38
State and Federal	557,870.34	102,514.51
Total	21,844,282.80	3,848,519.42

[1] Projects constructed within Forty-first District and general city of Buffalo projects definitely affecting Forty-first District.

The above table has been further broken down to show the amount of Federal funds and sponsor's contribution in connection with projects in the Forty-first Congressional District.

Summary of approved Works Progress Administration projects within the Forty-first Congressional District, July 1935 to June 1936

	Federal funds	Sponsor's contribution
Akron	$16,854.85	$7,069.98
Alden	326,629.21	58,698.28
Amherst	210,412.51	69,280.21
Cheektowaga	401,656.62	112,229.11

Summary of approved Works Progress Administration projects within the Forty-first Congressional District, July 1935 to June 1936—Continued

	Federal funds	Sponsor's contribution
Clarence	$22,799.50	$4,653.66
Depew	43,356.50	11,981.45
Elma	38,574.50	9,356.90
Lancaster	96,502.00	21,498.62
Marilla	33,395.50	13,732.71
Newstead	22,264.50	5,335.75
Sloan	4,372.00	716.90
Buffalo [1]	12,158,047.52	1,871,367.10
Williamsville	139,971.69	33,700.39
Total	13,514,836.91	2,219,621.06

[1] Projects constructed within Forty-first District and general city of Buffalo projects definitely affecting Forty-first District.

A recapitulation of the above Civil Works Administration, Public Works Administration, Emergency Relief Bureau, and Works Progress Administration projects in Erie County, N. Y., show that the tremendous sum of $75,126,555 was spent in various phases of work relief.

Recapitulation of various work-relief agencies in Erie County, N. Y.

C. W. A	$5,385,272
E. R. B	17,296,626
P. W. A	26,657,647
W. P. A	25,692,802
N. Y. A	94,208
Total	75,126,555

After making the necessary deductions for material and equipment, this expenditure represents approximately 800,000 man-months of employment at an average income of $75.

Practically all of the wages were spent or reinvested in the consumer-goods field, producing and distributing goods consumed by those on work relief. It was then reinvested by the recipients of the first cash turn-over in buying, transporting, and manufacturing articles which were originally purchased, and thus the cycle continued until the ultimate amount of business transactions equalled approximately two and one-third times the original transaction, or approximately $175,000,000 of total business value. Of course, the ultimate amount was not entirely expended within the confines of Erie County since many raw materials came from other parts of the country. However, many products from within Erie County were likewise purchased through relief expenditures from other parts of the country, and in turn benefited indirectly from those expenditures. In addition to the business transactions, the indirect labor may be similarly estimated in the consumer-goods field, in manufacturing the finished article, and in preparing, shipping, growing, and mining the raw materials.

The National Youth Administration, an organization established within the Works Progress Administration, was initiated primarily for youths in relief families. It endeavors to find employment in private industry for jobless youths between the ages of 16 and 25, to provide employment for such youths at work-relief projects suited to their abilities, to provide vocational guidance for youths without specific skill, and to provide part-time employment to needy college students. This organization has been efficiently operating in Erie County and has approved $94,207.78 of projects. In this connection the sponsors of the National Youth Administration projects have contributed $11,826.25.

I pointed out on June 8 in my remarks before the House of Representatives that there was a 50-percent improvement in business in western New York. There can be no question but that the work-relief expenditures within Erie County and the Forty-first Congressional District had a great deal to do in stimulating this recovery. I am sure that anyone will readily agree, upon carefully considering the ramifications of work-relief expenditures, considering the tremendous effect of the indirect expenditures through the consumer-goods industries, of the salaries and wages received from work relief. In addition to the relief of thousands of workers and their families, in addition to the stimulating effect given

to the producer-goods industries in furnishing the building materials necessary, in addition to the increase in consumer-goods business transactions and indirect employment in the consumer-goods industries, many worth-while public improvements have been constructed to add health and wealth, not only to the community in which the project was built but to the entire Nation.

It must be remembered that when the colossal undertaking of providing relief to millions of people, and industry employing many millions more was begun, there was no existing agency to handle the problem or had any comprehensive plans for public works been formulated. No studies had been made during the previous periods when they had economic stress. Consequently it became necessary to speedily formulate agencies and to select and distribute projects through the country so they would produce the most from this effect. It was a tremendous undertaking, and those in charge of administering these agencies should be congratulated on the results of their efforts. The above outline of the work performed in Erie County demonstrates the splendid accomplishment in relieving social needs in a dignified way and in aiding industry to show a 50-percent increase in business. The result is worth while—the work has been productive.

WATERWAY DEVELOPMENT IN SOUTHWESTERN WASHINGTON AND THE FEDERAL HARBORS AND FLOOD-CONTROL PROGRAM

Mr. SMITH of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD I insert an address delivered by me before the Fourteenth Annual Convention of the Northwest Rivers and Harbors Congress at Raymond, Wash., October 5, 1935, as transcribed by the official reporters of the convention.

The address is as follows:

Mr. President and gentlemen, this is indeed a very happy occasion for me, and one regret is that I was not here this morning. I tried to get here as soon as I could; I had a number of very pressing engagements this morning, receiving a call from a delegation of citizens from an adjoining county, and I wanted to go with you out on that trip that you took out in the woods, but I just got in on the end of it to meet you and greet you as you returned back into Raymond. I have very pleasant recollections of our meeting in Seattle last year, and you may recall that in my remarks at that time I predicted that we would pass in Congress an omnibus rivers and harbors bill in this last session of Congress. I am very happy to be able to report, as you are fully aware, that such a measure was passed, and it is the first omnibus rivers and harbors bill passed by Congress in 5 years, and personally I think the best rivers and harbors bill ever passed, because it contains more items and includes more projects for the State of Washington and southwest Washington—and I believe this also applies to Oregon—than any other rivers and harbors bill ever passed by Congress, so I think it is a pretty good bill, and I think you will agree with me. There are nine projects in that bill for southwest Washington, consisting of improvements in existing projects, modifications of projects, and some entirely new projects, and in addition to that contains four items for surveys and preliminary examinations for brand new projects which are contemplated. The subject which I intended to speak upon was waterway development, and I am very sorry I was not here this morning when our Chief of Army Engineers, Gen. E. M. Markham, was here, as I would like to have welcomed him to our district and our part of the country. It has been my privilege to become quite well acquainted with him and cooperate with him in the National Capital in the last 3 years, during which time I have served on the Rivers and Harbors Committee.

We have always been fortunate in having in his position engineers and Army officers of the highest caliber, and General Markham is certainly a worthy successor to the able men who have preceded him in that high position, and it has fallen to his lot to be in that position during a period when there is more rivers and harbor work being prosecuted and more funds allocated, and naturally has a greater responsibility to discharge than during any previous period of our history. I think, unless I am mistaken, that including the funds which will be allocated under the W. P. A. that the aggregate amount for rivers and harbor work which will be disbursed, including what has already been disbursed in the past 2 years, will amount to considerably in excess of over half a billion dollars, closer probably to $600,000,000, when all these projects are carried out in the next fiscal year, and this is by far the greatest amount that has ever been expended in the same period of time.

The jurisdiction of the War Department as a result of legislation by Congress over rivers and harbors in our country goes back over 100 years to the year 1824, when the first legislation was passed by Congress. The United States Army Engineers as an organization were organized by the Continental Congress in 1776, and they were permanently established by act of Congress in 1789, so it is one of the very oldest branches of our Government, and of all of the projects which have been carried out under the supervision of the United States Army Engineers there has never been a breath of scandal in connection with a single project.

The Panama Canal was built under the supervision of the United States Army Engineers. They built the Washington Monument, the Lincoln Memorial, the Memorial Bridge across the Potomac River, and the great hydroelectric projects that we now have in our country call for the greatest engineers of all the ages, so that we men who are interested in river and harbor development feel a very keen and very personal interest in that branch of our Government, and while there has never been any real danger of any encroachment upon the jurisdiction of the United States Army Engineers, it has been whispered, and sometimes it has become even more than that in recent years, that surreptitious attempts have undoubtedly been made to divest the United States Army Engineers of some of their jurisdiction over the improvement of waterways in this country, and transfer that to private engineers. I want to say to you the Rivers and Harbors House Committee and to a lesser degree the Senate Commerce Committee have resisted to the utmost every attempt of that character that has been made, and if we had our way entirely, as we hope to have in the future, we would not have these funds allocated by any other agency of the Federal Government, as is now being done by the W. P. A., and previously by the P. W. A., because in the past, as you know, the expenditures have been authorized by Congress, based upon reports and recommendations of the United States Army Engineers, and then Congress has appropriated the money. This is the procedure we have followed during all the years of the past, and which has proved so efficient and so economical and so desirable from every standpoint, and I hope that conditions in our country will continue to improve as they are improving daily, with business conditions getting better and the improvement in agriculture and in industry, that it will be possible to revert back to the procedure and the method which we have pursued all these years, so that the matter will be left entirely in the hands of the United States Army Engineers and the Congress, where the Constitution of the United States placed it originally, because in article 8 of the Constitution, section 3, Congress is given jurisdiction over the waterways of our country, to regulate interstate commerce, commerce between the States as well as commerce between the nations, foreign commerce, and it is my feeling in the matter as it is that of a majority of the Members of Congress, and I believe the American people, that authority should not be delegated to any other agency or creature of law we have in this country, because the record which has been made by the United States Army Engineers and Congress, dealing with river and harbor projects over the century, abundantly prove the wisdom of the method pursued all these years.

I believe that an organization such as the Northwest Rivers and Harbors—and we are taking it up in the National Rivers and Harbors Congress—should make it our duty to enlighten the people, and particularly our good friends in the rural regions, in the agricultural districts, bearing in mind one-third of the population of our country are found upon farms or dependent directly or indirectly upon those who live upon the farms of this country, the importance of river and harbor improvements, because there is apparent here and there, cropping out not infrequently, a lack of understanding and appreciation on the part of that large element of the population of the economic necessity and the advantages which accrue to the entire community from river and harbor development. I think you gentlemen have discerned this, for it is undoubtedly a condition which exists throughout the country, and we should conduct a campaign of education so that our friends will understand that low-cost water transportation, which results from river and harbor development, is a benefit to the entire community; it is a benefit not only to the manufacturer, not only to the businessman, but it is a benefit to the farmer; that he is one of the principal beneficiaries, and also that every article that is used in our homes, everything that enters into the daily life of the American citizen, is affected and the cost of it is affected by low-cost water transportation, and there is hardly anything that we use every day for which we would not be required to pay a higher price if it were not for the lower cost of water transportation which has resulted from the development of our rivers and harbors and the commerce that is borne by the waterways of the United States. I think we can go a step further and point out to the community that as a general proposition, with very few exceptions, river and harbor development is not inimical and is not in conflict at all with railroad transportation; and we could cite cases by the hundreds of community after community in every section of the United States where railroad shipments have increased as a result of the development of ports in this country, which have acted really in the final analysis as a feeder for the railroad and development of business, new business, new commerce, and new trade, some of which has been carried over the water but which has resulted in such development and extension of business that the railroads have benefited.

I think that the immediate future of waterway development in the country is very bright. I think that the President of the United States today is one of the best friends of waterway development that we ever have had in the White House. It has been my privilege to go to the White House a number of times and discuss these matters with him, as a member of the House Rivers and Harbors Committee, and on one occasion individually in regard to projects in my own congressional district and discussed with him the Grays Harbor jetty, the biggest jetty project in the course of construction in the United States west of the Mississippi River, a

project which will cost $4,565,000, and which General Markham has gone down to inspect this afternoon. President Roosevelt, you might say, is waterway-minded; he is friendly to our projects. We have had a real fight down in Washington, D. C., for the last 2 or 3 years, and we never in the world would have gotten this large allocation of funds for river and harbor work had it not been for the fight we put up, because we had to overcome a great deal of prejudice with certain people occupying high positions with the Federal Government, who contended that river and harbor work does not employ a sufficient percentage of labor, that the percentage is less in the case of river and harbor work than in the case of other types of public construction and public work, and therefore they have opposed liberal allocation of funds to river and harbor projects. In the President's Cabinet, Mme. Frances Perkins, Secretary of Labor, in the beginning was very bitterly opposed to all river and harbor work as a part of the public-works program, and contended that there was very little labor employed, and we had to talk to her and a lot of other officials in Washington to correct the false impressions they had. I wish I had with me a memoranda we had prepared in the United States Army Engineers Office, which establishes conclusively that directly and indirectly, there is a higher percentage of the money expended that goes to labor in the case of river and harbor work than even in the case of road construction or any other public work.

We had statistics, surveys, and analyses of costs made, and we were able to conclusively prove our point. That is now past history but I just want to mention it so that you will realize that in river and harbor development, to paraphrase what Wendell Phillips said: "Eternal vigilance is not only the price of liberty but is the price of river and harbor work", that is, you have to be vigilant because there are some people in our country who do not understand the situation and subject as well as we do and there are others who for one reason or another are prejudiced.

In our own particular part of the country we are getting more recognition now than we have received in the past. Of course the eyes of the country are fixed upon this section on account of the two mammoth projects being carried out by the Federal Government, the Grand Coulee project and the Bonneville project in our own State of Washington, and as a result we are receiving more recognition and more consideration. The location of these two projects out here led last year to the establishment of a new engineering division office in this part of the country. We had nine division engineers in the United States for many years, now we have 10, as a new office was created at Portland and Col. T. M. Robbins was transferred from San Francisco and placed at Portland, so we have a division engineer right here in our own midst, which certainly is to our advantage and interest. We have 42 district engineers in the United States, we have only one Chief of the United States Army Engineers. This is the wonderful organization I referred to in my opening remarks, and I think we ought to—as an organization—be alert so that their jurisdiction is never encroached upon. We have as fine a body of civil engineers in this country as there is anywhere in the world, in private practice, but as a lawyer I am frank to admit that the present organization, the one which we have had all these years is as nigh ideal as it could be, because it is in essence a judicial tribunal.

The treatment these projects receive from their very inception until the completion of the projects is quasi judicial all the way through. The community initiates the project; it is talked up in the community; some important industry or the citizens themselves see the possibilities, the advantages, that would accrue; they agitate the project; then their Representative in Congress is called upon and introduces a resolution. It requires a resolution of a Member of Congress to initiate any river or harbor project and its adoption by the Committee on Rivers and Harbors. Then it is referred to the district engineer; he holds his hearings; the public is invited; all those who want to be heard are heard. It is in the nature of a judicial hearing. The district engineer, after considering the testimony at that hearing, makes recommendations and sends it to the division engineer who reviews it; it goes back to Washington to the United States Army Engineers, and there you have seven men from various parts of the United States, who have no local interest whatever; they are not affected by any local interest; they are far removed geographically and in every way from the project under consideration; and they consider it back there just like the United States Supreme Court considers an appeal to that high tribunal. They are absolutely divorced from politics; they are nonpolitical and nonpartisan; and these men are the honor students of West Point, the very pick, the very cream of all the Army officers of the United States, and after having graduated as honor students from that institution they take postgraduate work at the College of Engineers, a course in the application of the knowledge which they have received in West Point, and they are the best trained and qualified men to deal with these problems that could possibly be selected, and they could not be selected by any other method; and that is why we are receiving and have received in the past the wonderful results which we have from our river and harbor projects.

Flood control is becoming a matter of greater importance than it has been in the past on account of the floods we have been having all over the United States and for many years the policy of the Government in regard to flood-control work has been restricted to the Mississippi River and the Sacramento River in California. It is only in the last few years we have had these disastrous floods in every part of the United States that we had to call on the Federal Government, because the cities and counties and municipalities on account of the economic emergency existing in our country did not have the funds and the taxpayers have not been able to pay taxes; we have had delinquent taxes in every district in the United States, and the people had to go to the United States Government as the only agency powerful enough and ready and rich enough and could raise the revenue to give to the local communities. Some communities have fared better than others perhaps, due to the fact they have prepared their projects and then kept down, under the present program, the man-year labor cost. It was the intention of the President and Congress to take this last $4,000,000,000 and if it could be done, give employment to three and one-half million men on the relief rolls and terminate relief in this country and provide gainful employment to take its place at a reduced wage. That was done; that is why the man-year labor cost had to be kept low on these projects; these flood-control projects I am talking about now, because the labor cost is much higher on river and harbor projects, and we placed the limitation at $1,140 on some projects and some less than that in order to make the money reach as far as possible, so we could transfer if possible all of those on relief to employment. That is why some of these flood projects have been rejected, labor estimates were too high. Also in some instances they asked the Government to go in and dike private property. I have talked to the Army Engineers in Washington and they stated that if they had to dike to protect all the private property in the United States it would cost $20,000,000,000. It simply cannot be done everywhere in the United States. It is being done in some places but in nearly every community the local communities are required to make a contribution.

On the way home from Washington, after adjournment, I stopped in Chattanooga, Tenn. They have a flood-control project there, and that is in Speaker Byrns' own State, so certainly they should not be treated much worse than the rest of the country, and the local communities there are contributing 55 percent and the Federal Government 45 percent. I was in Texas, not far from Vice President Garner's old home, Uvalde, and in Texas they have a project along the Brazos River, a flood-control project, and the local communities there are paying one-half the cost. When I mentioned to a number of Congressmen from States where they have been having floods longer than we have, the fact that our engineers in our part of the country—I am speaking now particularly of the districts along the Columbia River, the communities along the Columbia, that Colonel Robbins' office and the office of Major Fox, in Portland, the district and division engineers, had rendered favorable recommendations in regard to flood-control projects along the Columbia and Cowlitz Rivers, diking projects in Oregon and Washington, and asked the communities to pay one-half the cost, I had some of those Congressmen say to me, "Smith, how do you folks do that out there, we have only been able to get the Government to pay 25 percent of the cost of our projects." With the aid we get coming from the State arising out of the State program, it would mean if we took advantage of the generosity of the Federal Government and accepted the 50-percent grant from the Federal Government, we might get 25 percent from the State set-up and the taxpayers only pay 25 percent out of their own pocket, and that is the least they pay in any part of the United States. We have had more work and are having today more work of that type carried on in this part of the country than we ever had before. In the past we were sort of an orphan out in this part of the United States.

The greatest activity has been in the last 3 or 4 years, and therefore I think we have reason to not exactly be jubilant, but at least we can rejoice on account of the progress that has been made; and, speaking for the administration and as one of the administration at Washington, let us remember that this money is being expended right here in the United States; some people talk as though this money appropriated and spent in this country has been spent in China or somewhere in South America or Australia; why, the money has been spent in the United States, and it must be here some place, some of the citizens of the United States must have it, it is all in the pockets of the American people, and it is all in the banking institutions of this country, every dollar that has been spent, and for every dollar spent for relief, according to the Government records, $10 have been spent to benefit business and industry and agriculture and the laborers and farmers and the businessmen of our country. The obligations of the National Government are being disposed of at the lowest rate of interest in history, which is evidence of how the security is held in the estimation of investors who buy the securities, because the better the security the lower usually the rate of interest is, and the more speculative, the higher the rate of interest required by the investor, and every Government obligation is selling today at a premium; United States bonds selling all the way from 101 to 117, so that the credit of this Government has never been better than it is today. Let us remember that, those of us who are in favor of the Government spending money and improving harbors, waterways, and flood control, and developing these projects and putting armies of men to work. We are spending it with our own people and in our own country and how vastly different is it from the experience we had a few years ago when over $17,000,000,000 of money of the American people was taken out of this country and invested in worthless foreign bonds which sank down to nothing, not worth the paper they were engraved upon. South American bonds went down to one-tenth of what the people paid for them, and it is conservatively estimated that $17,000,000,000 was filched from the American

people through the bond-selling campaign, and those securities were dumped into every community in the United States by the big banks of New York City.

What were those bonds for? Some of them were for waterways in South America, building highways and public improvements in foreign countries, and did not give employment to a single laboring man in the United States or any of the money spent with storekeepers or professional men, and did not benefit any of our people at all, only a few big bond brokerage houses and banks, particularly in New York City, and the rest of the money was taken out of this country. With the policy we are pursuing, spending the money at home, we are benefiting our own people—and I ask you as hard-headed businessmen to bear that in mind, because the average man in the street is looking to you for information and I think we should be very careful to give him the right kind of information. This country is not headed for bankruptcy, and there is no need to shed a lot of crocodile tears over the money that has been spent to prevent it from going bankrupt, because the money is right here in our own country. You cannot go into a community without seeing where they have been benefited by public works, and river and harbor projects. Over a million dollars is being spent in the Third Congressional right now—in Vancouver, at the Willipa Narrows, and the Grays Harbor jetty. That is going on in every district in the United States, building schools, making grants to school districts, building roads everywhere in the country, building dock terminals, building playgrounds. We are making improvements which are of permanent value to the people, and let us not forget this fact, that all of the money that has been loaned out by the Reconstrucion Finance Corporation in the last 3 years, over 50 percent has already been paid back to the Government—which is some evidence of the recovery in business and of the wise and sane policy of the Government in making the loans.

So, gentlemen, I take a very hopeful view of the situation in general, and in regard to river and harbor projects in particular, and in regard to all other projects in the country. I think we have every reason to be optimistic, particularly we who live out in this part of the country. Let me tell you something I heard in Washington in regard to this part of the country. I heard one of the greatest pulp and paper experts declare, who has spent a lifetime in that business, that we have a sufficient supply of pulpwood and raw material in this part of the United States, in Washington and Oregon, to supply all the pulp and paper mills in the United States for the next 50 years, and he said inevitably they would move their plants out here from the East in order to save manufacturing and transportation costs. Why, we haven't even scratched the surface in this part of the country. Coming home I traveled through 22 States, through the East, the South, the Middle West, and out through the far West, and the most salubrious, the most healthful and invigorating climate in the United States is right here in the Northwest. I read a stanza the other day that appealed to me very much, and I will close by repeating it to you. I think it expresses a very fine thought and is based upon fact:

"I do not hold with the pessimist that all things are ill,
Nor with the optimist that all things are well.
All things are not ill, and all things are not well;
But all things shall be well as surely as God and the Republic live."

I thank you.

IOWA AGRICULTURE AND IOWA AGRICULTURAL FAIRS

Mr. GILCHRIST. Mr. Speaker, under leave to extend my own remarks, I submit the following address by me at the Iowa State Agricultural Convention in Des Moines, Iowa, on December 11, 1935, being introduced by President John P. Mullen in the following words:

The next topic on the program is by a man whom most of you have known for a good many years, and with whom I have been acquainted for 50 years. As you know, he was in the Legislature of the State of Iowa—both the house and the senate; he is a great friend of the State fair and of the county and district fairs of Iowa. This gentleman and Mr. Edson, of Storm Lake, were coauthors of the law which permitted us to store our corn for the purpose of borrowing money from the Government. He is also the author of the law known as the Gilchrist amendment to the constitution of the State of Iowa, which prohibited any county having more than one senator. He was instrumental in having passed legislation that is very beneficial to the dairymen of the State. He is now in Congress, and, so far as I know, his record in the National Congress is a continuation of the good work that he performed for the State of Iowa when he was in the legislature.

It is a great pleasure to me to introduce to you FRED C. GILCHRIST, Congressman from the Eighth Congressional District of Iowa.

Mr. GILCHRIST. Mr. President, delegates, and friends, I am grateful for the opportunity to address this meeting of delegates at the Iowa agricultural convention. I am glad to be here under the auspices of the Iowa State Fair Board and of you men and women who have made these expositions the foremost in the land. I appreciate the management of the State fair and of the county and district fairs which has made this success possible. I have no great or extensive knowledge of how the other States manage their fairs, but I do know a little about it, and I am convinced that the set-up by which our Iowa State, county, and district fairs are managed is the best that there is in the land, and that is why you have this excellent control of our great Iowa exposition. Such management is neither sectional nor political, nor selfish, and it is eminently successful.

Fairs and expositions, as McKinley said at Buffalo shortly before he was assassinated, are the timekeepers of progress. I wish you would again read that great oration, for you would derive renewed inspiration and help from it. It is a most excellent thing that we should dress up once in a while and get away from our own local environment and predelictions and put on our best clothes and go out on parade and see what is doing in the world among our neighbors and our frends outside. When we get on our full regalia we become conscious of ourselves, we have confidence in ourselves, we gain renewed vigor and power and become properly proud in self esteem and in knowing that we have the best men and the finest looking and most helpful women on the continent. So then we dress up our agricultural production and our livestock as well as our people and send them to the State fair each year to participate in a new celebration that marks another milestone in the course of agricultural progress.

Recently I travelled over the highways down in Virginia where there is a milestone for every mile and where markers are placed designating points of interest that you pass by on your journey. They tell you of historical events that took place in times gone by. So we should annually take account of ourselves and place markers along the highways of our agricultural progress.

In Iowa as the first thing in geological succession we should place a marker to teach us that our State was prepared by God Almighty ages and ages ago so that she now has the best soil for the production of bountiful crops on the face of the globe. There is less waste land here and a greater percentage of fertile fields and a greater proportion of tillable lands here than anywhere else in the wide wide world. Iowa was prepared geologically. She was given the greatest gift that can come from the hand of a bountiful creator. But there is no gift and there is no grant which does not carry with it a corresponding duty and a corresponding responsibility. What are you agricultural people going to do about it? Will you longer permit erosion and wasteful mining of the soil? Are you going to husband this soil? Will you make a covenant with the Lord from whom you got your inheritance that you will preserve it for your children and your children's children so that future generations may have the same blessings and benefactions that have been given to you? It is an invaluable inheritance. Many peoples and many civilizations after rising to power and prosperity have gone down in dismal and abject failure because they allowed the soil to be wasted and impoverished. There is this day no more important duty than that of preserving for future time the productiveness of our land. Abject poverty and squalor and want have come to every civilization which has failed in its responsibility to preserve the fruitfulness of the land which God had given to it. Iowa realizes her high position among the States and she must now take such steps as will guarantee the proper handling of her resources, including the soil and the forests and the water areas.

After preparing it, then in the fullness of time God disclosed and discovered it to mankind. Civilization passed another milestone when that intrepid voyager spread his sails to west-bound winds and after mutiny and soul-racking hardships landed on new shores, and the hopes of the world turned to the American Continent where only could mankind solve the problems of social justice and preserve in enduring political institutions and in religious and social life the rights of men.

Then after centuries another marker was passed when farmers turned their eyes to the western plains and a procession of hardy pioneers came treking from the East into this great fruitful domain and filled it with an industrious and God-fearing population. And wherever the covered wagon came to a rest there sprang up the sod shanty and the church and the schoolhouse and the political organization that preserves us from the bandit and despoiler, from the greed of princes and despots and gives to every man that which his industry and his foresight earns unto him.

With what purpose did these forefathers of ours come here? They were of steadfast faith, diligent in industry, and believing in justice, and fearing only God. What is justice? Why, justice is simply a thing which the righteous pray for and the wicked fear. These forefathers did not come here with the expectation that they would be on the receiving end of a philanthropy which would preserve them in idleness from economic want; they did not expect to be carried to the skies on flowery beds of ease; they wanted only a chance to work and to earn and to live in and on the great plains of a fertile valley. They wanted a place to work rather than a dole. Such is the philosophy that these men and women have handed down as a heritage to you and to me, and that philosophy should be carved in enduring and perpetual bronze as we progress along our historical and economic highways.

In that early day it was an old agriculture, it was a different agriculture. The pioneer had a self-sufficient and self-contained agriculture which is represented by spinning wheels and the grist mill, the cradle and the flail. I have seen the spinning wheel in my grandmother's home. I have seen her running tallow candles. I have seen my grandfather mold leaden bullets and ram them down the barrel of his old muzzle-loading rifle of

Revolutionary War days that used to hang over the kitchen door. Agriculture then was a self-sufficient and self-contained business.

There was a family life in connection with that old agriculture which was a happy thing. What has become of that old family life? I fear that much of it has been lost. I fear that in our cities and towns there remains little of that intimate companionship and of that splendid dependence which each member of the family had in the other and of that old love and endearing respect which marked that old mode of life upon our farms. I call this to your attention as another thing which we should mark down and bring back to our farm life. Some of that mode of living was shown by the girls here this morning who gave us the 4-H demonstration. Where has gone that beautiful family life of the old pioneer days? I wish we could get some of the inspiration that such a remembrance might bring into the hurly-burly of the present industrial agriculture.

The children of that time—oh, they tell us that today children are worse than they used to be; they give us statistics about crime, but is it true that children today are worse than they used to be? Is it true? If it is, then it is a most damnable indictment not of the children—not of the boys and the girls, but of present-day parents themselves. If that thing is true, then the very greatest work that you have in the State fair and in your county fairs is the work that was demonstrated here this morning—the work of the 4-H clubs, the calf club, the baby-beef club, and club activities having to do with home improvement, which you folks are engaged in promoting in your counties and in the State at large. There is nothing that equals that in my estimation. There is no activity of the fairs that equals that, and you ought to carry it forward with enthusiasm and pride.

Has the effort to find a place for youth succeeded? Were you not thrilled with pride last night when Mr. Yoder was introduced? Imagine, here was a farm youth who developed a baby beef which won the grand championship at the International Stock Show against all comers. But when you and I were boys the public didn't take much interest in us. If we entertained ourselves by playing a little baseball, for instance, we had to provide our own ball and whittle out a bat from a 2-by-4 scantling.

But there was an institution that flourished in my boyhood days that had some constructive value with the rising generation down in eastern Iowa. I don't know whether it has gone entirely out of vogue or not; perhaps it ought to be out of vogue. Perhaps we ought to pay more attention to the things that have been spoken of here this morning in order to interest our boys and girls; but if there is more crime in this country now than there used to be, it is perhaps because that old institution has not met the favor lately that it formerly had—namely, the old woodshed. [Laughter.] I remember the influence of the old woodshed! It was a place where retributive justice was oftentimes laid with heavy hand upon that part of a boy's anatomy which an All-Wise Providence has in such cases made and provided. [Laughter.] It was an institution corrective in nature, but it was not an institution which halfway equals the present one of interesting our young boys and our young girls in the objectives of the 4-H clubs and other varieties of clubs and farm work. If there is one thing in your work and in the work that we have here at the State fair that will make for a better civilization, it will be this activity of the clubs.

The future welfare of this world depends upon the health, happiness, and education of our youth. To start with, health is the most important of all because without it no man can serve as he ought to serve. He cannot do good work in a factory which is out of repair. He himself will be leaving that factory some day but so long as he is in it, he must keep it in order. Our youth must be taught the laws of health and of hygiene. It must not be allowed to contract habits which will destroy either body or soul.

I was told that down in Kansas City some years ago there was a columnist working upon the Kansas City Star. He was a talented and brilliant young man but he had the unfortunate habit of drinking too much. The manager of the paper had forgiven him seventy times seven (according to the Biblical prescription), but finally called him into the office and said: "Young man, this has gone far enough. If you get drunk once more, you will be fired." Unfortunately the day came that the tempter again seduced the young chap and he was indeed fired from the newspaper. He went back to his desk and wrote a last paragraph for his last column. It read something like this:

"If you want to employ a lawyer, you can do so easily by climbing a flight of stairs and visiting a law office.

"If you want a preacher to perform some function of baptism or marriage or burial, you can go down the street to the manse or the parsonage and it will be easy to procure that service.

"If you want to have a doctor perform some service, ring a phone and he will come to your home and minister to you.

"But every man must be his own damn fool."

Now, I submit this as a piece of philosophy that is worthwhile. Health is a thing that ought to be taught to every boy and girl, and it was a wonderful demonstration of health-training that was given to us here this morning. There is no short cut to health. It is the result of a good birth and of good living and of good training and of a wholesome and happy mode of life. You cannot swallow a pill and give yourself health. A school teacher friend of mine told me that he once had a very smart youngster in high school who was a credit to his school and to his family; and who, by the way, has since become a successful business man. Across the street from the home of this lad's mother lived another family whose daughter was also a student in the high school, but she was having great difficulty in keeping up with her class and making proper grades. One morning the mothers of these two youngsters were talking together, and the girl's mother made some complaint to the effect that her daughter wasn't getting along very well in her studies, to which the boy's mother replied: "Feed her Grapenuts, Minnie; feed her Grapenuts. We fed Johnny Grapenuts and he skipped a grade." [Laughter.] But that is not the way to get health—you cannot buy it. You must grow up with it and bring it into the lives and beings of our boys and girls as they grow up. No greater responsibility is given to you in life than of making strong, vigorous men and women of the children in the State of Iowa.

The hand is another thing that the 4-H clubs talk about—and when we think of the hand we think of labor. Agriculture is interested in labor. Labor and agriculture are concomitant. When one has prosperity the other has prosperity; when agriculture is in the dumps, labor is in the dumps. Yes, we really are our brother's keeper. If you can give jobs to the unemployed in this country, we farmers would profit from that employment without a doubt. If we could give jobs to 10,000,000 men who are now out of work, and if we should assume that they and the members of their families would eat two eggs per day, do you know what volume of eggs that would make? Why, it would make 6,666,666⅔ dozen eggs that would go upon the breakfast table tomorrow. Say, wouldn't that inspire the hens, and would not the old rooster give us a lusty crow tomorrow morning? There is nothing that is more important than to teach our boys and girls that industry—to labor with the hands and with fruitful intentions—is one of the saving graces; because, after all, labor is the thing that satisfies.

The head is another thing that is emphasized by these boys and girls' clubs—teaching the way to intellectual development. There are a great many people in this world who believe that truth can be isolated like a chemist will isolate some particular elementary substance; that you can define truth by a law, and lawmaking bodies have tried to do so. I have had some experience in lawmaking bodies. The chairman so kindly referred to that. It is well to remember that the fellows who go to your legislature and to your Congress are not more intelligent than thousands and thousands of constituents who stay at home and who are about and around us all of the time. These legislators do not hold any patent rights—they do not have any better way than others of discerning what truth really is. Certainly it cannot be defined by law. For that reason they should not try to pass a law that is designed to remedy some evil when they are ignorant of what the truth really is. The way to test truth is to put it to trial and let it go out before the world. Only by trial can it be proven whether it is in fact truth or whether it is fallacy. God has given to every man and to every woman the opportunity to discover truth. It has now become a matter of whether you want truth or whether you want untruth; whether you prefer to languish in repose or whether you are willing to be diligent.

The 4-H clubs also talk about the heart, and teach the boys and girls their duty both to God and to men. Can anything be more wonderful or important than this? And of all the arts the greatest is the art of living together in unison and happiness with our neighbors. Be tolerant; be friendly; be polite.

Therefore, when I see this great parade of children belonging to the 4-H clubs, teaching health, hand, head, and heart, I know that it is the most glorious sight that can be looked upon. It far exceeds the vision of the million dollar (or is it two million now) stock parade. There is no parade in the heavens above or in the earth below that can possibly equal in grandeur and importance and beauty this parade at your State and county fairs of the boys and girls interested in 4-H work. We have progressed happily from hula hula girls to the 4-H girls.

And so I say, the old agriculture has passed away when farms were self-contained. We have come now to a new agriculture in which the farmers are in the vortex and whirlpool of commerce and trade. We have reached another mile post. Agriculture lies at the foundation of our national life. Bread is a thing that actually has to do with world politics. It is the subject of grave concern in every capital of the world. Bread wins wars. Armies do not travel on their legs. Armies travel on their bellies. You boys who were in France know that to be true. The time has gone by when agriculture can take its position as a self-contained industry, and it follows that there must be some sort of a control or regulation in agriculture just as there has been in every other field of business or of endeavor or of enterprise. We no longer go along the old trail. Agriculture is entitled to as much consideration as other industries receive. If they are given artificial and legislative helps, then it should have equality in that regard.

Down in Washington sometime ago a committee was making an investigation of certain industries, and one of the witnesses before the committee stated that it was very important that those at the top should have prosperity. We all agree with that, because none of us get anywhere by trying to push down the folks who are in control of great enterprises. This witness went on to say that we couldn't afford to curtail the activities of certain great monopolistic trusts that were in control, because the lowly people depended upon them. Thereupon the chairman of the committee turned to him and said, "In other words, you believe in spreading a great feast for Dives, the rich man, so that Lazarus will have more of a chance to pick up the crumbs which perchance may fall from the table"; and this great master of industry and of combination who was sent to testify before and enlighten the committee replied, "Yes, Mr. Chairman, you have given a very beautiful illustration of what I mean—crumbs for Lazarus." That is an actual happening.

Now, since agriculture is not the old and self-contained agriculture; now, since agriculture is a new agriculture; and since it really is in the vortex of trade and of commerce just exactly as other industries are, it seems to me to follow that there must be some sort of assurance given to it that it will not be compelled to depend merely upon the crumbs that fall from the table of other industries and of other activities. It must have a table of its own, whereon must be spread a prosperity for every one of its workers.

I am not offering political devices or urging political arguments here. Both of the great parties recently have espoused various kinds of control measures for agriculture, and I think we are making a mistake if we do not recognize that simple truth. A Republican Congress fathered the equalization fee and the debenture plan as a method of securing premiums for agriculture. A Republican Congress passed the Agricultural Marketing Act under which a Republican administration spent $500,000,000 in an endeavor to give some measure of control and direction to agriculture. It is now a Democratic administration that has given us the A. A. A. So that I am not talking partisanship when calling attention to these things; I think there is a milestone now passed after which there is to be some kind of regulation because the farmer alone cannot regulate effectively for himself.

We have at the present time the A. A. A. It would be out of place here today for me to say a partisan word either for it or against it; but I am declaring my faith that hereafter there must be some kind of support for agriculture which will make safe and secure the industry of 6,000,000 people who labor upon the farms. I think that agriculture ought to be thoroughly divorced from the ebb and flow of the political tides that divide us. But it surely ought to have its place in the legislation of the country, just as manufacturing and banking and merchandising and other enterprises and other activities have, and that is why some of us down in Congress on both sides of the aisle have insisted upon a prosperous agriculture just as much as a prosperous industry. That is another milestone that we have passed.

We must attain equality for agriculture. The farmer must be put on a fair level with industry; but let us always remember that industry, too, must be supported. Do not get it into your minds that it is a one-sided proposition, because it is not. The standards which we set up for our agricultural people must be those which will give culture and beauty and form to their lives—not food and shelter only. The dog has food and shelter. We have here the auto now; we have the telephone; we have the radio. Why, the greatest monarchs of olden times—Cleopatra, for example—never had any equipage that was as useful or as comfortable as an old tin lizzie. I have heard farmers being criticized down east because they all ride on rubber. If there is any person on earth who is entitled to ride on rubber it is the farmer, because he has an isolated position in the world—he is out on the farm. It is not necessary for me when I am in a city to have an automobile, because I can go about in taxicabs or on street cars. It is necessary for me when I am out here on a little farm, that I happen to own, to have an automobile there.

Iowa is not yet a finished product; we have yet to put electricity into our farm homes, and that is a milestone that we will pass very soon. There are only 14 percent of the agricultural people who have electricity in their homes in the country at large. We must also have plumbing and water facilities. Only 12 percent of our rural homes have plumbing. The tin basin and the old washtub and visions of soap and Saturday night are interesting remembrances, but not especially inspiring. We must bring beauty and happiness and social security and uplifting mission to the farmer. I am an individualist; I believe in it, but it is an individualism that teaches that social activities are the activities that make us most happy and our neighbors most happy, and nothing else will. Secure beauty on the farms. Abraham Lincoln said on one occasion: "When I am gone I shall want the world to know that whenever possible I always plucked the thistle and in its stead planted a flower." Diogenes, the cynic, taught Alexander the Great, who was the greatest autocrat of ancient times. One day Diogenes said to Alexander, "Get out of my sunlight", and Alexander said, "Were I not Alexander I would want to be Diogenes." Let the sunlight in. Remember the alabaster box of ointment and that Solomon in all his glory was not arrayed as the lily. Let us have beauty and social mission on the farm.

Expositions and fairs are the timekeepers of progress. Be true to this mission. There was an ancient Greek philosopher who said, "know thyself"; and then there came a Hebrew philosopher, born in the town of Bethlehem of Judea, who taught the world a new philosophy. It was "Give thyself." And in your great activities, in your county capitals, in your State capital, as directors of these great expositions, as timekeepers of our progress, you must give yourselves to a better and happier Iowa.

MIGRATORY BIRD CONSERVATION

Mr. BOLTON. Mr. Speaker, in accordance with general permission for Members to extend their own remarks in the RECORD, I insert a radio talk which I delivered under the auspices of the Culture Club of Cleveland, Ohio, over station WJAY on June 16, 1936:

Fellow citizens, I presume that nearly everybody is interested in birds. I know that I myself have long thought them of great importance not only because of their interesting ways, their colors, and their songs, but also because of their usefulness to farmers and their recreational values. As a member of the Federal Migratory Bird Conservation Commission, as well as a member of the Special Wildlife Committee of the House of Representatives, duty also directs my attention to the problems of bird conservation, and thus in many ways I appreciate highly the invitation of the Culture Club to talk with all of you a few moments on migratory bird conservation.

Among my fellow countrymen who are listening to this broadcast today, and among our Canadian neighbors whose radios may be receiving these words, there are thousands who delight in the presence of birds that none of us can claim as anything more than regular guests. These are the migratory birds—more than 500 species and subspecies that travel from the Provinces to the States each fall and return again each spring from the States to the Provinces. Many of these species are valuable enemies of insects that destroy man's crops. Many of them are songsters providing music for which there is no standard that can measure their true value. Many have such pleasing colors and such grace of flight that the mere sight of them makes our living easier. And many of them are the favorite game of millions of sportsmen. All of these migratory species are with us in their present abundance largely because of a treaty proclaimed nearly 20 years ago, a treaty of such fundamental value to North American bird conservation that its importance cannot be called too often to the attention of the peoples who sustain it from year to year. This is the Migratory Bird Treaty between the United States and Great Britain.

Let me illustrate the importance of that document by telling you about a significant recent development in Europe. You may know that in some of the southern European countries it has been the practice among some classes to consider all birds from the point of view of the potpie on the table. As a result, large numbers of the song and insect-eating birds have been taken for food. This, of course, means a very considerable decrease in the bird populations. Well, many of them are migratory species that spend the warmer months of the year in the northern countries of Europe. In these regions the birds are valued highly, not only for their songs and their pleasing presence but also because they protect the farmers' crops by destroying insects.

So these countries are anxious to have the birds protected by law, not only in their own fields but also in the southern countries where they spend their winters. And as a result there has been some agitation in Europe for an international treaty for the protection of these useful birds.

That European situation is very interesting in this country because we already have such a treaty—the migratory-bird treaty.

The importance of this treaty is not, however, entirely in its provision of the sort of international bird protection demanded by the European peoples I have been talking about. I should say that the most important effect of our migratory-bird treaty is its grant of power to our Federal Government making possible the protection of species that are not permanent residents of any one State but transients—here today, gone tomorrow.

The history of the efforts that led up to the negotiation of the treaty can perhaps be summarized in a couple of sentences. Long and futile efforts of the various States convinced State game commissioners, sportsmen, conservationists, and others that the uniform and adequate protection of migratory birds and equalization of hunting opportunities depended upon the exercise of supervisory jurisdiction by the Federal Government. Conservationists made different attempts to provide for this jurisdiction, but none of these was entirely successful until the final one resulted in the migratory bird treaty.

This brief summary, however, may not give an adequate understanding of the development of wildlife-conservation sentiment in this country. When the white man came to this continent he found wildlife so abundant that he exhausted his vocabulary in trying to tell the story to his friends back home. There was no thought of conservation. There was no understanding of the fact that wildlife is a living resource that must perpetuate itself. Not as a husbandman harvesting the increase of nature's living creatures, but as a miner taking from an inexhaustible supply, man exploited the wildlife of the continent until species after species dwindled.

The reluctance of our ancestors to enact the needed conservation legislation is well illustrated in a declaration by a committee of our own senate here in Ohio in 1857. They said (and I quote): "The passenger pigeon needs no protection * * * the snipe, too, like the pigeon, will take care of itself, and its yearly numbers cannot be materially lessened by the gun. The wild goose does not perhaps need general protection, though if any linger here until near breeding time they should be spared." That ends the quotation.

The abundance of game in the early days and the rapidity with which certain species moved from place to place seemed to assure abundance for all time, but the great flocks of the wild pigeons, described by Wilson, in the Ohio Valley and the rafts of the ducks reported by Audubon and by Frank Forrester on the broad waters of the Atlantic coast region, are things of the past.

With the building of the railroads in the Middle West and the later introduction of cold storage, to say nothing of the increased efficiency of the modern shotgun, the already enormous killing of game for market increased to such an extent as to threaten certain species with extermination. The chief causes, then, of the decrease of game birds, in addition to market hunting, were spring shooting and the drainage of breeding and feeding grounds. Each of these dangers was met by Congress by the enactment of a special law. Spring shooting was outlawed by the Federal migratory bird law of 1913, the sale of game was prohibited under the Migratory Bird Treaty Act of 1918, and the preservation of the breeding grounds of birds was provided for by the Migratory Bird Conservation Act of 1929 and the more recent Migratory Bird Hunting Stamp Act.

At the time of the passage of the Federal migratory bird law in 1913 there had been for at least 20 years a marked decrease in waterfowl in many sections of the country, and although about 40 States had enacted laws for the protection of these birds, only a fourth of them prohibited early spring shooting. Opposition to spring shooting had made little progress, because the States were reluctant to forego privileges that they knew were being enjoyed by their neighbors.

Under the State laws there had been a noticeable tendency to permit maximum privileges, for the greatest privileges permitted by the laws of one State were naturally the privileges desired by the gunners in other States. Such laws were incapable of coping with the commercialization of migratory game birds. Ducks and geese found ready sale in the markets, and this encouraged violations of the law by unscrupulous commercial interests and by their political agents.

The States had no adequate facilities for getting scientific facts about the migratory game birds. Moreover, some of their laws were passed more to facilitate traffic in game than for the protection of the wildlife itself.

The Federal migratory bird laws and their regulations provided at once a harmony of protective measures, based on zones, times of flight, and relative abundance.

They furnished in a central organization the means for accumulating information relative to the migratory game-bird situation.

They prohibited the commercialization and the spring shooting of migratory game birds, and prohibited also such destructive methods of taking, hitherto permitted under the laws of many States, as night shooting, trapping, and snaring.

By providing equal privileges in all parts of the country, the Federal laws eliminated the dangerous effect of jealousy among gunners in different sections and developed the principle of a mutual interest in a common possession.

Moreover, the establishment of the principle of leadership in conservation of a national resource by the Federal Government was a strong incentive to increased cooperation among the several States in game-bird protection. The evident common sense, fairness, and effectiveness of the principal of Federal control in this field gradually reduced all lingering opposition.

The Federal agency that carries on the work of enforcing the migratory-bird treaty is the Bureau of Biological Survey. Fortunately this Bureau is not merely a law-enforcement agency. It is also a bureau of research, basing its recommendations for laws and regulations on the results of scientific investigations. Long before the Migratory Bird Treaty was negotiated the Biological Survey had gathered a vast amount of data on the usefulness of birds.

I may discuss briefly with you one or two of the interesting aspects of the Bureau's research work. For instance, formal extensive reports by the Biological Survey have described the food habits of more than 250 species, and brief accounts of more than 100 additional species have appeared in annual reports, yearbooks, and farmers' bulletins.

The scientists of the Biological Survey study the food habits of birds in two ways: They observe the birds in the field and they study the contents of bird stomachs in the laboratory. Both of these means of gathering information are essential. More fascinating, perhaps, is the study of stomach contents.

Believe it or not, but the Biological Survey has men who can take out of a bird stomach the left hind leg of an insect, or a piece of a wing, and tell what insect has been sustaining that bird's life. And these scientists know their plants and plant seeds also. They have extensive reference collections to compare such items with. Incidentally, they also have their own ways of knowing. For instance, one of the early workers once chewed the coating off some seeds as the first step in identifying them. They were poison-ivy seeds, and the man had a mouthful of poison for some days thereafter.

Some bird stomachs have contained as many as 65 different kinds of food. The scientists are able to take this conglomoration, sort it out, and identify each item. Then they group the items and calculate the percentage that each item represents in the total bulk. These percentages are recorded. Such records increase with the years until it becomes possible to make very definite statements about the habits of many species. The Survey has examined stomachs of some 600 different species of birds during its 50 years of reasearch. As I have just said, fairly complete laboratory studies have been made of perhaps 250 species. This has meant the examination of tens of thousands of individual stomachs. These studies of food habits make it possible for the Biological Survey to tell with authority about the usefulness of birds.

Bird banding is another interesting part of the Biological Survey's research work. Government workers and cooperators have trapped birds and decorated the captives with small aluminum leg bands. When the numbered band is in place the bird is released uninjured—but from that moment, though it doesn't know it, the bird is working for Uncle Sam and furnishing accurate information to the authorities who want to know where that duck rears its family, where it spends the winter months, by what routes it travels, and whether it uses these same routes year after year.

The method of banding is simple. The aluminum bands are stamped with the address of the Biological Survey and numbered. When a bird is banded the information is recorded in the Bureau's files. When the duck is killed, or perhaps when it is trapped again by some other bird bander, the band or the record is forwarded to the Survey and the information patiently carded. Thousands of ducks, not to mention other birds, are banded each year, and thousands of bands are returned each year, each one adding to our knowledge of the resource.

The files of the Biological Survey are, in fact, packed with believe-it-or-not stories about the flights of birds, and they are all true—matters of record. There is, for instance, the story of blue-winged teal no. 4576. This bird was banded one fall in Ontario, near Lake Scugog. That was on September 24. Less than 3 months later, on December 9, it was killed in the British West Indies, at Port of Spain, Trinidad.

Among all the species protected under the migratory-bird treaty, one group stands out vividly in our thoughts for conservation—the waterfowl. These birds are especially prized by those who seek them as objects of sport, those who value the resources as the means of an income from the sale of hunting equipment, and by those who take a pure delight in seeing these birds. Our wildfowl are also in a more precarious status today than any other species of our migratory birds. It will thus seem appropriate, I am sure, if I conclude today with a brief discussion of waterfowl conservation.

Two salient facts indicate forcibly the importance of the migratory-bird treaty in waterfowl conservation. First, it is estimated that about 80 percent of the wildfowl of North America come from the nesting regions of Canada. Second, it is likewise estimated that about 75 percent of the birds that are taken for sport are shot in the United States. The cooperation of Canada is essential in protecting the birds during the nesting season. Protection during most of the critical winter period, which includes the hunting season, is the duty of this country. Waterfowl conservation is thus truly an international responsibility.

The effectiveness of the migratory-bird treaty in the United States is most fittingly shown in the waterfowl program that is now being carried on by the Bureau of Biological Survey. This program has included an heroic effort to recover for the birds some of the immense areas that had been unwisely devoted to agriculture or other enterprises of man. For this purpose the sum of $8,500,000 was allotted the Bureau from emergency funds, and last June Congress made an appropriation of an additional $6,000,000, to remain available until expended. The sportsmen of the United States have also added sums by buying duck stamps.

Establishing refuges is, however, only part of the United States work in carrying out the terms of the migratory-bird treaty. The aspect of conservation that is perhaps of the greatest immediate importance in its application to waterfowl is the preservation of an adequate breeding stock. Wild-fowl conservation by reducing the annual kill by hunters has, therefore, been stressed as part of the restoration program. The most rigid regulations in the history of American wild fowling were adopted last year, and these restrictions were enforced with the aid of a "flying squadron" system, whereby a relatively small number of officers are used effectively by concentrations and fast movements.

And so we in the United States are doing our best to protect the migratory birds while they are in this country, to provide them with resting, feeding, and wintering areas, and to preserve an adequate breeding stock for future years. All of this work and all of the Dominion activities across the border to the north as well are based on the migratory-bird treaty, the bulwark of migratory-bird conservation on this continent.

WASHINGTON STATE AND THE NEW DEAL

Mr. WALLGREN. Mr. Speaker, during discussion of the relief appropriation bill I should like to read to the House excerpts from two newspaper editorials. The thought contained in these editorials is, I think, indicative of the great mass of public thought in my district of the State of Washington.

The following is from the Arlington Times:

All thoughtful people realize that the Federal Government cannot go on indefinitely spending such huge sums of money in providing employment, and hope the necessity may soon cease; but in the meantime we had just as well view the matter honestly and admit that without governmental effort along this line not only the unemployed but also the average businessman would be far worse off than he is today.

And the Grange News, the official organ of the Washington State Grange, is even more emphatic:

And now, right in the middle of the stream, they (big business) are all crying, "Stop the spending."

What on earth, besides spending, will keep a nation prosperous? Wasn't it the lack of spending that plunged us into the depression?

Stop the spending? Why, that is what we did in 1930, and look where it got us.

And yet today special privilege is saying that all we have to do is to go back to 1929. Well, what if we did go back? What would we have? The Brookings Institution tells us—that institution studied the question and now it testifies that 21 percent of the families in the Nation were living in 1929 on less than $1,000 a year, 42 percent below $1,500, and 71 percent below $2,500. And remember that $2,500 is regarded as the deadline below which a family cannot live decently.

And now we are nearing the end of another momentous session of Congress, another session during which a New Deal administration and a New Deal Congress have striven valiantly to enact legislation which would bring to an end a system under which so many citizens are forced to live in actual want even during most prosperous times.

During my 4 years as a Member of Congress I have seen and have worked in the inauguration of a program which raised the spirit of this Nation from the depths of despair to an even plane of confidence. During these 4 years, under the inspired leadership of President Roosevelt, the Congress has laid the foundation for recovery and real prosperity. There is no doubt but that this foundation has been well laid and well planned, although building plans have been interrupted by the majority members of the Supreme Court. However, we know and have confidence in the ability of the American people. There can be little doubt that when individual initiative is really given freedom as entrenched privilege is dislodged, the future holds much in store for the average citizen of the United States.

The world knows and recognizes the remarkable accomplishments made toward this end under President Roosevelt. Millions of unemployed have been saved from hunger and hardships. Our social and economic system has been preserved so that orderly advance can be assured in the future. The homes, the farms, and the savings of millions of people have not only been protected from foreclosure and loss but the ownership by individuals has been made more secure for the future.

Real advance toward economic security has been made. It seems fitting that the reasons for the advance be reviewed. The problems of each congressional district are the Nation's, and the well-being of the Nation depends upon the prosperity of each district.

Today the farmer, the laboring man, and the businessman readily admit that the paramount need is for general purchasing power. Purchasing power allows the free flow of goods, which in turn gives employment and provides a market for farm products.

When private employment does not furnish this purchasing power there can be but one source from which a substitute can be obtained. That source is the Federal Government. When there is a wide-spread private unemployment this agency must substitute.

The question today revolves about the speed with which private employment is taking up its slack. The American Federation of Labor gives one answer to this question. Its March 16 Survey of Business states:

> It is an inevitable, but none the less tragic, fact that industry, as it recovers, is failing to solve the problem of unemployment because it has turned its back on a basic New Deal principle (the maintenance of a balance between production and purchasing power).

In order to indicate to what extent the Federal Government is meeting this lag I should like to insert here a tabulation of the meaning of the various governmental agencies to the second district of the State of Washington. These statistics show the substantial and concrete meaning of the New Deal to my district.

Table showing Federal funds allocated and expended in Washington State and the Second Congressional District under the New Deal administration

County	Home Owners' Loan Corporation	Federal Housing Administration	Bonus certificate holders	Public works, non-Federal projects	Farm Credit Administration, all funds	Estimated cost, Works Progress Administration projects to Apr. 15, 1936	Federal Emergency Relief Administration, all funds	Civil Works Administration	Total
Snohomish	$1,615,635	$388,806	$1,719,012	$526,731	$816,525	$1,501,699	$3,387,521	$674,321	$10,630,250
Skagit	441,521	245,242	766,025	427,475	837,125	404,636	610,035	338,269	4,070,328
Whatcom	1,444,199	323,205	1,288,872	752,762	1,310,910	666,713	1,488,300	644,541	7,919,502
Clallam	307,189	214,607	445,747	149,140	263,550	259,408	437,749	177,790	2,255,180
Jefferson	21,471	151,777	181,926	68,290	68,155	26,480	146,253	206,443	870,725
Island	24,687	27,394	117,033	7,800	107,905	107,434	170,140	130,483	692,876
San Juan	14,056	18,027	67,508	10,652	133,105	18,831	33,664	57,040	352,883
King (22 precincts, estimated)	1,004,472	216,049	505,743	141,550	215,944	255,566	560,403	231,998	3,131,725
Total, district	4,873,230	1,585,127	5,091,866	2,084,310	3,753,219	3,240,767	6,834,065	2,460,885	29,923,469
Total, State	39,009,472	11,836,540	34,079,306	11,918,208	19,123,145	18,499,962	47,977,844	13,593,000	96,037,455

And in addition to the funds as shown in the foregoing table, the Second Congressional District has already gained through the completed and contemplated construction of two Federal post-office buildings in Mount Vernon and in Anacortes at a cost of $75,000 and $80,000, respectively. In addition to these I have been working for the construction of a third post-office building in the district. The foregoing table does not include many other items, a part of each of which was expended directly in the district. For instance, the very successful Civilian Conservation Corps program has resulted in the expenditure of $28,848,631 in the State of Washington. Federal highway funds allocated to the State, through this fiscal year, total $17,293,438. The social-security program, although just getting under way, has paid the State $1,216,208 for payment of old-age pensions and for assistance to the blind and for helping indigent children and mothers. Reconstruction Finance Corporation loans, made in the State to assist various industries, total $41,524,797.

FLOOD CONTROL STARTED

Four years ago flood-control needs of the Second Congressional District had not been mentioned in the House of Representatives. Today more than $5,000,000 has been allocated by the Federal Government for work on many rivers and streams in Snohomish, Skagit, Whatcom, Clallam, King, and Jefferson Counties.

For years the streams in that district have been stealing valuable land resources and destroying crops. During my first year in Congress I pushed through several survey bills. I continued the fight in the Seventy-fourth Congress. In 1934, I was one of a small group of Senators and Representatives who presented the Nation's flood-control needs to President Roosevelt. As I reported to the House later, "We urged upon him the necessity of a national plan that the loss of natural resources be stopped or curtailed."

With the inauguration of the Works Progress Administration a definite flood-control program start was made. Mr. Hopkins, W. P. A. Administrator, was at first doubtful as to the efficiency of a flood-control program in Washington State as a means for giving relief employment. But after several conferences he ordered the Washington State administrator to prepare a list of flood-control projects. I then won the cooperation of the War Department in pushing those projects so needed.

In addition to W. P. A. funds, the continuous preparatory work made it possible for the district to have included in the omnibus flood bill projects on four rivers—Nooksack, Snohomish, Skagit, and Stillaguamish. The Senate reduced this appropriation to $3,511,100 for the Skagit and Stillaguamish Rivers.

Flood-control fund allocations to the various sections were: Whatcom, $257,656; Skagit, $3,508,200; Snohomish, $1,223,000; Clallam, $67,950; and Jefferson, $79,600.

SHINGLE INDUSTRY AIDED

During the consideration of the reciprocal-trade agreement with Canada many people in the lumber district feared that our lumber market would be thrown wide open to Canadian imports. Because of this feeling I made a special

trip at my own expense in order to confer again with officials in Washington.

Immediately upon my arrival here I conferred at length with the State Department and with the White House. I fought for the imposition of a quota system which would be fair to all interests. Largely as a result of these presentations, I firmly believe, a quota of 250,000,000 board-feet limited the amount of lumber which could be exported to this country under reduced tariff.

At the same time my efforts were directed toward obtaining an agreement with Canada which would allow a limitation of the red-cedar shingles which would be admitted into our markets from Canada. This quota agreement was included in the agreement signed by Canada. This was the first step taken by any administration toward the protection of our valuable Pacific Northwest shingle industry.

MILLIONS OF HOMES SAVED

"Own your own home" has long been a slogan particularly applicable to the United States. However, the slogan was rapidly losing its meaning when in 1933 home foreclosures reached a frightening record of 1,000 a day. Many other home owners, although not fearing immediate foreclosure, had to face deterioration of their homes because no funds were available for repair work so badly needed. Foreclosures and depreciation were taking a tremendous toll of this great national asset.

Prior to the New Deal no effective action was taken to assist the American citizen who wanted to save his home. No action at all was taken to assist him in keeping his home from falling into ruins.

In just 3 years of the New Deal 1,016,142 home-saving loans had been made throughout the Nation. Through this Home Owners' Loan Corporation activity those receiving the loans were able to save more than $60,000,000 annually because of the lowered interest and renewal charges on loans that totaled $3,081,893,559.

The Federal Housing Administration was organized to carry on where the H. O. L. C. left off. Under this program, according to June 10 statistics, 1,065,109 modernization and repair notes totaling $386,284,272 had been insured. In addition 77,383 home mortgages totaling $311,387,403 had been accepted for insurance.

FARM INCOME RISES

As a result of the many factors which combine to assist the farmer the record shows the remarkable upward trend of the income chart.

In 1920 the gross income of the American farmers was $13,600,000,000. In 1932 it had dropped to $5,300,000,000. In 1935 it had moved back up to $8,110,000,000. The cash income of farmers in 1932 was $4,300,000,000. In 1935 it increased to approximately $7,000,000,000.

Both the dairy and poultry industries have prospered more because of the wise direction of this New Deal administration. For my part I have consistently sought to cooperate with the Washington State Grange, its locals and pomonas in reaching decisions in regard to farm problems. In legislation affecting the dairy industry I have sought to gain the views of the various dairymen's associations. The effective work done on the adoption of the coconut-oil tax as an aid to the butter industry is illustrative of the effectiveness of this cooperation.

DISTRIBUTION OF FARM SURPLUSES

Organized to aid in the distribution of farm-produce surpluses, the Federal Surplus Commodities Corporation purchased the following farm products, in whole or in part, in the State of Washington: Apples, 5,397,238 pounds; peas, 642,405 pounds; wheat, 2,591,274 bushels, during 1935. From October 1933 through December 1935 the products bought included 9,372,604 pounds of fresh apples, 75,073,806 pounds of butter, 36,891,959 pounds of cabbage, 62,367,680 pounds of milk products, and 768,000 pounds of canned salmon.

In addition to these purchases the F. E. R. A. allocated funds to individual States for the purchase of eggs. In Washington $23,587 was thus allocated and in the whole country $1,769,616 was so used. This purchased 136,680 dozen eggs in Washington State and 9,397,598 dozen eggs were taken from the national market, thus taking these surplus eggs off the market and supplying them to needy families.

EIGHT BANKS FAIL IN THREE LONG YEARS

During the past three Republican administrations 11,144 banks failed in the United States. The Hoover administration alone saw 6,054 banks close their doors.

The history of national banking failures shows the remarkable record of the Roosevelt New Deal banking program. Under Hoover 1,035 national banks failed and 207 banks failed to open after the banking holiday. Under Coolidge 533 national banks failed, under Harding there were 78 such failures, and under Wilson, 98.

Now, let us contrast this with the banking record of the Roosevelt administration. Since President Roosevelt took over the helm, only eight national banks have failed, and this administration has put into effect the insurance of bank deposits, which guarantees all deposits up to the amount of $5,000. This one act alone stands out as a protective measure to the vast majority of depositors.

COAST GUARD ACTIVITIES

The Coast Guard facilities in the Puget Sound area have been improved with the establishment and betterment of the Coast Guard air base on Ediz Hook near Port Angeles. Barracks are now being constructed at a cost of $115,000. This work as well as additional work is expected to be finished in September. Coast Guard maintenance in the Washington State area cost $904,944 in 1935.

I was successful in having the Coast Guard boat returned to its station in the San Juan Islands from where it had been moved as an economy measure some years ago.

SAND POINT A PRIMARY AIR FIELD

After long neglect, the Sand Point Naval Airfield north of Seattle is being improved. Logically located it has nevertheless required considerable time to gain full consideration for the field. The Chief of Naval Aeronautics just recently announced that this field is now considered a primary air base in the naval scheme. An allotment of $291,000 has been gained to improve the buildings, grounds, and general facilities.

MERCHANT MARINE AND FISHERIES COMMITTEE

As a high-ranking member of the Merchant Marine and Fisheries Committee, a great deal of legislation directly affecting the welfare of fishermen and fishing companies has come directly to my attention. Until this year I was the only Democratic member of this committee living on the Pacific coast. As a result most of the legislation dealing with our problems was referred to me.

CONCLUSION

This is but a brief picture of what the Democratic administration has meant to the Second Congressional District and to the Nation as a whole. A comparison between the chaos and hopelessness of 1932 and the reasonable hope and justifiable confidence in the future today indicates the true differences between the Old Deal and the New Deal.

"UNCLE JOE"

Mr. PETTENGILL. Mr. Speaker—

"A prince once gazed on a warrior dead;
'Taller he seems in death', he said."

Death strikes a balance, closes the book, the accounts cast up. Debits and credits reach their final appraisal. The result is then seen not in minute detail but in long perspective.

That is why a good and great man seems taller in death. We measure him not against the fleeting incidents of the flying days but against the final equation that is called life.

I leave to those who served with him for one or two or three decades of time to appraise Speaker BYRNS as a great man. I shall speak of him now only as a good man.

He was, indeed, a man of many talents and of them he was a faithful steward. But his life illustrates more than any man I ever knew the profound truth of the saying, "A man succeeds less by his talents than by his character."

When in the fullness of geologic time a mountain peak stands forth against the horizon, what has happened? Everything else has been washed, or worn, or blown away by the attrition of the ages and the once-hidden granite stands revealed.

The granite of the mountain is the character of the man. It is like the Great Stone Face of Hawthorne's beautiful story. If at the end when "evil tongues and the sneers of selfish men" have done their worst, a man's character remains, perhaps assailed but unassailable, we can then say with complete confidence, "to all the world this was a man."

Certainly there is no attrition comparable to public life to reveal the ultimate essence of human personality. If after 40 years in politics a man leaves the arena with the applause of the multitude who have watched him and now love him, he has passed the final test, the last examination, the ultimate scrutiny which man can give to man.

The only remaining judgment that can be rendered is that by God himself, and of that we need have no fear.

As I try to sum up all of those qualities of heart and head which we knew as Speaker BYRNS, I think the key to the secret is the fact that we younger men called him "Uncle Joe."

The affection which grows up between two men and holds them together is one of the purest relationships of human life. It is different from the love of man and woman. It demands far less. It is free from the tarnish of jealousy. It is different from the love of parent and child. It is less possessive. It is free from dependence on the one hand or domination on the other.

When one man calls another, unrelated by blood, by the name of "Uncle", you can be certain that an unspoken affection exists which comprehends everything because it demands nothing.

That deep love of country which how many millions, living and dead, have felt for this America of ours in the 16 decades of time since her story began has never found, in all the genius of our people, a more fitting and lasting expression than "Uncle Sam." There is something greatly significant in this word "uncle." Across the seas the soldiers of France could find only one word in their rich vocabulary to describe their feeling toward the hero of the Marne, "Papa" Joffre. These are homely words. We may, if we think about them, smile a bit as we use them. But they portray, and none others have been found to portray, that intangible, inexplicable relationship which grows up between men and needs a word to describe what cannot be explained.

JOSEPH W. BYRNS met that final and ultimate test. We knew him as "Uncle Joe." By that name let him be remembered. He needs no more.

AMERICAN PRODUCERS HIT BY BABASSU OIL

Mr. STEFAN. Mr. Speaker, I wish to call attention of Members to the continued inroads being made against the American producers of domestic fats and oils by the importation of foreign products. With our tax on Philippine coconut oil, we who represent the farming sections of our country believe we have saved over $250,000,000 to the American producers of fats and oils. Now, we are informed that through the reciprocal trade agreement with Brazil, millions of pounds of this edible oil are being brought into our country and not subjected to the internal-revenue taxation into the United States. Members should be apprised of this dangerous importation of this foreign oil.

It appears to me that either the reciprocal-trade-agreement negotiators were woefully ignorant of the facts and the potentialities or else this amounts to a deliberate effort to replace coconut oil in the United States by this Brazilian oil product. I am in the position of inquiring if this is an attempt to evade the benefits derived from the tax on Philippine coconut oil by the American farmers?

For information of Members of this House, I give some memoranda on babassu oil furnished to me by the National Dairy Union:

A new vegetable oil is appearing in increasing quantities in the United States markets. This is babassu oil, which comes chiefly from Brazil. This oil first came to general attention by the reports of its use as an ingredient in oleomargarine during the year 1935. The Census Bureau reports that 1,838,000 pounds of babassu oil was used in oleomargarine in that year.

Interest increased when it was found that in the recently negotiated reciprocal trade agreement with Brazil babassu oil was "bound" on the free list; not only that, but that the State Department on behalf of the United States Government agreed that it should not be subject to internal taxation into the United States. The legality of this latter part of the agreement is questioned, but the State Department maintains it.

About the same time as the announcement of the Brazilian agreement there was a noticeable increase in the imports, which have now reached a total of about 7,000,000 pounds a month.

Babassu oil is an edible oil when produced under proper conditions and is also a soap oil. Chemically it is closely related to coconut oil, containing an appreciable percentage of lauric acid, which is one of the valuable constituents of coconut oil. In the use to which it has been put it is a direct substitute for coconut oil and palm oil for both edible and inedible purposes.

Domestic producers of fats and oils, who have become alarmed by the increasing imports of this Brazilian oil and the peculiar provisions of the Brazilian reciprocity agreement, have found two amazing facts as they have begun to study this new threat against domestic industries.

One of these facts relates to the enormous potential supply.

The other fact relates to the threat found in this part of the Brazilian agreement against the long-standing coconut-oil trade with the Philippine Islands.

As Philippine coconut oil is now subject to a 3-cent tax, untaxed babassu oil can be bought by users in this country at 3 cents a pound less than coconut oil, and every pound of babassu oil used is, potentially at least, a substitute for and will replace a pound of coconut oil.

It is difficult to explain how the sponsors for the Brazilian agreement within the State Department can reconcile the damage likely to be caused by this agreement to the Philippine oil trade with their violent protestations in favor of the Philippine coconut-oil producers during the past 2 years. With reference to the potential supply the United States Department of Commerce has issued a special report (no. 36) dated October 25, 1935, on "Brazil's Babassu Nut Industry." From this report it appears that the possible supply of babassu oil is almost unlimited. It has not appeared heretofore in the markets in large quantity because of the difficulty in cracking the very hard shell of the babassu nut. This difficulty seems to have been overcome. The oil is produced from the nut of babassu palm trees, of which there are 800,000,000 in one state in Brazil (Maranhao) and 400,000,000 in another state, with large numbers in four other states. These trees average 275 pounds of the nuts per year, the kernel of the nut averaging 33 pounds to the tree and these kernels producing 60 percent of oil, or about 19 pounds of oil per tree. Of course, transportation and other difficulties must be overcome before any large part of this tremendous available supply can be released for commercial use. The oil as stated above is very similar to palm oil, contains lauric acid and replaces palm oil and coconut oil in their usual and ordinary commercial uses. When used in oleomargarine it not only replaces coconut oil but also replaces cottonseed oil, soybean oil, and other important domestic products.

The imports of babassu oil have become alarming since the 1st of January 1936. Imports for the first 4 months of this year are as follows:

	Pounds
January and February	18,502,076
March	5,083,506
April	5,596,601

If this level of imports is kept up it is evident that from sixty to seventy million pounds will come in this year. With the Brazilian trade agreement as a bar to any remedial action by the Government it seems evident that American oils and fats producers are in for another discouraging period in spite of the efforts which Congress has undertaken to protect this important branch of American agriculture.

AN ANSWER TO HON. FRED J. SISSON

Mrs. JENCKES of Indiana. Mr. Speaker, I rise to a point of personal privilege to defend my good name and the good name of a member of my official staff against the untruthful statements made on the floor of this House by the Representative from the Thirty-third District of New York, Mr. FRED J. SISSON.

In the May 4, 1936, edition of the CONGRESSIONAL RECORD appear the following statements made by Mr. SISSON in discussing his bills, H. R. 10391 and H. R. 11375, referring to the repeal of a proviso relative to teaching or advocating communism in the public schools of the District of Columbia; also to make more effective the law against advocating communism in the District of Columbia.

Mr. SISSON made this statement to the Members of this House of Representatives—these are his very words as reported in the CONGRESSIONAL RECORD, in which he refers to a member of my staff who, at my direction, request, and, in

my presence, placed certain information before a subcommittee of the House of Representatives:

This Russian, Serkowich, a man of doubtful reputation, a man warned by the Better Business Bureau of this city to desist from various stock promotions. This Serkowich, the clerk of the gentlewoman from Indiana, one of the star witnesses of the gentleman from Texas in his star-chamber inquisition into the schools of the District of Columbia.

This is a statement made by the Democratic Representative of the Thirty-third District of New York [Mr. SISSON], while I was absent from this House by permission of our former Speaker, Mr. Joseph Byrns, in order that I might take care of my campaign as a Democratic candidate for renomination in the primary election in the State of Indiana, which was held on May 5.

It is needless to say that the deliberate untruths uttered from the floor of this House, and Mr. SISSON's deliberate attempt at character assasination was used by those forces opposed to our Democratic administration in an attempt to defeat me for renomination. Mr. SISSON's untruthful statements were circulated among the school teachers of my congressional district in an effort to discredit me in the estimation of these fine men and women who have known me all my life, and who know that I would not, directly or indirectly, do anything to their disadvantage. Quite the contrary, they know I have a record of service and defense of the underpaid and overworked school teachers.

I know that the Members of this House who have served with me during the sessions of the Seventy-third and Seventy-fourth Congresses and who are interested in the truth will be pleased to learn that Mr. SISSON's deliberate untruths caused the people of my district to quickly investigate Mr. SISSON's charges, and when they found them to be untruths, the people went to the polls and I was renominated by an enormous majority. I carried every one of the 10 counties which comprise my district. I was assured by the Republican and Democratic school teachers in my district that they had faith and confidence in me and that they deplored the cowardly attack made against me, several days before the Indiana primary election, where I was a candidate for renomination. I was renominated because the people of my district knew of the service I have rendered to them and the support I have given the leadership of this House and our administration. If Mr. SISSON, a Democrat, expected to cause my defeat at the primary election by attacking me while I was absent from Washington, he has failed.

Mr. SISSON has used the influence and prestige of this House of Representatives for the purpose of character assassination and for the purpose of circulating a libel under the protection of the House of Representatives.

When I came back to Washington and read Mr. SISSON's statements in the RECORD, I sent a letter and copies of the RECORD to the officials of the Better Business Bureau of Washington and asked them whether they had ever "warned Mr. Serkowich to desist from various stock promotions." I asked the Better Business Bureau of Washington if they had ever directly or indirectly written to anyone or stated to anyone that Mr. Serkowich was a "man of doubtful character."

The Better Business Bureau, over the signatures of the officials of that organization, have advised me as follows in a letter from Mr. Louis Rothschild, director until a few weeks ago of the Better Business Bureau, in reply to my inquiry:

Answering your specific questions:

1. I have no record of any communication from or to Mr. SISSON during my time as director of the Better Business Bureau of Washington, D. C.

2. The Better Business Bureau of Washington, D. C., during my directorship never put out a statement that they "would not give Mr. Serkowich a clean bill of health." The Better Business Bureau does not deal in terminology of that sort.

3. The Better Business Bureau of Washington, D. C., has no facts upon which to conclude that Mr. Serkowich is a man of questionable character.

4. The Better Business Bureau of Washington, D. C., did not "warn Mr. Serkowich to desist from various stock promotions."

These statements were made by Mr. Louis Rothschild, who was director of the Better Business Bureau of Washington, D. C., for many years and just resigned to enter the practice of law in the District of Columbia.

After receiving the statement from Mr. Rothschild, I then made a written request for the same information from the Better Business Bureau of Washington under the present management, and I received a confirmation of the statements made by Mr. Rothschild, which definitely disproves Mr. SISSON's statements made to this House of Representatives, in which he uses the name of the Better Business Bureau of Washington, D. C., without their authority, permission, or knowledge.

Mr. SISSON described Mr. Serkowich as a Russian. Mr. Serkowich was born in the United States and has always been an American citizen. For the information of the Members of this House of Representatives, before I asked Mr. Serkowich to become a member of my official staff, I caused a most careful search and investigation of his character, efficiency, and record of service.

He enjoys the highest character. He has never during his lifetime been arrested for any cause. He has never during his lifetime been indicted. He has never during his lifetime had a judgment rendered against him. He has a long and unusually fine record of service in several States. He is a World War veteran. He served as a commissioned officer, was promoted to a high rank, in line of duty, for service rendered. He was honorably discharged after 3 years and 11 months' service with a most favorable commendation from his commanding officer. He has been awarded a decoration for service by a foreign nation.

He has rendered distinguished service to many industrial, civic, patriotic, commercial, and political organizations. He has an excellent record of service to an important organization of prominent business and professional men here in Washington, D. C. On two different occasions the board of directors of this organization, by official resolutions, commended and praised the loyal and efficient services rendered to Washington by Mr. Serkowich. Mr. Serkowich has rendered a most valuable service as a member of my official staff. He has served during the Seventy-third and Seventy-fourth sessions of Congress and he has displayed the highest type of character. He has rendered most efficient service in connection with my administration.

He has in the past rendered service to other Members of the Congress and to our Democratic Party.

A man's good name is his most valuable possession. It is a matter of grave concern when a good name is traduced by a Member of Congress under the protection of the rules of the Congress. I have placed before you the evidence to disprove Mr. SISSON's untruthful and cowardly charge against the good name of a member of my staff. I would not have in my employ a person of doubtful character. I do not need to defend myself against the attack Mr. SISSON made against me.

Now, I wish to get on record concerning Mr. SISSON's bills which will permit the teaching of communism in the public schools of the District of Columbia.

I am not opposed to his bills. As a member of the Subcommittee on Education I requested that Mr. SISSON's bills be held up until an investigation could be made of the charges I made against the entire Board of Education of the District of Columbia.

I made a written charge that the Board of Education of the District of Columbia was not administering in an efficient and proper manner the funds appropriated by the Congress for the purposes of the Board of Education in the District of Columbia. I made the definite charge that the Board of Education of the District of Columbia has not answered this charge I made satisfactorily to other Members of Congress and myself. I charged the Board of Education with refusing to permit a commissioned officer of the Metropolitan Police department of the District of Columbia to sit in as an observer in the "character education classes" which were authorized by the Board of Education of the District of Columbia under the direction of a professor who was associated with the University of Moscow and who was employed by

the Board of Education of the District of Columbia at the salary of $50 per day. Permission was refused the Metropolitan Police department, and as a Member of Congress I made a request and I was also refused. After the public had been aroused, permission was granted.

I also charged the Board of Education of the District of Columbia with permitting the use and distribution to children of books and references containing vile and filthy literature, and also literature which directly and indirectly taught and advocated communism. The Board of Education of the District of Columbia first refused to withdraw these books and later withdrew them. The Board of Education has never satisfactorily answered why they permitted these books and references to be used and why they ordered them withdrawn.

Instead the Board of Education of the District of Columbia, its friends and lobbyists, have joined with the friends and lobbyists who are promoting and protecting the cause of Communism throughout the United States, and have thrown up a smoke screen with reference to the "red rider." I specifically stated at a congressional hearing that I would vote for the repeal of the "red rider" when and if the charges I made against the Board of Education of the District of Columbia had been satisfactorily explained and corrected. This has not been done to date.

I wish to definitely state that I am not in opposition to the Russian Soviet Government. They have the right to any sort of government they wish to have in Russia. I also accord the right to any group of American citizens to be members of the Communistic Party, as long as they do it in an open and aboveboard manner, in accordance with the law, and within their rights as American citizens. I do not now and shall never agree with the Marxian theory of government, but I accord any American citizen or group of American citizens the right to differ with me and I will defend their right to disagree with me. However, I have been, and will continue to be, most active in an effort to bring to light any undercover or secret, subversive efforts which have been used and are being used to promote communism or any other un-American theory in order to change or overthrow our form of government.

I am not a "red" baiter. I am sure that the attempts which are being made to change our American form of Government to a communistic form of government will fail. The American people will never accept a communistic form of government. While I will defend the right of American citizens who are Communists to try to change our form of government, in an orderly manner, as permitted by law, and I will defend their right to do so, and while I do not agree with them, I, as a Member of Congress and as a private citizen, will not permit the efforts which are being made to indoctrinate communism among our citizens to be accomplished secretly without the full knowledge of our citizens. I wish to make the statement that I do not believe any American school teacher in the employ of any city, State, or the National Government would advocate communism and the overthrow of our Government.

The "red rider" never would have been necessary if the activities of the Board of Education of the District of Columbia had not been questioned by the citizens and by the Members of Congress. The Board of Education of the District of Columbia cannot hide behind their plea that the academic freedom is threatened and that teachers have been maligned. The school teachers are generally underpaid and overworked. In the accomplishment of the great responsibility which rests upon them the actions of the Board of Education of the District of Columbia, in refusing to conserve the money appropriated by Congress for educational purposes in our National Capital, adds further burdens to the rank and file of the school teachers of the District of Columbia. The actions of the friends of the Communists and the lobbyists of the Board of Education of the District of Columbia in spreading the untruthful utterances of Mr. SISSON further proves the necessity of a searching investigation into the actions of the Board of Education of the District of Columbia. I have placed this information before the House of Representatives for your information.

I thank you.

RANDOLPH PERKINS

Mr. BEITER. Mr. Speaker, as a fellow member of the Committee on Elections No. 3, it was my privilege to know and respect the late Hon. RANDOLPH PERKINS, of New Jersey, whose untimely death brought great sorrow to the hearts of his associates.

He had nearly completed his eighth term as a Member of the House and his genius for friendship won for him a lasting place in the affection and memory of his colleagues.

Though our political affiliations differed, I always had a keen appreciation of his judgment for he was liberal and fair in his decisions. As a capable lawyer, he weighed all evidence thoroughly and freely contributed his knowledge and experience toward the accomplishment of acts of the greatest benefit to the majority of his constituents and the country at large.

I feel that his achievements in the Congress of the United States will long be remembered by those he served and those with whom he was so closely associated in the House of Representatives. He has written his name upon the roster of those who died in service and his influence cannot help but inspire those of us who remain to carry out by study and devotion to duty the obligations that befall us.

SUGAR BEETS

Mr. KNIFFIN. Mr. Speaker and Members of the House, for more than a year I have had under consideration the introduction of a bill to provide a permanent Federal sugar program, to take the place of the Jones-Costigan Act when it expires December 31, 1937. The decision of the Supreme Court on January 6 cast considerable doubt upon the validity of the quota system, because the declared purpose of the Jones-Costigan Act was the same as the declared purpose of the Agricultural Adjustment Act, which was decided to be unconstitutional.

Therefore, early this session I introduced two bills—H. R. 12294 and H. R. 12295—to provide benefit payments for the growers of sugar beets and sugar cane, and to continue the quotas for insular areas that import or transport sugar into the United States for consumption therein. My bills provided no restriction or limitation on the production of sugar beets or sugar cane in the continental United States, because it is my opinion that the Supreme Court decision in the Hoosac Mills case very definitely invalidates any such provision. I am also of the opinion that any attempt to control or limit the marketing of sugar produced within the continental United States is subject to the same objection because eventually such provisions must restrict or limit the production of sugar.

I have contacted a large number of growers and processors in what is known as the eastern beet area, composed of the States of Ohio, Indiana, Michigan, and Wisconsin, and I have been gratified with the unanimity with which they have approved of the provisions of my bills. I have communications and resolutions passed by organizations in that area endorsing the provisions of these bills.

During this week Senate Joint Resolution 278 was approved by the House of Representatives, the provisions of which are intended to extend all sugar quotas to December 31, 1937, for the purpose of regulating foreign and interstate commerce. It is recognized that this joint resolution is merely a stoppage until a full opportunity is given at the next session of Congress to consider a permanent sugar program such as is provided in my bills. I feel that it should be made perfectly clear that we do not acquiesce or agree to the continental quotas extended by the joint resolution, although we did not disagree with the extension of the offshore quotas on a legal basis.

It is noted with encouragement and renewed hope the statements made on the floor by the Honorable MARVIN JONES, of Texas, chairman of the Committee on Agriculture of the House of Representatives. I have complete confidence and

faith in the leadership of the chairman, who, although he has no sugar produced in his district or State, has demonstrated a sympathetic understanding and helpful consideration of the wishes, desires, and merits of the domestic sugar industry. Under his disinterested and intelligent leadership I hope that in the next session of Congress a program can be worked out that will be satisfactory and helpful to the sugar beet and sugar cane growers of the United States, recognizing their preferential right to the United States market as domestic producers of agricultural commodities and at the same time dealing with fairness and equity with the insular areas who supply sugar to the United States.

PUERTO RICAN CHILDREN IN NEW YORK SCHOOLS

Mr. MARCANTONIO. Mr. Speaker, a most slanderous attack has recently been made on Puerto Rican children living in New York City. It has been made under the guise of a psychological report. It proves that there is such a thing as racketeering even in the field of psychology. This report is evidence of it. I have had this report investigated, and I hereby submit the findings, which constitute an exposé of another fraud attempted at the expense of a racial minority in our country.

AN ANALYSIS OF AND CONTENTS UPON A REPORT OF THE SPECIAL COMMITTEE ON IMMIGRATION AND NATURALIZATION OF THE CHAMBER OF COMMERCE OF THE STATE OF NEW YORK, DATED DECEMBER 31, 1935, SUBMITTING A STUDY ON REACTIONS OF PUERTO RICAN CHILDREN IN NEW YORK CITY TO PSYCHOLOGICAL TESTS

The motive of the chamber of commerce for undertaking the investigation was "in connection with an agitation now on foot to include Puerto Rico as a State in the Federal Union."[1]

The investigators appear to be persons of training sufficient to inspire confidence in their published findings. Dr. Clairette P. Armstrong is the psychologist attached to the Children's Court of the City of New York. Dr. Edith M. Achilles is connected with the Psychological Corporation in New York City. Mr. Sacks' connections are not known to your commentators.

The conclusions drawn from the investigation by the psychologists may bear rewording in the light of the analysis which follows. Comment is therefore delayed.

ASCRIBED REASONS FOR THE RESEARCH

(1) Since reputed "difficulty of adjustment of Puerto Ricans in New York City has become a serious problem * * * therefore a consideration of the intelligence of Puerto Rican school children, as compared with that of public-school children here, may be illuminative."

(2) Because of the overpopulation and the high Puerto Rican birth rate as compared to the United States in general, "Puerto Rico could well be an inexhaustible source of population supply for a complacent mainland."

THE PUERTO RICAN GROUP INVESTIGATED

In November and December 1935 the investigators examined "240 Puerto Rican children at Public School No. 57 at One Hundred and Fifteenth Street near Lexington Avenue, New York City, where enrollment includes a large and representative sampling of Puerto Ricans."

These children were taken from grades 4, 5, and 6. Included were children up to age 16 and one child taken from a non-English-speaking class.

"Nearly a third of the group were born in New York City of Puerto Rican parents, and well over a third had been here 6 years or more. The others, Puerto Rican born, had been here under 5 years. * * *"

"Over half said they were on relief, home or work."

About one-third of the Puerto Rican children came from broken homes, living with the mother alone, or with the father alone, or with stepparents or other relatives.

"Fifty-eight were recognizably Negro, 91 were white, and 91 with indications of Negro antecedents."

THE CONTROL GROUP[2]

Three hundred and twenty-eight children from Public School No. 6 at Eighty-fifth Street and Madison Avenue and from Public School No. 166 at West Eighty-ninth Street in New York City and 124 rural children in public schools in Katonah, Bedford Hills, and Bedford Village in northern Westchester County, N. Y., a total of 452 children.

Describing these children in 1932, Dr. Armstrong wrote:

"In the New York group there were no children of unskilled laborers.

"It is generally conceded that children in inferior occupational classes have lower test scores than children in higher occupational classes. This is true of ability to react to objective as well as verbal situations."

"Since the schools were all in the better residential districts, there were fewer children of foreign parentage than are found in public schools in other localities. This is another factor leading to higher I. Q."

"The higher I. Q.'s may be attributed to some selection as to occupational level and nationality."

"First generation American-born children have been found inferior on nonlanguage as well as verbal tests by many investigators, among others, Young[3] and Kirkpatrick.[4]"

Dr. Armstrong carefully eliminated any children who were under 8 or over 15 years of age from the control group, and included a grade range from fourth to eighth.

ANALYSIS OF THE COMPARABILITY OF THE PUERTO RICAN GROUP AND THE CONTROL GROUP

In table I the outstanding differences between the two groups are contrasted. Lack of sufficient data available in the published material hampers additional analysis. If this much is available, a surmise as to the rest may be indicated.

TABLE I.—*Factors differentiating the control group from the Puerto Rican group*

	The control group	The Puerto Rican group
Number of pupils	452	240.
Number tested	417	129.
Locality in which the children live.	The best housing and school facilities that New York City and Westchester County have to offer.	An area which has become one of the worst of overcrowded slums in New York City and in which the teacher personnel is constantly shifting.
Age and grade range	Grade range from fourth to eighth with underage and overage children eliminated from the study so that a selected group of 9 to 14 years of age are included.	Grade range from second half of the fourth to the sixth grade only. All ages included and 1 child from a non-English speaking class included.
Language background	Children of native-born parents, from the highest occupational levels, with English as the native language.	Children of impoverished Puerto Ricans of the lower occupational levels with Spanish as the native tongue and the language of the home and street. English is the language used at school.

COMMENT

The control group is admittedly a selected group as evidenced by (a) the elimination of under-age and over-age children, and (b) the economic and social level from which the population was drawn.

Therefore, the statements made by the investigators under results (p. 5)[5] that "Puerto Rican children in New York were very inferior to unselected public-school children in ability to react to concrete situations", and on page 7,[5] "their (the Puerto Rican group's) inferiority to the control group is marked and they are far below the average child of the States in 'native ability' ", have no basis in fact because the control group was neither unselected nor typical of the average American child but they are a highly selected group.

The use of the expressions "unselected" and "the average child in the States" is unfair because facts do not justify their use. It is difficult to understand how psychologists of the training that these have had would use their terms so loosely.

On page 4 of the "study" states in reference to the Puerto Rican children in P. S. 57 Manhattan, of New York City, "the enrollment includes a large and representative sampling of Puerto Ricans."

On page 6 it refers to "this random sampling of Puerto Rican children in New York."

The population of the Puerto Rican groups studied was taken from two and one-half grades in one school. The conclusions were drawn from the results of 129 of the total of 240 studied. The children all reside in the immediate locality of the school, a locality which is one of the worst slum areas of New York City.

When the investigators use the words "sampling", "random", and "representatives", they imply that all Puerto Ricans are like these children. When they say a large sampling they refer to the 129 pupils they tested. When they say 'random" they mean unselected and the investigators carefully selected the lowest economic and social levels of the Puerto Ricans in New York to compare them with the finest that New York State has to offer. Is a comparison of this type valid or fair?

This is another procedure which is difficult to understand since the study is on a scientific basis and the terms have scientific significance.

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[1] Matter in quotation marks is taken verbatim from the "report" referred to in the title.

[2] This group was examined in 1928 and described in a study published by Dr. C. P. Armstrong in Psychological Clinic, vol. 21, pp. 39–48, 1932.

[3] Young, K., Mental Differences of Certain Immigrant Groups. University of Oregon. Pub. 1922, vol. 15, pp. 417–434.

[4] Kirkpatrick, C., Intelligence and Immigration. Mental measurement. Monograph I, 1926, N.

[5] The report of the special committee cited above.

ANALYSIS OF TEST PROCEDURE

The "study" attempts to judge the verbal ability of all Puerto Rican children on the basis of an Otis Self-Administering group test "administered to 96 Puerto Ricans in the sixth grade and 33 in the upper fifth" (p. 4).

The test was administered to the Puerto Rican group, with a "20-minute time limit" (p. 7).

The control group had had 30 minutes. The control group had a grade range from fourth to eighth and the Puerto Rican group merely from upper fifth through sixth. (For some unexplained reason 35 students of the control group were omitted from this part of one study; the report summarizes the results of only 417 of the control group. Why were 35 control-group students omitted?)

In order to try to make a theoretical comparison between these two groups, the investigators then applied statistical techniques to the scores of the Puerto Rican group.

COMMENT

The results from this set-up were a foregone conclusion to any trained psychologist.

The time and effort expended to compute the statistics for transmitting 20-minute scores to 30-minute values in order to defend the saving of 10 minutes in the administration of a group test is difficult of comprehension. In the light of other unorthodox procedures in this "study" this action may also be interpreted as prejudicing the results against the Puerto Ricans despite expressions to the contrary.

ANALYSIS OF THE TABLES IN THE STUDY

The tables given in the study have been included without interpretation as to the significance of the differences between the two groups.

COMMENT

A statistician can read those figures and infer the implied interpretation that the two groups are different and that the differences are statistically significant because they appear to be well outside the realm of ordinary chance. But in the light of the manner in which the study was conducted, the differences great to begin with, the coefficients of reliability of the differences had to be great. Then, why was it necessary to compute the statistical functions given in the tables? If they were needed to support the conclusions drawn, why are they not referred to and explained? Is it possible that comparison of five or six grades or the one with fourth, fifth, sixth, seventh, and eighth grades on the other hand could not be adequately defended from these tables?

GENERAL COMMENTS

In view of the improper comparisons, the unorthodox procedures, and the many questions raised in the comments above, the conclusions which the investigators draw are reduced to statements having little or no relationship to the data submitted.

THE THOMAS JEFFERSON MEMORIAL

Mr. WEARIN. Mr. Speaker, I have introduced a resolution in the House providing that the design for the Thomas Jefferson Memorial in Washington, D. C., be selected as a result of an architectural competition. The matter has been called to the attention of the chairman of the Commission established for that purpose, and I am taking this opportunity of placing the subject before the Congress and the country. Such a plan would be characteristic of the Great Commoner whom we desire to glorify. It would carry out the spirit of the political party he founded, giving to young men all over the United States an opportunity to rise in their profession. If the Federal Government does not cooperate with such a method of selecting designs for public buildings and memorials it will be a party to discouraging one of the oldest and noblest of the arts established so many thousands of years ago.

Some of the finest works of art in the field of architecture and some of the noblest of buildings abroad and in the United States are a direct result of competitions, and we should, of course, take that into consideration as well as the democratic characteristics of such a program. When selecting the proposed Jefferson Memorial let us recall that one of the most outstanding of these competitions harks back to the fifteenth century and the Renaissance of art in Florence, when in the first year of that period Cosmo de Medici, an early founder of a family that has probably contributed more to the artistic temperament of the world than any other single family in history, inaugurated the custom by proposing such a contest for the selection of the bronze doors of the Baptistry, which was a great inspiration for that period or any other. Col. George F. Young in his book entitled, "The Medici", says:

It is impossible to describe the rivalry and enthusiasm called forth by this competition. It was a time when the stirrings of art were felt throughout the entire population of Florence, and the excitement over the matter was intense. When the models were sent in, three of them were considered superior to all others, those of Ghiberti, Brunelleschi, and Jacopo della Quercia, the two former being Florentines and the third a native of Siena. They were all quite young men, Jacopo della Quercia being 27, Ghiberti 23, and Brunelleschi 22. After further consultation the panel by Ghiberti was judged the best and the construction of the bronze doors was given to him.

It is interesting for us to note that the results of the young artist's work, representing scenes in the life of Christ, occupying his time and effort in part for the next 22 years, is said by authorities today to have never been surpassed.

To bring these observations with reference to the results of architectural competitions on down to examples in American history, I would call your attention to the fact that our own United States Capitol, which, in my judgment, is the most beautiful public building in the world, designed by William Thornton when he was 33 years of age, was the result of such a competition; James Hoban submitted the winning design for the White House when he was 30; Don Barber designed the Connecticut Library and the Supreme Court Building at the age of 35; Bertram Goodhue, St. Thomas' Church in West Point, N. Y., when he was 34; Thomas Hastings, the New York Public Library at 38; Guy Lowell, the New York County Courthouse at 43; Robert Mills, the Monumental Church in Richmond, Va., at 30; York and Sawyer, the Commerce Department Building in Washington at 39; Edgerton Swartwout, the Missouri State Capitol at 42; Paul Cret, the Pan American Building at 31. I am also reminded that the Lincoln Memorial is the result of such an architectural competition won by Henry Bacon.

These are only a few of the examples I have in mind or that are obtainable. You will find that a large percentage of the memorials in the United States, public buildings, hospitals, and courts, are a result of such competitions, and certainly they are among the highest and best types of work in the Nation. To my mind, the Federal Government should set the example of promoting the general practice.

The above list bears out my contention that such competitions give the younger men in the profession an opportunity to rise and thereby keeps the art alive, which is not generally true when architects are selected in an arbitrary manner, as the older men generally receive the preference under such circumstances.

The Royal British Architects, which has been in existence for 101 years, for the last 25 years has taken a definite position that the architectural competition is the best means of obtaining a design and an architect for a public building. They have put the prestige of their organization directly behind such a policy and endeavor, wherever possible, to persuade the public to use the competition method.

Some of the objections advanced in protests over adopting such a policy for the selection of a Jefferson memorial is the matter of the expense to the profession, but, of course, that is not an item to the younger, more energetic architects who seek to rise in their profession. Experience in the past would indicate that architects do not hesitate to enter such contests. In all probability they realize that against the actual expense in wages and material must be counted the gain in experience and technical knowledge which is to be obtained from every competition. All those who seriously enter one discover that the preliminary research work and the production of a design add to professional knowledge and experience, regardless of results.

It may be stated that promoters do not anticipate working with an inexperienced young architect should one be successful, but experience has indicated that it is almost unknown for a man to win an important competition and be incapable of carrying out the work. If that were not true the erection of many of our principal public buildings would have been unsuccessful. Furthermore, it must be remembered that many of the leading members of the architectural profession began successful careers by winning an open competition while young and unknown.

Offsetting any objections and in addition to the advantages already stated, there is this item of the utmost importance. You and the other Members of Congress will be spending

the people's money for the construction of the proposed memorial to Thomas Jefferson, which is entirely fitting and proper. We should, however, exercise the same due diligence in obtaining as much for that money as possible as if we were carrying on our private business. An architectural competition will enable the Commission to obtain at practically no extra cost solutions to many problems from some of the best men in the profession throughout the United States and to retain the services of the successful one at the same fee that would be paid to any other member of the profession. The people will, as a result thereof, receive the advantages of concentrated study of this particular problem and be offered a wide assortment of designs from the hands of the Nation's best. Furthermore, there can be no charge that the design was selected as a result of wire pulling or political influence, as they should be offered to the Commission unsigned and the selection determined as a result thereof upon the basis of merit and beauty alone.

I feel confident that this suggestion will meet with the approval of American citizens throughout the land who believe in the principles of democracy and the erection of a fitting memorial to the founder of the Democratic Party.

THE UNITED STATES HOUSING ACT OF 1936 HAS THE WELL-NIGH UNANIMOUS ENDORSEMENT OF THE PEOPLE

Mr. ELLENBOGEN. Mr. Speaker, I have compiled a very partial list of endorsements of the Wagner-Ellenbogen housing bill. This list does not include the endorsements which have gone to individual Members of Congress but only those that have come to my personal attention. These endorsements come from every part of the country. They show that the Wagner-Ellenbogen housing bill has the well-nigh unanimous endorsement of the people of the United States.

NATIONAL ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL—URGING ITS ENACTMENT AT THE PRESENT SESSION OF CONGRESS

Christian Science Monitor.
Unitarian Ministerial Union.
National Council of Catholic Charities.
American Association of Social Workers, housing committee.
American Federation of Labor, executive council, building trades department, housing committee.
United States Conference of Mayors, F. H. LaGuardia, New York.
National Federation of Settlements.
Federal Council of Churches of Christ in America.
National Women's Trade Union League.
National Public Housing Conference.
National Urban League.
National Association for the Advancement of Colored People.
Labor Housing Conference.
American Home Economics Association.
United Mine Workers of America.
National Council, Young Men's Christian Association.
National Recreation Association.
American Federation of Hosiery Workers.
Special Conference of American Rabbis, Social Justice Commission.
International Brotherhood of Electrical Workers.
Glass Bottle Blowers Association.
International Fur Workers Union.
Brotherhood of Railway Clerks.
National Association of Letter Carriers.
Piano, Organ, and Musical Instrument Workers Union.
Sheet Metal Workers International Union.
International Brotherhood of Teamsters, Chauffeurs, Stablemen, and Helpers.
International Association of Marble, Stone and Slat Polishers, Rubbers, and Sawyers, Tile and Marble Setters, Helpers, and Terrazzo Helpers.
United Rubber Workers of America.
International Federation of Technical Engineers, Architects, and Draftsmen's Union.
Federation of Flat Glass Workers.
United Leather Workers International Union.
International Broom and Whisk Makers Union.
United Wall Paper Crafts of North America.
Cigar Makers' International Union.
National Federation of Rural Letter Carriers.
Operative Plasterers and Cement Finishers International Association.
Amalgamated Clothing Workers of America.
United Association of Plumbers and Steamfitters.
International Association of Machinists.
American Federation of Musicians.
International Ladies' Garment Workers Union.
Bricklayers, Masons and Plasters' International Union.
United Hatters, Cap, and Millinery Workers.
Scripps-Howard Newspapers; Stern Newspapers; New York Times; Baltimore Sun.
Brotherhood of Maintenance of Ways Employees.

Among the organizations which never endorse specific legislation, but which have, nevertheless, officially endorsed the general principles behind the bill are:

American Institute of Architects.
The National Conference of Catholic Women.
The National Board of the Young Women's Christian Association.

INDIVIDUALS WHO TESTIFIED ON BEHALF OF THE WAGNER HOUSING BILL OR ENDORSED IT

Hon. Harold L. Ickes, Secretary of the Interior.
Hon. Frances Perkins, Secretary of Labor.
Hon. John H. Fahey, chairman, Federal Home Loan Bank.
Horatio Hackett, Assistant Administrator, Public Works Administration.
Miss Helen Alfred, secretary, National Public Housing Conference.
Harry C. Bates, chairman, American Federation of Labor housing committee; president of the Bricklayers, Masons, and Plasterers International Union.
Miss Catherine Bauer, executive secretary, Labor Housing Conference.
Ernest J. Bohn, member of the Cleveland City Council.
John Carroll, vice president of the Massachusetts State Federation of Labor.
A. R. Clas, director, Housing Division, P. W. A.
Michael J. Colleran, president of the Operative Plasterers and Cement Finishers International Association; member of the A. F. of L. housing committee.
James G. Couffer, representing Blythe & Co., New York City.
John C. DeHoll, chairman, Housing Authority, Birmingham, Ala.
Hon. William Green, president, American Federation of Labor.
Louis J. Horowitz, former president of Thompson-Starrett Co.
Rabbi Edward S. Israel, Social Justice Commission of Special Conference of American Rabbis.
Howard Johnson, social-service representative of the New Jersey State Housing Board.
D. E. McAvoy, chairman, Home Mortgage Advisory Board, Long Island, N. Y.
Stewart McDonald, Administrator, F. H. A.
Hon. Neville Miller, mayor, Louisville, Ky.
Dr. John O'Grady, secretary, National Council of Catholic Charities.
Langdon W. Post, chairman of the New York City Housing Authority, Tenement House Commissioner for New York City.
Ira S. Robbins, counsel, New York State Board of Housing.
Rt. Rev. John A. Ryan, National Catholic Welfare Conference.
Mrs. Mary Simkovitch, president, National Public Housing Conference.
Alfred K. Stern, chairman, Illinois State Housing Board.
J. David Stern, publisher, Philadelphia Record, New York Evening Post.
A. Joseph Stewart, Louisville, member of mayors' committee.
Anson Phelps Stokes, chairman, Washington Committee on Housing.
Nathan Straus, president of the Hillside Housing Corporation, New York.
Dr. Worth Tippy, executive secretary, Federal Council of Churches of Christ in America.
Hon. Davis Wilson, mayor of Philadelphia.
Col. L. Kemper Williams, chairman of the New Orleans Committee on Housing.
Walter White, secretary of the National Association for the Advancement of Colored People.
Mrs. Edith Elmer Wood, former member of the New Jersey State Housing Board.
Evans Clark, National Public Housing Conference.
John L. Lewis, president, United Mine Workers of America.

ALABAMA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Housing Authority, Birmingham.
Alabama State Federation of Labor.
Building Trades Council, Montgomery.
Muscle Shoals Building Trades Council, Florence.
Birmingham Building Trades Council.
Anniston Central Labor Union.
Central Labor Union, Montgomery.
Central Labor Union, Winfield.
Local Bricklayers, Masons, and Plasterers International Union Dothan.
International Association of Machinists, River Front Lodge, No. 261, Mobile.
Tri-Cities Central Labor Union, Muscle Shoals.
United Brotherhood, Carpenters and Joiners of America, No. 1796, Montgomery.
United Brotherhood, Carpenters and Joiners, No. 89, Mobile.
Local Union No. 779, Mobile, Ala.
United Garment Workers Union of America No. 200, Mobile, Ala.
Y. M. C. A., Mobile.
Bridge, Structural, and Ornamental Iron Workers, Local No. 477, Sheffield.
Birmingham Post, Birmingham.
Federation of Flat Glass Workers of America, city of Fort Smith.
United Textile Workers of America No. 1918, Huntsville.
Local Union No. 674, Montgomery.

ARIZONA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

City Commission, Phoenix.
Mayor of Phoenix.

ARKANSAS ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Central Trades and Labor Council, Pine Bluff.
State Employees and Moving Picture Machines Operators, Local No. 328.
International Brotherhood of Firemen and Oilers, Pine Bluff.
Federation of Flat Glass Workers of America, local, Fort Smith.
Firemen and Oilers, Local No. 616, Pine Bluff.

CALIFORNIA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

San Bernardino City Council.
Mayor C. T. Johnson, San Bernardino.
Los Angeles City Council.
Hon. Frank L. Shaw, mayor, Los Angeles.
Los Angeles City Planning Commission.
Los Angeles Committee on Public Housing.
San Francisco Board of Supervisors.
Los Angeles Municipal Housing Commission.
Los Angeles County Board of Supervisors.
Central Labor Council of San Mateo County.
Central Labor Union of Monterey County, Salinas.
San Francisco Labor Council.
Fresno Central Labor Council.
Carpenters' Local No. 130, Vallejo.
Los Angeles Building Trades Council.
Carpenters' Local, Yuba City.
Central Labor Council, Santa Rosa.
Central Labor Council of San Joaquin County.
Consolidated Building and Metal Trades Central Labor Council, Vallejo.
Dressmakers' Union No. 11, San Francisco.
Cloakmakers' Union No. 6, San Francisco.
Ladies' Garment Cutters No. 213, San Francisco.
Central Labor Council, Los Angeles.
Asphalt Pavers No. 84, San Francisco.
San Diego Building Trades.
Studio Carpenters', Local No. 946, Los Angeles.
Building Trades Council, San Francisco.
International Association of Machinists No. 1422, Los Angeles.
(American Institute of Architects, Southern California chapter.)
Oakland Typographical Union, No. 36, Oakland.
United Association of Journeymen Plumbers and Steam Fitters, No. 494, Long Beach.
Cleaners', Dyers', and Pressers' Union, No. 17960, San Francisco.
Stockton Central Labor Union.
San Diego Sun, San Diego.
San Francisco News, San Francisco.
Sacramento County Building Trades Council, Sacramento.
Ernest C. Moore, vice president and provost, University of California, Los Angeles.
Federated Trades and Labor Council, San Diego.
United Brotherhood of Carpenters and Joiners of America, Local 1570, Marysville.
United Dry Forces of California, San Francisco.
Building Trades Central Labor Council, Marysville.
Santa Rosa Central Labor Council.
Water Workers Union No. 401, San Francisco.
Rev. John B. Toomay, Community Congregational Church, Santa Catalina Island.

COLORADO ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Denver Typographical Union, No. 49.
Colorado State Federation of Labor.
Fremont County Central Labor Union.
Plumbers, Local No. 58, Colorado Springs.
Denver News.
First Baptist Church, Denver.
United Association of Journeymen Plumbers and Steam Fitters, Colorado Springs.

CONNECTICUT ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Connecticut State Federation of Labor.
Mayor Alfred N. Phillips, Jr., Stamford.
Hartford Journeymen Plumbers' Association, No. 76.
Meriden Central Labor Union.
Miss Mary Arnold, Greenwich.
Representative HERMAN P. KOPPLEMANN.
Business girls and education section, Y. M. C. A., New Haven.

DELAWARE ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Wilmington Central Labor Union.
Wilmington Building Trades Council.

DISTRICT OF COLUMBIA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN BILL

Washington Committee on Housing.
Settlement Council of Washington—represents nine settlements.
John H. Fahey, chairman, Federal Home Loan Bank Board.
Miss Jean Coman.
Washington Building Trades Council.
Washington Times.
Manager John A. Ryan, National Catholic Welfare Conference.
Catherine Bauer, Labor Housing Conference.
William Green, president, American Federation of Labor.
Dr. John O'Grady, secretary, National Council of Catholic Charities.
Anson Phelps-Stokes.
Harry Bates, chairman, American Federation of Labor Housing Committee.
Michael J. Colleran, president, Operative Plasterers & Cement Finishers' International Association.
American Federation of Government Employees, Labor Department Lodge, No. 12.
Washington Daily News.

FLORIDA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Jacksonville City Council.
Tampa Municipal Housing Authority.
Mayor R. E. L. Chancey, Tampa.
Miami City Commission.
Florida Federation of Labor.
Building Trades Council of Jacksonville.
Bricklayers, Masons & Plasters, No. 7, Miami.
Orlando Central Labor Union.
International Brotherhood of Electrical Workers, No. 177, Jacksonville.
Bricklayers, Masons & Plasterers, No. 6, West Palm Beach.
Florida Building Trades Conference, St. Petersburg.
International Longshoremen's Association, No. 1416, Miami.
Central Trades and Labor Assembly, Tampa.
Building Trades Council, West Palm Beach.
Central Labor Union, St. Petersburg.
Duval County Board of County Commissioners.
International Brotherhood of Electrical Workers, No. 908, St. Petersburg.
United Association of Journeymen Plumbers and Steam Fitters, No. 630, West Palm Beach.
International Association of Machinists, No. 731, Jacksonville.
Miami City Commission.
Central Labor Union, West Palm Beach.
Central Labor Union, Orlando.
Central Labor Union, Jacksonville.

GEORGIA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Mayor James L. Key, Atlanta.
City Council, Atlanta.
Mayor Richard K. Allen, Jr., Augusta.
Central Labor Union, Augusta.
Georgia Federation of Labor, Atlanta.
Building Trades Council, Atlanta.
Atlanta Federation of Trades.
Macon Federation of Trades.
Columbus Central Labor Union.
United Brotherhood of Carpenters, No. 1623, Columbus.
Georgia Home Economics Association.
Central Sash & Door Co., Macon.
Savannah Building Trades Council.
Amalgamated Association of Street, Electric Railway Employees, and Motor Coach Employees of America, Local No. 898, Macon.
George L. Googe, southern representative, American Federation of Labor.
Central Labor Union, Brunswick.
City Council, Macon.
International Association of Machinists, Savannah.

IDAHO ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Central Labor Council, Lewiston.
State Federation of Labor.
Federal Labor Union 20194, Caldwell.

ILLINOIS ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

City Council, Belleville.
City Council, Waukegan.
City Council, Springfield.
Chicago City Council.
Mayor John W. Kabb, Jr., Springfield.
Mayor Mancel Talcott, Waukegan.
City Council, East St. Louis.
Illinois State Board of Housing.
Committee on Housing, Council of Social Agencies, Chicago.
Metropolitan Housing Council, Chicago.
Illinois State Federation of Labor.
Springfield Urban League.
Greater Peoria Civic Association.
Chicago Federation of Settlements.
Chicago Building Trades Council.
South Chicago Trades and Labor Assembly Center.
Central Labor Union, Rockford.
Belleville Building Trades Council.
Trades and Labor Council, West Frankfort.
Kankakee Federation of Labor.
Kankakee Building Trades Council.
Blue Island Central Labor Union.
Springfield Federation of Labor.
United Cement Workers, No. 20066, Oglesby.

Central Trades and Labor Union, East St. Louis.
Benton Central Labor Union.
Kewanee Trades and Labor Assembly.
Airline Pilots' Association, Chicago.
Ladies' Garment Workers' Union, No. 189, Batavia.
Local Union No. 98, Terraza Workers' Helpers, Chicago.
Local No. 134, International Brotherhood of Electrical Workers, Chicago.
Women's City Club, Chicago.
Mayor's Committee for Better and More Homes, Rock Island.
Col. R. E. Wood, president, Sears, Roebuck, Chicago.
Alfred K. Stern.
Coleman Woodbury.
Harry F. Robinson, Chicago.
Y. M. C. A., Chicago.
Mrs. Willard Hotchkiss, Chicago.
Olof Z. Cervin, architect, Rock Island.
George Richardson, member, Chicago Advisory Committee.
Ernest Fremont Tittle, member, Chicago Advisory Committee.
First Methodist Episcopal Church, Evanston.
Central Labor Union, Freeport.
Rev. Frank Hancock, First Methodist Episcopal Church, Blue Island.
Rev. Walter G. Batty, minister, Methodist Episcopal Church, Bradley.
City clerk, Oglesby.
Airline Pilots Association, Chicago.
City of Springfield.
City of Rockford.
Van Buren Street Improvement Association.
Belleville Trades and Labor Assembly.
Paul H. Douglas, University of Chicago.
Representative CHESTER THOMPSON, Rock Island.
Representative Martin P. Durkin, director, Department of Labor, Springfield.
Representative A. J. SABATH, Fifth District.
Representative HARRY H. MASON, Twenty-first District.
Representative EDWIN M. SCHAEFER, Second District.
Rev. Milton D. Bayly, Normal Park Methodist Episcopal Church, Chicago.
Federation of Flat Glass Workers of America, Ottawa.
Trades and Labor Assembly, Quincy.
Stenographers, Typists, Bookkeepers and Assistants, Union No. 20074.
Illinois State Association, United Association of Journeymen Plumbers and Steam Fitters of the United States and Canada.
Eldorado Township High School, Eldorado.
International Brotherhood of Electrical Workers, Local No. 134, Chicago.
City Council, Chicago.
Trades and Labor Assembly, Alton.
Chicago Federation of Labor.
Streator Building Trades Council, Streator.
United Association of Journeymen Plumbers and Steam Fitters, Local 93, Highwood.
University of Chicago, School of Social Service Administration (group of students).
United Cement Workers, Federal Union 18421, Oglesby.
Rev. W. H. Whitlock, Kumber Methodist Episcopal Church, Springfield.
Rev. Arthur H. Smith, First Methodist Episcopal Church, Pontiac.
Architectural Iron Workers' Union, No. 63, Chicago.
Rev. Milton D. Bayly, Normal Park Methodist Episcopal Church, Chicago.

INDIANA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

John W. Kern, mayor of Indianapolis.
Mayor William H. Dress, Evansville.
Evansville Advisory Committee on Housing.
Indiana State Federation of Labor.
Central Labor Union of South Bend.
Kokomo Trades and Labor Council.
Carpenters, Local No. 565, Elkhart.
Central Labor Union of Bloomington.
Clinton Central Labor Union.
Bricklayers, Union No. 6, West Chicago.
Carpenters Local Union, No. 90, Evansville.
International Ladies Garment Workers Union, No. 116, Fort Wayne.
United Electrical and Radio Workers of America, No. 902, Fort Wayne.
Vigo County Central Labor Union, Terre Haute.
Evansville Press.
United Garment Workers of America, No. 254, Clinton.
Kokomo City Council.
Indianapolis Times, Indianapolis.
Terre Haute Typographical Union, No. 76.
Bloomington Central Labor Union.
International Association Marble, Stone, and Slate Polishers No. 89, Bloomington.

IOWA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

City Council, Waterloo.
City Council, Council Bluffs.
Mayor William Guilfoyle, Council Bluffs.
Mayor of Des Moines.
Sioux City Municipal Housing Commission.
Building Trades Council, Des Moines.
Iowa State Council of Federated Churchwomen.
Central Labor Union of Council Bluffs.
International Brotherhood of Electrical Workers, No. 405, Cedar Rapids.
Central Labor Union, Mason City.
Iowa State Federation of Labor.
International Association of Machinists, Dewey Lodge, No. 283, Clinton.
Cement Plant Employees Union, Local 19338, Buffalo.

KANSAS ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Coffeyville Central Labor Union.
Central Labor Union, Hutchinson.
United Brotherhood of Carpenters and Joiners, Local No. 1445, Topeka.
Carpenters Local Union, No. 1587, Hutchinson.
United Trades and Labor Council, Pittsburg.

KENTUCKY ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Mayor Neville Miller, Louisville.
Board of Aldermen, Louisville.
Housing and Advisory Commission, Louisville.
Planning and Zoning Commission, Louisville.
State Federation of Labor, Louisville.
A. Joseph Stewart, Fidelity Columbia Trust Co., Louisville.
Kentucky Post, Covington.
Louisville Building and Trades Council, Louisville.
Stone Masons, Marble Masons, Cutters, and Carvers' Union 63, of Ohio, Newport, Ky.
Congressman BRENT SPENCE, Fifth Kentucky District.

LOUISIANA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

New Orleans Chapter, American Association of Social Workers.
New Orleans Advisory Commission on Housing.
Lake Charles Building Trades Council.
New Orleans Central Trades Council.
The Associated Catholic Charities, New Orleans, Gen. Allison Owen, Col. L. Kemper Williams, chairman, New Orleans Advisory Commission on Housing.
First Methodist Church, Baton Rouge.
International Brotherhood of Paper Makers, Recovery Local 189, Bogalusa.
New Orleans Branch, A. A. U. W.

MAINE ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Central Labor Union of Portland.

MARYLAND ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Maryland and District of Columbia State Federation of Labor.
Resettlement Lodge, No. 206.
Rabbi Edward L. Israel, Social Justice Commission of Special Conference of American Rabbis.
United Mine Workers of America, Local 7102, Grantsville.
United Mine Workers of America, Local 4113, Kempton.
United Mine Workers of America, Local 7208, Jennings.
United Mine Workers of America, Local 3639, Friendsville.
United Mine Workers of America, Local 6884, Frostburg.
United Mine Workers of America, Local 2523, Barton.
United Mine Workers of America, Local 2471, Mount Savage.
United Mine Workers of America, Local 4256, Zihlman.
United Mine Workers of America, Local 6465.
United Mine Workers of America, Local 6012, Midland.
United Mine Workers of America, Local 3335, Frostburg.
United Mine Workers of America, Local 2003, National.
United Mine Workers of America, Local 4597, Shallmar.
United Mine Workers of America, Local 2204, Eitzmiller.
United Mine Workers of America, Local 4365, Vindex.
United Mine Workers of America, Local 2833, Lonaconing.
United Mine Workers of America, Local 4904, Midlethian.
United Mine Workers of America, Local 3317, Eckhart.
United Mine Workers of America, Local 6897, Lonaconing.
United Mine Workers of America, Local 6768, Westernport.
Robert B. Kimble, State senator, Allegheny County, Cumberland, Md.

MASSACHUSETTS ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Mayor of Cambridge.
Cambridge City Council.
Massachusetts State Board of Housing.
Boston Housing Association.
Boston Housing Authority.
Massachusetts Federation of Labor.
William Stanley Parker, chairman, Boston City Planning Board.
Central Labor Union, Boston and vicinity.
Building Trades Council, Boston and vicinity.
John Carroll, Massachusetts State Federation of Labor.
Building Trades Council, Lawrence.
Union No. 19859, Wire Workers' Local, of Worcester.
Norwood Building Trades Council.
Worcester Building Trades Council.
Lynn Building Trades Council.
Central Labor Union, Lowell.

International Brotherhood of Teamsters, Chauffeurs, Stablemen, and Helpers of America, No. 49, Lowell.
Stone Masons and Marble Setters Union, No. 9, Boston.
Boston Building Trades Councils.
Cambridge City Council.
Lawrence Central Labor Union.
United Association of Journeymen Plumbers and Steamfitters, Local No. 175, Dorchester.

MICHIGAN ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Representative JESSE P. WOLCOTT.
Grand Rapids Federation of Labor.
City Council of Dearborn.
Mayor Frank Couzens, Detroit.
Kalamazoo City Commission.
Detroit Housing Commission.
Michigan State Federation of Labor.
Council of Social Agencies, Kalamazoo.
Calhoun County Council of Social Agencies.
Legislative Committee of Trades and Labor Councils, Muskegon.
Battle Creek Federation of Labor.
Merchants and Manufacturers' Trades Council, Menominee.
Kalamazoo Central Labor Union.
Joe Wilson, Detroit Teachers' Agency.
Central Fibre Products of Detroit.
Maurice Bortman.
Fordson School Women's Club, Dearborn.
Philadelphia Tire and Battery Service, Detroit.
Howell Electric Motors Co., Detroit.
Imperial Electric Co., Detroit.
P. J. Kelley, Detroit.
Master Upholstering Shop, Detroit.
Kuhlman Electric Co., Detroit.
Virginia Flower Shop, Detroit.
Electric Machinery Manufacturing Co., Detroit.
Delta-Star Electric Co., Detroit.
Blue Bird Fur Shop, Detroit.
Elwell Parker Electric Co., Detroit.
Young Democratic Club, Jackson County, Jackson.
United Automobile Workers of America, Local 87, Muskegon.
Knights of Columbus Council, Local 923, Petoskey.
United Brotherhood of Carpenters and Joiners of America, No. 1615, Grand Rapids.

MINNESOTA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Minnesota Federation of Labor.
Minneapolis Central Labor Union.
Building Trades Council, St. Paul and vicinity.
Winona Trades and Labor Assembly.
Trades and Labor Assembly, Brainerd.
Minneapolis Building Trades Council.
Central Labor Union, St. Cloud.
Y. M. C. A., Duluth.
St. Paul Trades and Labor Assembly.

MISSISSIPPI ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Building Trades Council.

MISSOURI ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Missouri State Federation of Labor.
Urban League, Kansas City.
Building Trades Council, Springfield.
Central Trades and Labor Union, St. Louis.
Building Trades Council, St. Joseph.
Women's Trade Union League, Kansas City.

MONTANA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

C. W. Williams, mayor, Billings.
Billings Housing Authority.
Helena Trades and Labor Assembly.
Trades and Labor Assembly, Great Falls.
Trades and Labor Assembly, Havre.
City Council, Great Falls.

NEBRASKA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Omaha Housing Authority.
Mayor Roy N. Towl, Omaha.
Nebraska Chapter, American Association of Social Workers.
Helen W. Gauss, Omaha Social Settlement.
Omaha district, Nebraska State Conference of Social Work.
Bricklayers, Masons, and Tile Setters Protective and Benevolent Association No. 1, Omaha.

NEVADA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Reno Central Trade and Labor Council.
Nevada State Federation of Labor.

NEW HAMPSHIRE ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLEBOGEN HOUSING BILL

Manchester Central Labor Union.
Building Trades Council, Manchester.
Cheshire County Trades and Labor Assembly, Keene.
United Brotherhood of Carpenters and Joiners, No. 625, Manchester.
Central Labor Union, Portsmouth.
New Hampshire State Federation of Labor.

NEW JERSEY ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Board of Aldermen, Paterson.
State Housing Authority.
Dr. Howard Johnson, State Housing Authority.
Jersey City Housing League.
Municipal Labor Housing Committee, Paterson.
Camden Labor Housing Committee.
New Jersey Federation of Labor.
Ironbound Community and Industrial Service, Newark.
Atlantic County League of Retail Merchants, Atlantic City.
Dyers Local No. 1733, Paterson.
Civic Committee for Slum Clearance, Atlantic City.
Federation of Dyers, Finishers.
Camden Central Labor Union.
Central Labor Union, Glen Rock.
American Federation of Hosiery Workers, New Jersey and New York district council.
Atlantic City Civic Committee.
Essex County Building Trades Council, Newark.
Atlantic City Welfare Bureau, Atlantic City.
Brotherhood Painters, Decorators, and Paperhangers of America, No. 301, Trenton.
Trenton Musical Association, No. 62, Trenton.
Building Trades Council, Plainfield.
Camden Courier.
M. Batzer, Asher-Batzer Service, Atlantic City.
Walter J. Burby, president, Hotel Dennis, Atlantic City.
Mrs. Edith Elmer Wood.
Bent Dudnick, State Housing Authority.
John R. Wilson, superintendent of public instruction, Paterson.
Herman C. Silverstein, Organization and Trade Council, Jersey City.
United Brotherhood of Carpenters and Joiners of America, Local 393, Camden.
International Brotherhood of Electrical Workers of America, Local No. 164, Jersey City.
Central Labor Union of Hudson County, Jersey City.
International Ladies' Garment Workers, Local No. 149, Plainfield.
Union County Central Labor Union, Elizabeth.
Municipal Labor Housing Committee, Paterson.
Charles E. Dietz, principal, Public School No. 3, Paterson.
Local Union 325, Paterson.
Miss Ethelyn Henderson, chairman, educational committee for schools, New Jersey Housing League, Paterson.
Mrs. Alta L. Shapiro, president, Senior Hadassah, Paterson.
Public School 18, Paterson.
Wyoming Tribe, No. 55, Improved Order of Red Men, Camden.
Charles A. Ward, chief electrical inspector, Paterson.

NEW MEXICO ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Albuquerque Tribune.

NEW YORK ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

City Council of Schenectady.
New York City Baptist Mission.
Harlem Housing Committee.
New York Ethical Culture Society.
Community Council, New York City.
John Volpe, New York.
Miss Anna Mason, Brooklyn.
Dressmakers' Union, No. 22, New York.
Samaritan Alliance, Church of the Saviour, Brooklyn.
Gustave Berger, New York.
Schenectady Building Trades Council, New York.
Joseph M. Brady, building economist, New York.
Blythe & Co., New York.
United Neighborhood Houses, New York.
Miss Helen Alfred, National Public Housing Conference.
Metropolitan Hygiene Council, New York.
Bricklayers' Union No. 1, Brooklyn.
Bricklayers' International Union No. 9, Brooklyn.
International Brotherhood of Electrical Workers, No. 3, New York.
Brooklyn Eagle.
Child Welfare Council, Schenectady.
Board of Aldermen, New York City.
Niagara Falls Central Labor Union.
Louis J. Horowitz, former president Thompson-Starrett Co.
Langdon Post, chariman, New York City Housing Authority.
Ira S. Robbins, counsel, State Board of Housing.
Mrs. Mary Simkovitch, National Public Housing Conference.
Nathan Straus, president, Hillside Housing Corporation.
Hillside Housing Corporation.
Dr. Worth M. Tippy, executive secretary, Federal Council of Churches of Christ of America.
Walter White, National Association for the Advancement of Colored People.
New York City Housing Authority.
Municipal Housing Authority of Schenectady.

Housing Authority of Port Jervis.
Syracuse Housing Authority.
Yonkers Municipal Housing Authority.
New York City Board of Estimate and Apportionment.
Brooklyn Housing Committee.
Lower East Side Public Housing Conference.
Brooklyn Neighborhood Association.
New York Urban League.
Consolidated Tenants League of New York City.
Willystine Goodsell, associate professor of education, Columbia University.
Rev. William F. Wefer, Good Shepherd Presbyterian Church, Jackson Heights.
Mayor Joseph F. Leehr, Yonkers.
Charles C. Webber, Union Theological Seminary, New York.
New York Council on Economics.
City Affairs Committee, New York.
Central Trades and Labor Council of Greater New York and vicinity.
Modelers and Sculptors of America, New York.
New York Kindergarten Association.
Brooklyn Kindergarten Association.
Williamsburg Public Housing Conference.
Community Councils for the City of New York.
Welfare Council—Housing Section.
Plasters' Local, No. 9, Buffalo.
Women's City Club of New York.
Michael Walpin, Bronx.
Social service commission of New York east annual conference of the Methodist Episcopal Church, composed of 307 ministers from New York City, Long Island, and community. (Presented resolution to annual conference of Methodist Church.)
Mrs. Newman Levy, New York City.
Lackawanna City Housing Authority.
Paul Lawrence Dunbar Apartments, Tenant Subscribers, New York.
Evans Clark, director, Twentieth Century Fund, New York.
Housing committee, City Club of New York.
Boston University Club of New York.
Capital District Joint Board, Amalgamated Clothing Workers, Troy.
Operative Plasterers and Cement Finishers International Association, Riverdale; Bronx Central Labor Council, Buffalo.
Gruber Bros., New York.
Fur Trade Foundation, New York.
Greater New York Federation of Churches.
Col. Francis Vigo Post, American Legion, New York.
Nursing Committee, Henry Street Visiting Nurse Society, New York.
Milton Handler, Columbia University.
Brooklyn Committee for Better Housing.
New York State Board of Housing.
Association of Day Nurseries, New York.
Bookkeepers', Stenographers' and Accountants' Union, New York.
Cloak, Suit, Skirt and Reefer Makers' Union, Joint Board of Greater New York.
New York State Federation of Labor.
New York Building Trades Council.
New York Labor Committee on Housing and Slum Clearance.
International Brotherhood of Electrical Workers, Local No. 3, New York.
International Ladies Garment Workers' Union, New York.
Building Trades Council, Brooklyn.
Central Union Labor Council, Brooklyn.
Central Labor Council, Olean.
Red Hook Housing Committee, Brooklyn.
Neighborhood Council, Navy Yard District, Brooklyn.
International Longshoremen's Association, Local No. 327, New York.
Kindergarten 6B, Teachers' Association, New York.
International Longshoremen's Local No. 1100, New York.
Benjamin Andrews, professor of household economics, Columbia University.
Rev. Charles McAlpine, Lefferts Park Baptist Church, Brooklyn.
Brooklyn Church and Mission Federation.
American People's School, New York.
International Longshoremen's Association, Brooklyn.
Miss Anne E. Robinson, Julia Richman High School, New York.
Amos I. Dusbaw, Brooklyn.
Association of Journeymen Plumbers and Steam Fitters, Tarrytown.
Journeymen Plumbers and Steam Fitters, Binghamton.
New York Typographical Union, No. 6.
Jewish Social Service Association.
City Wide Tenants League.
West Side Public Housing Conference.
Women's Public Housing Round Table.
First Methodist Episcopal Church, Brooklyn Heights.
French Evangelical Church.
United Association of Journeymen Plumbers, Steam Fitters, No. 112, Binghamton.
D. Edelman, Artcraft Store Fixtures, Brooklyn.
New York Y. W. H. A.
Bronx Y. M. H. A.
City Council, Buffalo.
Yorkville Roland American Democratic Club.
League of Mothers' Clubs.
North Harlem Community Council.
Madison Square Boys Club.
Nassau and Suffolk Building Trades Council, Mineola, Long Island.
Superintendents and Janitors Union.
Manhattan Avenue Merchants Association of Williamsburg, Brooklyn.
Plumbers Local Union, No. 288, Saratoga Springs.
International Association of Heat and Frost Insulators, Local No. 12.
John Gladstone, New York City.
Willoughby House Settlement, Brooklyn.
Representative CHRISTOPHER D. SULLIVAN, New York City.
William Lescage, architect, New York.
Buffalo Times, Buffalo.
New York World Telegram, New York City.
Representative FRED J. SISSON.
United Textile Workers of America, New York.
International Association of Bridge, Structural and Ornamental Bronze and Iron Workers, New York.
Trades and Labor Assembly, Elmira.
National Federation of Settlements, New York.
Rev. Clifford W. Hilliker, Union Congregational Church, Churchville.
New York County Chapter of New York State Society, Inc., of Professional Engineers, New York City.
Cooperative Homes Society, New York City.
Dock and Pier Watchmen's Union, Brooklyn.
International Association of Machinists, Local No. 365, Troy.
American Baptist and Foreign Mission Society, New York.
Electas D. Litchfield, New York professor.
D. E. McAvoy, chairman, Long Island division, Home Mortgage Advisory Board, Jackson Heights.

NORTH CAROLINA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

North Carolina State Federation of Labor.
Central Labor Union, Winston-Salem.
United Textile Workers, Gastonia.
Gastonia Gazette.
R. C. Thomas, organizer for United Textile Workers, Gastonia.

NORTH DAKOTA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

United Association of Journeymen Plumbers and Steam Fitters, Local No. 338.
North Dakota State Federation of Labor.
Federal Labor Union, No. 19326, Dickinson.

OKLAHOMA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Mayor T. A. Penny, Tulsa.
Enid City Planning and Zoning Commission.
Operative Plasterers and Cement Finishers, Local No. 170, Oklahoma City.
Central Trades and Labor Council, Bartlesville.
Central Labor Union, Ponca City.
Okmulgee Central Labor Union.
Henryetta Central Labor Union.
Oklahoma News, Oklahoma City.

OREGON ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Central Labor Council, Portland.
Astoria Central Labor Union.
City Council, Klamath Falls.
Mayor Willis E. Mahoney, Klamath Falls.
Portland Mailers' Union No. 13.
State Federation of Labor.
Central Labor Council, Eugene.
Central Labor Council, Marshfield.
Park Rose Commercial Club.

OHIO ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

State Senate.
City Council, Akron.
Mayor Lee D. Schroy, Akron.
City Council, Toledo.
Mayor Roy D. Start, Toledo.
City Council, Lima.
City Council, Cleveland.
City Council, Columbus.
John V. Edy, city manager, Toledo.
F. O. Eichelberger, city manager, Dayton.
City Council, Youngstown.
Mayor Lionel Evans, Youngstown.
Cincinnati Metropolitan Housing Authority.
Better Housing League of Cincinnati.
Citizens' Committee on Slum Clearance and Low Rent Housing, Cincinnati.
Cleveland Metropolitan Housing Authority.
Ohio State Federation of Labor.
North Toledo Community House.
Cleveland Joint Board, Amalgamated Clothing Workers of America.
International Association of Machinists, No. 439, Cleveland.
Petition circulated by Dr. C. J. Bushnell, professor of sociology, University of Toledo, signed by 60 persons.

Legislative Committee, Cincinnati Chapter, A. A. S. W.
Friendly New Settlement, Cleveland.
Central Labor Council, Cincinnati.
Toledo Central Labor Union.
Cleveland Building Trades Council.
Columbus Federation of Labor.
Toledo Cloakmakers' Union, No. 67.
Trades and Labor Assembly of Tuscarawas County, New Philadelphia.
Trades and Labor Organization, Middletown.
Piqua Central Labor Union, Piqua.
Elyria Central Labor Union, Elyria.
Zanesville Federation of Labor, Zanesville.
Jefferson County Trades and Labor Assembly, Steubenville.
Allied Construction Industries, Cleveland.
Brotherhood of Painters, Decorators and Paperhangers, Zanesville.
Regional Planning Council of Hamilton County and vicinity.
Perry County Central Trades and Labor Council, Deavertown.
Cincinnati Joint Board, Amalgamated Clothing Workers of America.
Coat, Suit, and Dressmakers' Union, No. 63, Cincinnati.
Glass Workers, Local No. 20115, Cambridge.
United Brotherhood of Carpenters and Joiners, No. 1602, Cincinnati.
United Brotherhood of Carpenters and Joiners, No. 29, Cincinnati.
International Brotherhood of Electrical Workers, No. 38, Cleveland.
Novelty Workers' Union, No. 20118, Coshocton.
Office Workers Union, No. 19366, Cleveland.
Paul L. Feiss, member Cleveland Housing Committee.
Mothers' Club, Toledo.
August Marx, chairman, Citizens' Committee on Slum Clearance and Low Rent Housing, Cincinnati.
Rev. Francis R. Fochteman, Cleveland.
Mr. Travis G. Walsh, Maier, Walsh & Barrett, Cleveland.
Ernest J. Bohn, Cleveland City Council.
Howard Whiffle Green.
Brick Manufacturers' Association, Cleveland.
Akron Times Press.
Cincinnati Post.
Cleveland Press.
Columbus Citizen.
Toledo News Bee.
Youngstown Telegram.
Senator VIC DONAHEY, Ohio.
Cleveland Housing Committee.
Journeymen Plumbers and Steam Fitters, Local No. 189, Columbus.
Toledo Metropolitan Housing Authority.
Barberton Central Labor Union, Akron.
United Brotherhood of Carpenters and Joiners of America, Cincinnati.
Rev. John L. Langhorne, St. Philips Episcopal Church, Cincinnati.
Dr. Abraham Cronbach, The Hebrew Union College, Cincinnati.
Horace Sudduth, chairman, committee on management, Y. M. C. A., Cincinnati.
Caldwell Settlement, Youngstown.
Stenographers, Typists, Bookkeepers, and Assistants, No. 19708, Toledo.

PENNSYLVANIA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

House of Representatives, Harrisburg.
Mayor Davis Wilson, Philadelphia.
City Council of Bethlehem.
City Council of Pittsburgh.
Mayor Robert F. Phfeifle, Bethlehem.
Easton City Council.
Pennsylvania Federation of Labor.
Allied Boards of Trade of Allegheny County (40 different civic and commercial organizations; 100,000 membership).
Pittsburgh Public Affairs Commission.
Public Affairs Commission of the Federation of Social Agencies of Pittsburgh and Allegheny Counties.
Family Society, Philadelphia.
Octavia Hill Association, Philadelphia.
Beth Eden Settlement, Philadelphia.
Neighborhood Center, Philadelphia.
Friends Neighborhood Guild, Philadelphia.
Pittsburgh Housing Association.
Irene Kaufman Settlement, Pittsburgh.
Philadelphia Building Trades Council.
Federation of Women's Clubs, Pittsburgh.
Association of Philadelphia Settlements.
Pennsylvania Security League, Harrisburg.
Philadelphia Central Labor Union.
American Federation of Hosiery Workers, No. 10, Reading.
Central Labor Union, Ittanning.
Cannonsburg Central Labor Union, Strabane.
International Brotherhood of Electrical Workers, Local No. 6, Pittsburgh.
Reading Federated Labor Council.
Bricklayers International No. 2 of Pennsylvania, Pittsburgh.
Armstrong County Central Labor Union, Kittanning.
Central Trades Council of Jeannette.
Central Labor Union, Quakertown.
Pittsburgh Press.
Central Labor Union, Carbondale.
Erie Building Trades Council, Erie.
United Trades Council, Brownsville.
Central Labor Union of Clearfield County.
Central Labor Union of Lancaster.
Barnesboro Central Labor Union, Marstellar.
Blair County Central Labor Union, Altoona.
Uniontown Trades and Labor Council.
United Mine Workers of American Local No. 6561, Smithfield.
Casket Makers Union, No. 19072, Boyertown.
American Federation of Hosiery Workers, Philadelphia branch.
United Mine Workers of America, No. 2363, Pitz Henry.
International Association of Machinists, No. 166, Newcastle.
Lancaster Central Labor Union.
Pittsburgh Chapter A. A. S. W.
Molders' Union, No. 6, Pittsburgh.
Molders' Union, No. 46, Pittsburgh.
Earl Harrison, attorney, Philadelphia.
Mrs. Philip R. Hepburn, Rosemont.
Morris Knowles, Inc., Pittsburgh.
S. Leo Ruslander, Pittsburgh.
J. David Stern, publisher, Philadelphia Record and New York Evening Post.
Francis D. Tyson, professor of economics, Pittsburgh.
Edwin C. May, prominent businessman, Pittsburgh.
Sidney Teller, settlement director, Pittsburgh.
Nathan Jacobs, president, Civic Club, Allegheny County.
J. W. Freas, Chester.
Delaware County Central Labor Union, Media.
Central Pennsylvania Conference of Central Labor Unions, Altoona.
Teamsters, Chauffeurs, and Helpers Union, No. 430, York.
Federal Labor Union, No. 18255, Wall Paper Helpers, York.
Quarry Workers International Union, Local 254, Spring Grove.
Federation of Flat Glass Workers of America, Tarentum.
Federation of Flat Glass Workers of America, Dunbar.
United Brotherhood of Carpenters and Joiners, Local 191, York.
United Mine Workers of America, Local No. 6301, Fairbank.
Federation of Jewish Philanthropists, Pittsburgh.
Y. M. C. A., Philadelphia.
Title, Marble Terazza Helpers, Local No. 69, Scranton.
Lansford Central Labor Union.
York Federation of Trades Unions.
Stone Masons International Union 38, Scranton.
Local Union 449 of Pittsburgh.
American Federation of Musicians, Local No. 472, York.
Plumbers, Steam Fitters, and Sheet Metal Workers, Local Unions. Scranton.
House of Representatives, Commonwealth of Pennsylvania.
Union 242, York.
The General Conference of the Religious Society of Friends, Philadelphia.
International Brotherhood of Teamsters, Chauffeurs, Stablemen, and Helpers, Local 229, Scranton.
United Mine Workers of America, No. 600, Nu Mine.

RHODE ISLAND ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

United Textile Workers of America, Providence.
Providence Central Federated Union.

SOUTH CAROLINA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

City Council, Greenville.
Charleston Board of Trade.
Central Labor Union, Spartanburg.
Tillman Lodge, No. 649, Charleston.
Central Labor Union, Charleston.
Charleston Housing Authority.

SOUTH DAKOTA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Aberdeen Central Labor Union.
United Brotherhood of Carpenters and Joiners, Local No. 783, Sioux Falls.
State Federation of Labor.
Federal Local Union No. 19848, Rapid City.

TENNESSEE ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

City Council, Knoxville.
Mayor Watkins Overton, Memphis.
Tennessee Federation of Labor.
Nashville Housing Committee.
Nashville Building Trades Council.
Knoxville Building Trades Council.
Knoxville Central Labor Union.
American Legion Post, Knoxville.
Mr. E. P. Hart, Union Avenue Baptist Church, Memphis.
Robert A. Cerny, Knoxville.
Knoxville Labor News.
Knoxville News-Sentinel.
Memphis Press-Scimitar, Memphis.
American Federation of Government Employees, T. V. A. Lodge No. 136, Knoxville.
Knoxville Housing Authority.
United Association of Plumbers and Steamfitters.
Jackson Trades and Labor Council, Local No. 102, Knoxville.

TEXAS ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Texas State Federation of Labor.
Mayor R. F. Sherman, El Paso.
Bexar County Tuberculosis Association, San Antonio.
Houston Labor and Trades Council.
Beaumont Building Trades Council.
Austin Trades Council.
Waco Building Trades Council.
International Brotherhood of Electrical Workers, No. 583, El Paso.
C. Tranchese, S. J., San Antonio.
State Federation of Labor.
Y. M. C. A., Dallas.
El Paso Herald-Post, El Paso.
Fort Worth Press, Fort Worth.
Houston Press, Houston.
Sunset Lodge, 392, El Paso.
Texas County Tuberculosis Association, San Antonio.
Houston Building Trades Council.
Building Trades Council, Corpus Christi.
Carpenters Local Union 1316, Brownsville.
Y. M. C. A., colored branch, Fort Worth.

UTAH ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Federal Labor Union, Logan.
Building Trades Council, Salt Lake City.
Utah State Federation of Labor.

VIRGINIA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

National Federation of Post Office Clerks, Norfolk.
Roanoke Times.
Portsmouth Central Labor Union.

VERMONT ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Vermont Federation of Labor.
Barre Central Labor Union.

WASHINGTON ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Clark County National Housing Commission, Vancouver.
Clark County Central Labor Council, Vancouver.
Grays Harbor County Central Union, Aberdeen.
Spokane Building Trades Council.
Pasco-Kennewick Federal Labor Union, No. 19146.
Washington State Federation of Labor.
Everett Central Labor Council, Everett.
Seattle Typographical Union 202, Seattle.
Project Workers Union, Bellingham.
Seattle Building Trades Council, Seattle.
Longview Kelso Central Labor Council, Kelso.
Everett Local Labor Housing Committee.
Central Labor Council of Spokane.
Raymond Central Labor Union.

WEST VIRGINIA ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Central Labor Union, Williamson.
Central Labor Union, Morgantown.
Central Labor Union, Clarksburg.
United Mine Workers of America, Local No. 5429, Mona.
United Mine Workers of America, Local No. 4009, Shinnston.
International Association of Machinists, Local 1410, Fairmont.
Williamson Typographical Union, No. 951.
Federation of Flat Glass Workers of America, Parkersburg.
Federation of Flat Glass Workers of America, Local No. 1, Owens.

WISCONSIN ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Mayor William J. Swoboda, Racine.
City Council, Superior.
Mayor Daniel W. Hoan, Wilwaukee.
Milwaukee City Council.
Administrator's Advisory Committee, Milwaukee.
Board of Public Land Commission, Milwaukee.
City Council, Sheboygan.
Mayor of Sheboygan.
Mayor James A. Law, Madison.
Oshkosh Trades and Labor Council.
Upholsterers Union, No. 133, Sheboygan.
Federated Trades Council, Milwaukee.
Racine Building Trades Council.
United Association of Journeymen Plumbers and Steamfitters of United States and Canada, No. 167, Madison.
Kenosha Trades and Labor Council.
Green Bay Federated Trades Council.
Waukesha Trades and Labor Council.
Neenah-Menasha Trades and Labor Council.
Building Trades Council.
Milwaukee Building Trades Council.
International Boot, Shoemakers Union, No. 197, Sheboygan.
Federal Labor Union, No. 18545, Sheboygan.
Workers' Alliance, Sheboygan.
Central Workers' Auxiliary, Sheboygan.
Phelps Wyman, landscape architect, Milwaukee.
Rev. E. LeRoy Dakin, First Baptist Church, Milwaukee.
Wisconsin Federation of Labor.
Metals Polishers' International Union, Local 89, Racine.
Steam Fitters & Helpers Benevolent & Protective Association, Local 601, Milwaukee.
Federal Labor Union, Local 18456, Kenosha.
Wausau Central Labor Union.
Central Body, Appleton.
Association of Journeymen Plumbers and Steam Fitters, Local No. 167, Madison.
United Brotherhood of Carpenters & Joiners of America, Superior.
Federal Labor Union 18558, La Crosse.
Plumbers & Steamfitters Local No. 118, Racine.
Milk Wagon Drivers and Dairy Employees, Local No. 511, Kenosha.

WYOMING ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL

Wyoming State Federation of Labor.
Wyoming Federation of Women's Clubs, Casper.

THE RECOVERY PROGRAM IN THE THIRD CONGRESSIONAL DISTRICT OF CALIFORNIA

Mr. BUCK. Mr. Speaker, not even those who would like to see the control of the National Government shift into their own hands can long deny facts. The facts are that the program of relief and recovery instituted by the Roosevelt administration is succeeding even beyond expectations. The daily papers, particularly the financial sections, bear column after column of news showing better business conditions, increases in wages and dividends, and vastly more activity along all lines.

Contrary to the idea that some people would like to instill in the minds of all, business improvement does not happen by itself. Depressions as severe as that which we were in on March 5, 1933, are not cured without a proper remedy. It is easy for any of us when times begin to grow better to forget how badly off we were. When the tooth is pulled and the toothache is over our mind does not dwell on the pain and suffering that we endured. I do not desire to revive any memories of that sad period of our country's history, but I do desire to point out to my constituents and to the public generally the very definite effect that the program of this and the last Congress and the Roosevelt administration has had upon their individual welfare.

The only hope of the opposition is that the citizens of the country will not realize what has been done for them by the last and the present Congresses and the administration.

Today the Third California Congressional District is in a relatively prosperous condition. There is every indication that its prosperity will continue; that, as a result of new activities, its population will increase, its business houses, its wage earners and its farmers, will continue to prosper. To this prosperity the Federal Government has contributed in no little measure through its construction program both through the Public Works Administration and the Works Progress Administration. Both have been intended to relieve the unemployed and the distressed by giving them work, and both have succeeded to a marked degree. At the same time, the work that has been done has been useful work. It has not been wasteful work. The following list of Federal projects in the Third California District, all of which have been financed with emergency-employment funds, quite aside from and in addition to the regular appropriations, show the tremendous sums that have been spent in the Third District:

San Joaquin River: River lights	$14,798
Sacramento River:	
Convert lights	9,000
Levees	500,000
Rectify channel	1,000,000
San Joacquin River: Deepen channel	1,158,000
Mare Island Navy Yard:	
Vessels	5,200,000
Causeway to Vallejo	980,000
Extend dike no. 12	236,721
Magazines	310,000
Ordnance	137,503
Shop equipment	583,009
Power plant	135,000
Miscellaneous repairs and improvements	667,168
Benicia Arsenal: Manufacture and preserve ammunition	18,395
Woodland: Post office	69,900

Sacramento County:	
School (Indian Bureau)	$12,350
Roads (Indian Bureau)	18,000
Lodi: Post office	72,607
Total	11,117,799

The above list comprises expenditures on Federal projects which require no repayment from any source. In addition thereto, the Public Works Administration has made, on application of county, school, and other municipal districts, grants and loans as follows for public projects:

GRANTS ONLY

Sacramento:	
Highway bridge	$12,212
Hospital	13,700
Fire department	3,437
City-hall improvements	20,300
High school	186,363
Elk Grove: School addition	3,394
Galt: Water mains	13,515
Walnut Grove: School	14,545
Stockton Port:	
Harbor improvement	23,550
Wharves	204,300
Clarksburg: High-school addition	8,182
Woodland: City hall	7,354
Vallejo: Waterworks improvement	16,753
Total	527,605

LOANS AND GRANTS

Stockton Port, cotton compress (30-percent grant)	255,323
Stockton Port, addition to cotton compress (30-percent grant)	45,043
Suisun, waterworks (grant, $2,375)	23,375
Grant Union High School, North Sacramento (additional funds in process of allocation; total grant not yet determinable)	179,100
Total	502,841

LOANS

American River flood-control district	$194,000
Sacramento County, school improvement	16,500
Del Paso Heights, school improvement	15,500
Stockton Port, 6 warehouses	194,000
Total	336,000
Grand total for non-Federal projects	1,366,446

In addition to these items a loan of $600,000 was authorized for a municipal power plant at Lodi. The completion of this loan and consequently the start of work has been held up by litigation started by power interests. A number of other allotments have also been made which for one reason or other have not been accepted by the district involved and have been turned back to the general funds of the Public Works Administration. It is interesting to note that in at least one of these cases, a Sacramento school application, it was found possible on account of more prosperous business conditions, to sell the bonds which had been voted, in the open market at a lower cost to the citizens than to dispose of them through P. W. A. All of these are worth-while projects, all of need and value to the particular community involved, and all will be of a permanent and not a temporary benefit.

In assisting in obtaining these grants and loans, I have been continuously active, and in many cases, as the officers of the districts concerned can readily testify, the persistent work of my office has not only expedited consideration of applications but secured additional funds where needed to complete projects.

With the advent of the Works Progress Administration in the summer of 1935, the Emergency Relief money appropriated during the first session of the Seventy-fourth Congress was handled in a slightly different manner. The aim of the Works Progress Administration was to put at actual work on constructive and useful projects sponsored by some municipal body, as many men and women as possible who were in need of relief and who could actually perform the work required. The cost per man-hour, however, was made lower than under P. W. A. in order to spread the available funds as widely as possible.

Hence, many heavy construction projects, where a large proportion of the total cost was in material, could not qualify under W. P. A. Nevertheless, there were many worthy enterprises to be undertaken, and through them the problem of work relief has been well taken care of. It must be further realized that under this program, now to be continued for 1 more year, work, not a dole, is to be provided. Actual "unemployables" are properly the care of local authorities and their care does not have a rightful place in a work-relief program.

Under W. P. A., 72 projects in the 5 counties comprising the Third Congressional District, involving a peak employment of 5,219 men with a Federal contribution of $227,880, had been completed as of May 15, 1936. On the same date W. P. A. was operating 195 projects in this same territory, which will have a peak employment of 7,898 men, and to which Federal contributions will amount to $1,846,596. As of the same date there remained to be started in the Third District 94 projects which had been approved, with a peak employment estimated at 3,177 men, and to which the Federal Government would contribute $549,200.

It is not my intention to list these projects individually, but they include such items as road work; repairs, painting, and extensions to schools; water-main and fire-hydrant installations; work on reservoirs; the reconstruction of drainage and canal ditches; work in mosquito-control districts; rodent eradication, and clerical assistance rendered to various county and State bureaus. All of this work has been work of importance, work that has been needed, and work that has kept people alive.

I append hereto a table which I have prepared showing by counties the distribution of Federal and sponsors' funds on completed, operating, and prospective W. P. A. projects in the Third Congressional District as of May 15, 1936. As of today, of course, some of those that were then operating are no doubt completed, and some which were then not started are now in operation.

W. P. A. projects as of May 15, 1936

COMPLETED

Counties	Number	Peak employment	Funds supplied		Total
			Federal	Sponsors	
San Joaquin	29	1,223	$162,137	$40,213	$202,350
Sacramento	28	3,698	42,630	85,772	128,402
Yolo	10	232	12,838	8,721	21,559
Napa	5	66	10,275	17,025	27,300
Total	72	5,219	227,880	151,731	379,611

OPERATING

San Joaquin	72	2,925	1,046,345	247,929	1,294,274
Sacramento	97	4,425	641,353	178,239	819,592
Yolo	12	360	84,233	27,975	112,208
Solano	7	119	47,427	9,279	56,706
Napa	7	69	27,598	11,916	39,514
Total	195	7,898	1,846,956	475,338	2,322,294

TO BE STARTED

San Joaquin	43	1,711	316,914	124,988	441,902
Sacramento	36	1,044	166,347	38,445	204,792
Yolo	10	276	51,879	15,622	67,501
Solano	5	146	14,060	11,960	26,020
Total	94	3,177	549,200	191,015	740,215

These figures show conclusively the extent to which the Third District has benefited by the Federal construction program. I do not desire to take the time to list the many regular appropriations which I have been instrumental in securing, such as those for the maintenance of the Sacramento River, San Joaquin and Suisun Channels, Benicia Arsenal, the College of Agriculture at Davis, and Mare Island Navy Yard. I think I may well note, however, at this point that in addition to the two post offices at Woodland and Lodi, money for which was obtained from emergency funds, two others will shortly be under construction, the money for which comes from regular appropriations. These two post

offices will be constructed at Tracy, to cost $82,000, and at Vacaville, to cost $65,000.

Nor do I desire to list as benefiting solely the Third District the money which was first obtained from the relief funds, and, secondly, from the deficiency bill just passed for Central Valley water project. Sacramento, however, has been chosen as the head office of the Bureau of Reclamation in connection with work on this project, and as a result of that choice a considerable amount of employment, particularly along clerical and engineering lines, will be given to residents of that city. Much other employment, increasing as work progresses, will be available in the field. Congress has just appropriated an additional $6,900,000 for work on this project during the fiscal year 1937, which starts July 1, 1936. This, with unexpended balances from the President's allotment of September 1935, will provide about $15,000,000 for the coming fiscal year. This will permit an orderly development of all parts of this great work at all times.

It is true we will have to come back annually to Congress for funds to carry on, but the fact that this appropriation of new money has now been made, and particularly the language in which it was made, indicates clearly the intent of Congress to recognize this as an approved undertaking. The fight against this project was especially bitter and I am well satisfied, as I am sure citizens at home must be, with what we have accomplished.

The regular Navy appropriation bill also contains an item that should not be overlooked. Since my entry into Congress, I have been working vigorously for an increased workload at Mare Island Navy Yard. This, of course, requires increased facilities. The figures given first above show where I was able to obtain many of the necessary improvements. But a new drydock was needed and that could not come within the limits of either P. W. A. or W. P. A.

In 1935, however, I secured a regular authorization for $3,500,000 for a new graving dock. This year, at my personal insistence, $150,000 was actually appropriated to start work in clearing the site, preparing test pits, cofferdam, and other preliminary work. This assures a start and the remainder of the required funds will be forthcoming in due course.

I spoke in some detail a few days ago on the subject of the Pacific Air Depot which is to be located a few miles north of Sacramento. The bill containing the appropriation for this work, amounting to $7,000,000, was completed yesterday, and has gone to the President. No doubt exists as to his signing this and work on this project will be under way before August 1, 1936. I doubt if even yet the residents of our district realize what a tremendous base this is to be and what numbers of people are to be employed and what a vast amount of business will be brought to Sacramento and the surrounding territory. This is one of the new activities that I referred to which insures continuance of prosperity. The expansion of Mare Island is another.

The deepening of the San Joaquin Channel has brought increased business and prosperity to Stockton. The Board of Army Engineers has just approved the straightening and deepening of Suisun Channel (H. Doc. 97, 74th Cong.), which will result in that work being undertaken as soon as the next rivers and harbors bill is passed.

Not all of our new activities are of Federal origin, though administration policies have helped in the establishment of some. For example, the two new sugar refineries, one at Clarksburg and one at Woodland, which afford assurance of continued employment at those points. They afford also an assurance to the farmer that his sugar beets will find a ready and profitable market. The present administration is responsible for the establishment of the quota system in connection with sugar, and this Congress has just extended that system for another year.

Time does not permit me to analyze now the recovery work done in our district by the Farm Credit Administration, Home Owners' Loan Corporation, and Federal Housing Administration, nor to comment on the wonderful work done to aid banking recovery. The evidences of these benefits are so strong, so apparent, and so voluminous that to mention these is to recall some specific instance of aid to everyone's mind.

The work of the Reconstruction Finance Corporation is not so well known, so I shall devote just a brief moment to it. Through March 31, 1936, this organization had advanced in the Third Congressional District the vast sum of $16,315,202.17. Of this amount, $755,000 represented subscriptions to preferred stock of banks and trust companies, and the remainder was divided as follows:

Authorizations to industrial or commercial business, under sec. 5-D	$10,000.00
Loans to borrowers engaged in the mining, milling, or smelting of ores	190,000.00
Financing of agricultural commodities and livestock	500,000.00
Loans to or for the benefit of drainage, levee, and irrigation districts	$1,763,304.99
Loans to banks and trust companies (including receivers and conservators)	13,096,897.18
Total (including stock subscription)	16,315,202.17

Each county in the district has participated to some extent in these operations. Perhaps the use of the credit of Uncle Sam in these ways has been even as valuable as the more direct relief program.

Those who will carefully review these figures that I have submitted must realize, as perhaps they never have realized, the extent to which the Third District has benefited under the present administration. A continuation of these benefits and a continuation of the protection of the interests of industry, labor, and the farm alike, can only be assured by the continuation at the head of the Nation and in Congress of those who have been responsible for what has been done in the last 4 years. Those who have pursued a definite policy of aid to all in need of it, of encouragement to the disheartened, of relief to the poor, and of judicious expenditures in works of permanent benefit, should not be replaced without good cause.

Congress, in particular, moves slowly—it takes time to secure favorable consideration of new work by any Department, longer to secure the proper authorization by Congress, and finally, the necessary appropriation. The uninformed may think that all these Third District allotments "just grew," but actually they are the result of 4 years' hard work on the part of your present Representative in Congress. Whatever value I possessed to the district when elected has been increased through experience at Washington. There is nothing of more value than length of service, with its consequent seniority and influence. A diligent application to duty permits me to point with pride to this portion of my record; I shall discuss legislative features of it at other times.

CHILD LABOR AND THE WALSH-HEALEY BILL

Mrs. O'DAY. Mr. Speaker, during the debate Thursday night we had the pleasure of hearing our colleague the gentleman from Texas tell the story of his youthful struggles to support his family. He declared he had been the breadwinner of a family ever since he was 10 years old.

Without wishing to minimize the accomplishments of the gentleman from Texas nor the courage and industry of child workers, I wish, if possible, to erase the impression that this Congress regards it desirable or creditable to society that a child of 10 should be the breadwinner of a family.

No doubt many working children have been able to rise above their handicap and attain distinction in adult life, even as the gentleman from Texas has done.

But that does not excuse society for permitting conditions to exist that make it mandatory on a child of 10 to be the main support of a family. Nor does it mean that every child, so deprived of a healthy and normal childhood, is slated to outdistance his more fortunate fellows. The gentleman from Texas and those of his ilk are exceptions, or all our theories of child training are in error.

If we are to accept the premise that adult problems are good for a child of 10, we might as well throw our schoolbooks out of the window, fire all our teachers above the third grade, and discard our whole theory of education. Our colleges and universities should be closed and all our youngsters put to work as soon as they reach their tenth birthday.

We have accepted the theory that the tendency of civilization is to prolong the childhood of the race. If we are to put our children to work in their infancy, we should discard this theory immediately.

For every one overworked, overburdened child who rises to eminence in adult life there are thousands who sink beneath the too-heavy load placed on their young shoulders.

Child labor is not justified because a few individuals were able to succeed in spite of it.

The Democratic Party and especially the present administration have stood for the abolition of this blot on our civilization. Let those who know from their own experience the pangs of thwarted childhood not seek to hinder the work that is being done to save other boys and girls.

SPEAKER BYRNS, LOVER OF CHILDREN

Mr. REED of Illinois. Mr. Speaker, it was my privilege to know Speaker BYRNS personally only since the beginning of the Seventy-fourth Congress. My first impression of him on the day he was elected Speaker was most favorable. One phrase in his speech of acceptance I have never forgotten. He said:

> I subscribe to the policies, platform, and principles of my party. I shall endeavor so far as I properly can, to assist in the enactment of legislation in accordance with those principles and policies. But I have been in a minority, too. I understand its problems. And while I help the majority carry out its plans, I shall be equally insistent upon preserving fully the right of the minority to debate and record openly its position on all public questions.

How faithfully and conscientiously he carried out that pledge has been eloquently described by the leaders on both sides of this Chamber. The records of the American Congresses since March 4, 1909, when he first took his seat, afford ample proof of his greatness as a statesman, both as a fighter in the ranks of his party and as the presiding officer of this House of Representatives. But these records deal only with his public life and official services. There was an intensely human trait in the character of Speaker BYRNS that particularly appealed to me. It was his love for children. Often while passing through the reading room adjacent to the House Chamber I have seen him stoop from his great height and chat kindly with some child that chanced to be there with his father. He never failed to notice a child, and children were always attracted to him. Perhaps it was his kindly face and gentle manner.

He reminded me on those occasions of another great American, a tall man with an equally kind face, who although holding the highest office within the gift of his countrymen at a critical period when the Union of States was threatened with destruction, was never too busy, too weary, or too dignified to notice and speak kindly to a child.

I have at home a little girl, 3½ years old. Her name is Barbara Ann. Of course, she does not know what Congress is or what the word "Speaker" means. I had taught her to answer the question, "Who is the Speaker?" by saying "Mr. BYRNS." I wanted her to meet the Speaker and shake his hand and I wanted him to meet her. A few weeks ago I took her with me to the floor of the House. Then my difficulties commenced. Escaping from my clutches she dashed down the aisle of the Republican side, crossed the well at the foot of the Speaker's dias and up the aisle on the Democratic side. That was so much fun that she started back again. I realized that for me to attempt to pursue her would only make matters worse and I endeavored by motions of the hand to induce her to come back to the place where I was seated. But the spectacle of several hundred Members engaged in speech making and debate was far more attractive than the feeble efforts of a frantic father to prevent what commenced to look like a serious impairment of the dignity and decorum of the House. Again she sped down the aisle. At the foot she paused, surveyed the imposing array of clerks and officials and looked wonderingly at the presiding officer as he stood, gavel in hand, at his desk. I looked, too.

I saw a smile sweep his features. She smiled back. It was their first meeting and they both enjoyed it. Fortunately adjournment for the day was close at hand and when the gavel sounded Speaker BYRNS descended from his station and immediately stooped down and shook hands with the little disturber. He suggested kindly that perhaps she would like to occupy his seat and I will never forget the smile of pleasure and triumph that spread over her face as she clambered into his chair and turned to face an audience of several Members who applauded her generously. On the day of his death when I returned home from the office she met me at the door. Her face was perplexed and sorrowful. "Daddy," she said, "Speaker BYRNS is dead. He was a nice man. He let me sit in his chair."

Mr. Speaker, we have the authority of Him who said, "Suffer little children to come unto me", that unless we become as little children we cannot enter into the kingdom of heaven. Of such is that kingdom to which the kindly soul of Speaker BYRNS has entered.

A TRIBUTE TO SPEAKER JOE BYRNS

Mr. MITCHELL of Tennessee. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following statement made by me to the editor of the Shelbyville Gazette, published in Bedford County, Tenn., in my congressional district. This statement was made on June 11, 1936, to Mr. R. K. Pitts, with reference to the life and character of our late Speaker, Hon. JOE BYRNS, of Nashville, Tenn.:

> Tennessee and the Nation has lost one of its most beloved sons. Speaker BYRNS was loved and admired by all who knew him. He was a friend of the common people of our country and anxious to render them real service. He was honest, conscientious, and in every way capable.
>
> As Speaker of the House of Representatives he enjoyed the confidence of every Member of that body, regardless of politics. His rulings were fair, just, and always firm. The membership of our body today is in mourning and the hearts of all are saddened. It was a great shock that he should be taken so suddenly and unexpectedly, but he fell a victim to the work incident to carrying on his duties. He was always cheerful in the midst of every strain and every responsibility. Regardless of how busy he might be in his work here he always had time to speak to and a good word for every Tennessean and every constituent. He was anxious to serve them and to serve his Nation.
>
> The people, and the Democratic Party, have lost a great benefactor and friend. He was the keystone in the arch for the New Deal, and the President, in common with all of us, is saddened at his going away and has sustained a loss which cannot be replaced.
>
> Thirty years of legislative experience and active service in public life without a stain is a great tribute to any man, but it can be well and truthfully said of JOE BYRNS, as he was familiarly known to all of us, that he enjoyed this tribute at the hands of his State, his Nation, and his party. He rendered invaluable public service and thus discharged a great responsibility, which comes to men in public life who must need dedicate their best efforts and talents in behalf of the great common people, who have been so long neglected by many of those charged with public responsibility in the past. He was truly a friend of man and the pathway to his door was used by all of us. We cannot, in mere words, pay just tribute to so beloved a Tennessean. Tennessee mourns his loss and the Fifth District has lost its favorite and honored and most beloved son.

JOSEPH W. BYRNS

Mr. PLUMLEY. Mr. Speaker, there are a few of the older Members of this body who will recall the cordial friendship which existed between JOSEPH W. BYRNS and my father, when and as they served together here on this floor and in committees in days that now seem long ago.

It was my good fortune to have inherited and to share that friendship, always deeply appreciated, but now remembered as a priceless treasure.

No words of mine are necessary to, or if spoken, would or could measure the value of the services our friend rendered his country, or properly or commensurately evaluate his worth and his record as a legislator, statesman, and a man, or even begin to express the loss I feel, and all of us have sustained, in his death.

> "Words are easy like the wind;
> Faithful friends are hard to find."

He was my friend!

In his passing, something inexplicable has happened; out of our lives has gone something intangible, inexpressible, yet appreciable, the sense of the loss of which not even time can ever efface.

Yet, perhaps, as someone has said:

Perhaps we shall find at last that life and death
Are part of the same poem, rime on rime,
With but a natural pausing for the breath
As a sentence ends, that swinging out from time
Into eternity will make no break at all;
That still the perfect rhythm will be there;
That the swinging, high, sustained notes will not fall,
Nor the music falter on the waiting air.

I trust that there will be no stumbling feet
To mar the progress of that perfect thing.
The epic we call "life" is strangely sweet,
And yet, God grant upon its upward swing
It may take on, beneath an abler hand,
A meaning that the heart can understand.

WHY I VOTED AGAINST THE TAX BILL

Mr. LUDLOW. Mr. Speaker, I wish to state very briefly the reasons why I am voting against this tax bill.

I am doing so because in its final draft it places a heavy penalty and burden on small business firms that have been knocked down, and all but knocked out, by the depression and that are now struggling to get on their feet again.

It is my solicitude for the thousands upon thousands of good, honest business firms that are so beset with difficulties and that find the going so terribly hard that compels me to vote "No" on this tax bill in the form in which it is presented for our final judgment.

My particular concern is for the small and moderate-sized companies that are fighting valiantly to get back to normal conditions where they may resume operations and give regular jobs to our great army of workingmen who have been flirting for many months with starvation or who have eked out a miserable subsistence for themselves and their families on relief rolls. I sincerely believe that the reestablishment of these thousands upon thousands of small and medium-sized concerns holds the key to recovery.

It is my opinion that the Government should not harass these concerns with oppressive taxation or excessive bureaucratic dictatorship but should adopt a policy of helping them to get on their feet. That, I believe, would be real statesmanship.

Mr. Speaker, this assertion of my fundamental belief in the necessity of doing something to aid honest business is nothing new, as far as I am concerned. I have been speaking and working along that line ever since I came to Congress. I introduced the first bill to provide for loans to industries.

It was my belief then, and it is my belief now, that if the Government, instead of spending vast sums of money for synthetic work projects that do not get us anywhere toward recovery, would loan its credit in small and moderate-sized amounts to business concerns that are starved for working capital it would not be long until we would have recovery and prosperity in this country, with real jobs for all who want them, and then our self-respecting workingmen would not have to plead with someone in governmental authority for jobs of no economic value or importance in order to keep from starving.

The Government should get out of the employment field just as soon as possible. The great demand of the times is for real jobs in private industry that will keep men off of the Government rolls. I have exercised great persistency and patience in asserting this principle in season and out of season, and in successive sessions of the Congress I have introduced and reintroduced my bill providing for loans to good, solvent small concerns that now have no capital to begin normal operations.

Having sought conscientiously and with all the earnestness I could command to bring this practical aid to honest business firms in distress, to the end of rehabilitating the business structure and restoring normal employment to our workingmen, it certainly would be very inconsistent on my part if I were to vote for the adoption of a tax conference report that lays a heavy hand on the identical business concerns that I have sought to aid. Now let us see what sort of taxation this bill places on the small companies.

If no distribution of dividends were made the taxes of low-income companies would be increased as follows over the present law:

Company net income:	*Percent increase*
$1,000	15
$3,000	21
$5,000	26
$10,000	61
$20,000	98
$50,000	117
$100,000	117

With a 50 percent distribution of dividends the weaker companies still would be severely penalized, as follows:

Company net income:	*Percent increase*
$10,000	5
$20,000	19
$50,000	37
$100,000	40

Mr. Speaker, in my capacity as a Member of the House, as a member of the Appropriations Committee and as chairman of one of its subcommittees. I have made a real, sincere effort, within my feeble limitations, to influence the course of appropriations in the direction of economy. While supporting appropriations to relieve starvation and want and to attain the humane objectives of our national administration, I have opposed, and have voted against, extraordinary appropriations totaling more than $7,000,000,000 which I believed represented expenditures that ought not to be made. I realize as keenly, I think, as any one that the road to economy is the road to recovery and that we cannot hope for any permanent stability in our national affairs until we settle down to a balanced budget.

Believing in that doctrine, I believe, of course, that we must have taxes to meet expenditures and to reduce the debt that has been created, and I voted for the tax bill on its original passage in the House, hoping that the bill when it returned from the Senate for the final action of the House would be in such form that I could give it my approval and vote.

It is this final product that is before us today, and I cannot endorse it. The bill when it passed the House was aimed especially at the large corporations which were best prepared to withstand heavy tax impositions. The Senate has changed all of that and has deflected the burden to the little companies that comprise the vast majority of our business concerns on which the welfare of each community and the general welfare of the Nation so largely depend. These small companies are crippled and distressed. I want to help them, and I certainly will not vote to suck from them, in the form of taxes, what lifeblood they still have left.

THE TWO-THIRDS RULE

Mr. GASQUE. Mr. Speaker, under leave to extend my own remarks in the RECORD, I include the following radio address which I will deliver at the National Broadcasting Co. station, Washington, D. C., on June 21, 1936, as follows:

It stands to reason that a rule which was adopted by the first Democratic national convention and has been reaffirmed by each succeeding convention of the party for more than 100 years, withstanding every attack made upon it from whatever quarter, must rest upon a substantial and enduring principle rather than upon a mere whim or any temporary or transient consideration.

Whatever may have been the genesis of the idea when it was first put into practice in the original Democratic national convention at Baltimore in 1832—whether, as then stated by its proponents, to give assurance that the nominee would be the choice of the general sentiment of the delegates rather than of a bare majority, or whether to prevent undue effect of combinations of big States operating under the unit rule—the fact is that the two-thirds requirement owes its retention to the security which it provides in the following particulars:

(1) Against nominations under the unit rule by an actual minority of the convention, whereby States with enormous populations, throwing their delegations as a unit, could turn the balance in favor of a particular candidate, although they might really include large minorities who would vote otherwise if free to exercise their own preferences.

(2) Against nominations of Presidential candidates who might, for good and satisfactory reasons, be repugnant to the sentiments and interests of States sufficiently important in the aggregate to be represented by any fraction above one-third of the delegates in a convention.

The first of these safeguards is against the naming of Presidential tickets by anything less than the free will of a majority of the delegates in the convention. The second safeguard is of the rights and welfare of a great minority, which is just as cardinal a Democratic principle as the rule of the majority. No less a personage than Thomas Jefferson laid stress upon the importance in Democratic procedure of preserving the rights of the minority.

At present it is a fashion to refer to the two-thirds rule as particularly in the interest of the South. While I think that to be true at this time, and to have been true for a number of years, the rule was not originated in the special interest of the South and could not have been retained during the century and more of its existence in any single regional interest, because at any convention it could have been abrogated by a mere majority vote of the delegates who on each occasion adopt the rules of procedure for their own assembly. At any time the two-thirds rule might turn out to be in the particular interest of the New England region of States, or the western, or central region of States, and at nearly all times it is in the interest of the less populous States, wherever they are situated, and of the States with largely rural and agricultural populations, in contradistinction to the States which overshadow most of the others in number of inhabitants and which contain the great industrial populations centered in enormous cities.

As an illustration of the manner in which Presidential nominations might be unduly influenced by the big States if the two-thirds rule were abolished without the simultaneous abrogation of its twin brother, the unit rule (which also went into operation at the first Democratic National Convention in 1832), let us take the possibility of New York, Pennsylvania, Illinois, and Texas, all throwing their delegations solidly to one candidate under the unit rule, even though there migh be a substantial minority sentiment in each of these State's delegations for other candidates. New York has 90 votes in the National Convention, Pennsylvania 72, Illinois 54, and Texas 46, or 262 altogether for the four States. There are slightly over 1,000 votes in a Democratic National Convention. It is easily conceivable—though, of course, not at Philadelphia, where there is not the slightest doubt of the renomination of President Roosevelt and Vice President Garner by acclamation—that one candidate might be chosen over another by 25 or 50 votes in the balance. With the unit rule the four States just mentioned could throw to a certain candidate not only 25 or 50 but even 100 votes of delegates who would individually prefer someone else. Unless the two-thirds rule prevailed the unit system could thus bring about the nomination of a minority candidate.

Recurring to the so-called regional veto power of the two-thirds rule, it should not be forgotten that this is just as available to the Western States, or to the New England States, or to the Central States, as it is to the Southern States. That is to say, any one of these regions can now throw its strength against the choice of any Presidential candidate whom it fears or does not like, with the same influence in the balance as that possessed by the South. These other sections have had their distinct regional trends within the party establishment—have them now, no doubt—and will certainly have them in the future. The strength and direction of these trends will vary from period to period, but they will always be in existence, more or less, and it is a part of the genius of our American institutions that they should have a liberal amount of leeway and protection.

The two-thirds rule was not a southern invention. Its first suggestion came from New Hampshire. It was charged at the time of its birth that it had been conceived in the interest of the Vice Presidential candidacy of Martin Van Buren, whom President Andrew Jackson was grooming to follow himself into the White House 4 years later. The opposition to the rule was led by a Virginia delegate and all the votes against the nomination of Van Buren for Vice President came from the South. However, there is no indication that Van Buren was in danger from any minority one-third or otherwise, for he was nominated on the first ballot by much more than a two-thirds vote.

There is nothing in the records of the first convention to discredit the statement of those who brought forward the two-thirds rule that it was being advocated because it would assure the nomination of a candidate overwhelmingly supported by the party. But an underlying purpose may have been to curb the predominance of the big States, which were not all in the North in those years of our country's youth. Virginia, for instance, had almost as many electoral votes in 1832 as Pennsylvania; that is, 26 to 29. New York had the lead, it is true, but with only 36 votes. Today Virginia has only 11 electoral votes, the same number that South Carolina, my own State, had in 1932.

The States smaller in population feared the overbalancing power of Virginia in those days hardly less than they feared that of New York or Pennsylvania. Political combinations were possible between Virginia and New York or Virginia and Pennsylvania which would have constituted the same problem in a national convention then as a combination between New York and Pennsylvania or New York and Illinois now. Texas, by the way, is now the overshadowing Southern State in number of Presidential electors and delegates to national conventions, occupying, indeed, much the same relative position toward her southern sisters as Virginia did a hundred years ago.

Detailed record of the genesis of the two-thirds rule is hardly obtainable. It must be judged by itself rather than by conjectures, however reasonable, as to the ideas which were in the minds of those who first drafted it. We need not be surprised at not having voluminous reports of those first national conventions, which were run on the principle of keeping out matters not conducive to harmony. For instance, the second convention, in 1835, permitted no nominating speeches and adopted no platform. Maybe it wasn't so foolish in those particulars, after all. We have all been wearied by interminable and superfluous nominating orations—allowing that at times we have been entertained and inspired by the better efforts, and there are some who think that platforms are chiefly a source of trouble. But that is getting away from the two-thirds rule, which I very strongly feel we should not do.

In principle and purpose, the two-thirds rule is one of those propositions that apply to all times and conditions and do not vary in their logical basis from one generation to another. Free speech is sometimes abused, the jury system is not perfect, but their basic reasons for existence are the same in one decade or generation as in another.

Of course, I am basing my defense of the two-thirds rule on the theory that the unit rule stays or goes with it. I would be inclined to favor the retention of the two-thirds rule even if we did not have the unit rule in Democratic conventions, but I should regard the necessity for it as less serious if the unit rule were not in force. At any rate, to drop the two-thirds rule without simultaneously discarding the unit rule would, as I have already undertaken to show, create the very real danger of nominating Presidential tickets against the actual preferences of a majority of the delegates because of the aggregated and solid-shotted power of the States with the biggest populations and the regions where the mighty cities are mostly to be found. The areas of the States which are chiefly rural and agricultural are much larger, their population is much sparser, their activities are much more scattered. It is much easier for the States which are comparatively small in area, but giants in population and in organization, to combine into phalanxes of two or three hundred votes at a national convention. And that is why the two-thirds rule is needed, and why it has resisted successfully up to this time all attempts to dislodge it.

In the second Democratic national convention, held in 1835 (a year and a half before the election, and also at Baltimore) a lively effort was made to prevent the readoption of the two-thirds rule. This time the South saved it, although a New York candidate, Van Buren, was nominated. Six-sevenths of the Southern delegates voted for the rule, while about two-thirds of the delegates from the North voted in the negative. There was not much opposition thereafter until the convention of 1872, held in Tammany Hall, when the attack was led by Illinois and the successful defense by New York.

Four years later at St. Louis in 1876 the battle was renewed, and the convention, while itself reaffirming the rule, adopted a resolution proposed by a Michigan delegate urging the States to instruct their delegates to the next national convention how they should vote on the subject. The result was such a Waterloo for the anti-two-thirds crusaders that the convention of 1880, meeting in Cincinnati, adopted the rules of the previous convention without even mentioning any one rule in particular and without hearing any report as to what the States had done with the great referendum.

As a matter of fact, it was well known that the State delegations of Alabama, Connecticut, Delaware, Louisiana, Maryland, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, South Carolina, Vermont, and Virginia, which combined were a majority of the convention, had been instructed to vote for the retention of the two-thirds rule; and there was no evidence that any State convention had instructed its delegates to the contrary.

In 1884 an Arkansas delegate to the Democratic national convention opened a fight on the rule, but got little support; and a Louisiana delegate to the Chicago convention in 1896 undertook to arouse sentiment against it, but did not even reach first base. Since that time there have been recurrent movements to drop the good old rule, but they have not crystallized into action at the conventions, however much talk may have been heard in the shape of scattering speeches by individual delegates. Bitter criticism of the rule was voiced in 1912 in the Baltimore convention and out of it because Speaker Champ Clark of beloved memory attained an actual majority of the votes of the convention for a few ballots and failed of the nomination because he could not muster two-thirds. We must at that very point, nevertheless, credit the two-thirds rule with having brought about the Presidency of Woodrow Wilson, under whose stainless banner the Democratic Party twice rode to victory and whose memory it will ever proudly cherish. Without the two-thirds rule Woodrow Wilson could not have been nominated.

I do not believe that the abrogation of the two-thirds rule is either desirable or advisable. In my opinion it has been the bulwark not only of proper minority rights and interests but also the bulwark of majority rights and interests because it has prevented the unit rule from making possible the nomination of Presidential candidates by a minority of delegates. In my opinion, not my own section alone but other great sections will rue the day when this time-honored regulation is scrapped; and I am very hopeful and very much inclined to think that the scrapping will not be so easy a process at Philadelphia as some people may expect.

THE TAX BILL—WHY I OPPOSE IT

Mr. PETTENGILL. Mr. Speaker, once, before the Ways and Means Committee on April 6, and again on the floor of the House on the adoption of the conference report on June 19, I spoke against the tax bill. On both occasions I was the only Member of the majority to do so, although others joined me in voting against it.

On each of the previous occasions my time was so limited that I could not discuss the proposal in a number of important details.

I do not favor the philosophy which underlies the bill.

It is an invitation to monopoly. It places small industries at a disadvantage with the powerful. It penalizes the laying of nest eggs. It assumes that it "ain't goin' to rain no more." It assumes, further, that money held in reserve is idle, whereas if forced into the hands of stockholders it becomes alive and goes to work.

Beyond all this it is an attempt to control the allocation of capital. It assumes that Government officials are more wise than the managers of business in determining what to do with the earnings of business.

Still further, it favors the stockholders of industry rather than their workers.

All this is opposed to the principles of the Democratic Party as I have learned them.

The New York Times, the country's leading Democratic newspaper, says that the bill is "a blow aimed directly at the productive processes of the country." The less wealth produced, the less to distribute.

In saying this I do not oppose but favor going after the exceptional case where the corporate form is used as a device to hide away from taxation unnecessary accumulations.

On this point, before the Ways and Means Committee, I said:

> I approach this problem from the assumption that it is socially and economically desirable to discourage corporations from improperly withholding the distribution of their future earnings.

Certainly a company like the Aluminum Corporation of America, closely owned by a few rich men who have other income and do not need their dividends, ought not to escape carrying its fair share of the tax burden. Legislation to reach cases of this sort has merit, and I favor amending our tax laws in whatever way is necessary to do so.

But certainly we ought not to revolutionize our whole corporate tax law and throw out the window everything we have learned on that subject since 1913 in order to reach the exceptional situation. We ought not to penalize 98 or 99 companies in order to reach one or two.

The Commissioner of Internal Revenue reports only 300 cases which have come to the attention of his office where companies appear to have unreasonably accumulated unnecessary reserves for the apparent purpose of avoiding taxes by their shareholders.

And yet we here propose to "soak" tens of thousands of companies in order to reach three hundred.

Here are the figures.

I attach a table prepared by the Treasury showing the tax increases under this bill.

Net income	Total tax		Increase	
	Present law	1936 revenue bill[1]	Amount	Percent
$1,000	125	144.40	19.40	15.52
$2,000	250	288.80	38.80	15.52
$3,000	380	461.10	81.10	21.34
$4,000	510	633.40	123.40	24.20
$5,000	640	805.70	165.70	25.89
$10,000	1,290	2,082.00	792.00	61.40
$20,000	2,640	5,236.00	2,596.00	98.33
$50,000	6,940	15,163.10	8,223.10	118.49
$100,000	14,440	31,502.80	17,062.80	118.16
$200,000	29,440	63,927.80	34,487.80	117.13
$300,000	44,440	96,352.80	51,912.80	116.82
$400,000	59,440	128,777.80	69,337.80	116.65
$500,000	74,440	161,202.80	86,762.80	116.55
$1,000,000	149,440	323,327.80	173,887.80	116.36

[1] Tax computation based on no distribution.

The above table is not confined to the Aluminum Corporation. It hits the "little fellow", the small company earning no more than $1,000. Take a little company that makes $2,000 and has to retain it in its business. You are increasing the tax on that little corporation 15 percent. If the company earns $4,000 net, its tax is increased 24 percent. If it earns $5,000, you are increasing its tax load 26 percent. If it earns $10,000, you are going to make it pay 61 percent more than under existing law. If it earns $20,000, you are increasing its tax burden 98 percent. Yes; 98 percent. I am not going home and tell that I voted to penalize that little company 98 percent for the privilege of retaining its earnings in its business in order to expand it and put more men to work.

When the company would forego payment of dividends in order to expand you are asking it to pay its earnings to its stockholders and not to its workmen. At the same time that you are asking the business interests of the country to expand to absorb the army of men who are still out of work you adopt the principle that the money must go to their stockholders rather than to their employees. I cannot defend it.

Where can the little businesses get funds today to expand? From the banks? Try it. From the sale of stock and go through the delay and expense of getting permission from the "blue sky" commissions? Try that. No; their only chance to get on their feet again after the beatings they have taken is to plow back their earnings, the same as practically every business in America has always done.

What is your answer to their effort to get going again, to increase their inventories, to buy more raw materials, to buy new machinery and equipment, to enlarge their plant? The answer is "98 percent."

On the other hand, take a corporation that has come through the depression with a huge surplus and is therefore in a position to pay out all its earnings to its stockholders. See the advantage you give that corporation, the strong one, over its competitor, whose only chance to survive is to retain its earnings. The fortunate company, the giant, let us say, on earnings of $1,000,000 will pay under this new bill $148,840, almost the same as under existing law. Its weaker competitor, on the same earnings and under necessity of retaining them, will pay under this bill $323,327.80, or $174,487.80 more than the first. What does that do? That permits the first corporation to underquote its competitor by the amount of tax it does not pay. It can offer its products to the public that much cheaper. If each company made 17,448 units of its product—washing machines, electric refrigerators, or typewriters, or automobiles, or plows—the first corporation can underquote the second $10 a unit. The second gets that $174,487.80 extra tax money from the sale of its product and has to add it to the price of its product. What chance to survive does the second one have? You are giving the first, by law, a $10 per unit advantage over the other.

Bear in mind this bill does not touch past accumulations of earnings. It only touches future earnings. It, therefore, gives the company with a surplus already in hand an advantage in the competition for markets. It rewards it in the future for doing in the past the very thing this bill seeks to prevent its competitor from doing. It permits it to use surpluses accumulated in the past to prevent its competitor from accumulating surpluses in the future.

This bill hits the little and helps the big. It will inevitably lead to still further concentration of capital in a few hands and encourage monopoly. I am certain that Jefferson and Jackson would never support this bill.

But, bad as this bill is, I might support it for a year or two if we were at the same time reducing outgo from the Treasury. When the Government shows a disposition to pay as it goes and to bring outgo within income I will vote to increase taxes.

When the people of this country begin to think this bill over and see how it is working out, to prevent these little businesses from expanding and putting men to work and absorbing this army of the unemployed, I anticipate that the theorists and professors who fathered this bill are going to regret it.

We cannot overlook the fact that the persons mainly concerned with corporate success are their workers. If a company closes its doors, the stockholders lose their investment, but the workers lose their jobs, often their homes. If a factory fails to expand, it may affect only one stockholder, but a dozen workers.

But this bill encourages distribution of earnings to stockholders rather than to workers.

If at the end of the year a company had earned $100,000 which it planned to use in enlarging its plant, increasing its inventories of raw materials, and in new pay rolls it would have to pay a penalty of $17,062.80 for the privilege, or 17 percent on its earnings. That sum added to the tax under existing law totals $31,502.80, or 31½ percent. This leaves the company only $68,497.20.

The $31,502.80 that the Government gets may be used to provide jobs for W. P. A. workers. As an emergency, we may all agree that this is necessary. But the company has that much less to provide jobs for its own workers. Their pay rolls shrink as Government pay rolls increase. All taxes are charged against someone's production.

I sometimes think one of the greatest reforms possible would be to make the taxpayer realize that he actually pays taxes. That would include everybody and every voter and be the best safeguard against extravagance in Government, and we have in the United States 182,651 governments, or 1 for every 700 inhabitants. Believe it or not!

All of these governments together take $650 annually out of the pockets of the average family of five. That means that that family has $650 less to spend. Every dollar appropriated from public treasuries is withdrawn from private treasuries.

"Jones pays the freight." Every time he buys gasoline, tobacco, or a thousand other things he pays the bill. Sixty percent of the tax bill of the Federal Government comes out of the pocketbook of the consumer. And this despite the highest taxes on income and inheritance in our entire history.

If every time John Public buys 10 gallons of gasoline for $1.90 he had to pay the filling station man $1.40 and then had to go and drop a half dollar in a box marked "support of government" he would take a real interest in government. He would realize that tax legislation means something to him.

This tax bill does mean something to John Q. Public. The fact that the corporation he works for signs the tax checks does not change the result. The money in the company's treasury comes from the public the same as it does when the gasoline company pays.

I repeat this is not a tax on Mellon or Ford or Rockefeller alone. Actually it may not affect their companies at all, due to huge reserves built up in past years.

As Senator BYRD, of Virginia, has pointed out, 136 of the most prosperous corporations earning $1,000,000 or more may entirely escape all increase of taxes under this bill. He says:

> Let us take, for example, the International Harvester Co. I am a farmer. We farmers think the International Harvester Co. controls the price of farm machinery in this country. It makes good farm machinery; but I desire to say that during the depression the price of this farm machinery was not reduced; and it takes more bushels of wheat, more bushels of corn, and more bushels of barley to buy a binder than at any time, perhaps, in our previous history. The International Harvester Co. has a surplus today of $74,000,000, $27,000,000 of which is in cash, and $34,000,000 of which is in Government bonds—a liquid surplus of $61,000,000. This corporation in 1934 earned $4,000,000, and paid out $8,000,000 in dividends. Therefore, the International Harvester Co. will pay only the normal tax. It will pay no surtax, because it will declare all its earnings in dividends, and therefore will not pay a surtax.
>
> Suppose the case of a competitor of the International Harvester Co. that has a large surplus, that must use a part of its earnings to build up a surplus: That company must pay a high supertax in addition to the normal tax.
>
> Let us take, then, the General Motors Co. The General Motors Co. has $292,000,000 of surplus—$183,000,000 in cold cash, and $19,000,000 in bonds. That is all the surplus that General Motors needs to operate its business. It will pay only the normal tax; yet another company that owes a debt, and that must use its money to pay a debt, must pay a surtax running up to 27 percent in order to pay that debt.
>
> Let me remind the Members of the Senate, also, that there is virtually no cushion in this bill. The only cushion in the bill is for corporations which have made legal contracts not to pay dividends prior to May 1 of this year. There is no cushion as to debts. There is no cushion for the construction of new plants or for expanding business. I think it is a very obvious thing that as long as the bill does not affect existing cash and liquid surpluses, it is to the advantage of companies which have such surpluses, and greatly to the disadvantage of growing companies which must use a part of their earnings in order to establish a surplus. I think that proposition cannot be contradicted.

If corporations are not permitted to accumulate reasonably sized nest eggs for the next rainy day, how bad will the next depression be?

Out of reserves hundreds of companies have carried on and kept men at work during the past few years when there were no earnings. During the depression American industry paid out of accumulated reserves $26,500,000,000, the bulk of which went to pay rolls.

Suppose they had not had that $26,500,000,000. What would the relief bill and the public debt be today? Could we add $26,500,000,000 to the present public debt without destroying confidence in Government bonds, with a resulting panic worse than we have ever seen?

You may say you own no Government bonds. But every bank and insurance company in the country does. None of them, and few industries, can stay solvent unless the Government stays solvent. Banks buy Government bonds and the Government insures the deposits in the banks that went to buy the bonds.

That is what corporate reserves "nest eggs" mean to John Q. Public, whether investor, insurance-policy holder, bank depositor, or worker.

On of the most disastrous failures in my district was due to the fact that what should have gone into reserves went into dividends. It directly affected thousands of homes and destroyed the real-estate values of thousands of others. This bill puts its stamp of approval on the dividend policy of that corporation.

The more dividends a company pays out the less its tax. It is rewarded for not laying away a "nest egg" and is penalized if it does.

HON. JOSEPH W. BYRNS—A DISTINGUISHED SPEAKER

Mr. CROWTHER. Mr. Speaker, the passing of the Honorable JOSEPH W. BYRNS, our distinguished Speaker of the House of Representatives, has again reminded us that "all who are born must die." After more than a quarter century of service he was stricken in the closing hours of the Seventy-fourth Congress, a veritable martyr to the demands upon his responsibilities as Presiding Officer of the House.

Speaker BYRNS was a man of unusual intellectual attainments, a lawyer of great ability, and possessed of those qualifications which distinctly marked him as a statesman rather than a politician.

He served effectively in the minority as well as the majority, and always for the best interests of the whole country. He was a forceful speaker and rendered yeoman service as majority leader in closing debate on important national issues. Though a strong and fearless partisan, he was imbued with a spirit of fairness that endeared him to all who served with him. He had achieved his life's ambition in attaining the Speakership, and no Member of the House more deserved this high honor than JOE BYRNS. His rulings were a model of fairness and he will be remembered as one of the great Speakers of the House. He has been called to a fairer land, away from the trials and tribulations of this mundane sphere.

We are all better men for having served with him. The life and character and achievements of JOE BYRNS are a message of inspiration to the young men of America.

RECIPROCAL TRADE WITH CANADA

Mr. PLUMLEY. Mr. Speaker, in December of 1935 there was negotiated with the Dominion of Canada another of the so-called reciprocal-trade agreements, pursuant to the authority granted to the President, over the objection of a minority in the House and Senate, in the Trade Agreements Act of June 12, 1934.

At previous times during this session and prior sessions of Congress I have set forth my attitude concerning this treaty, as well as incorporating in my remarks the comments of leaders in Vermont, especially of those intimately connected with Vermont agriculture. The commissioner of agriculture of Vermont was one of these. He, Hon. E. H. Jones, wrote me to the effect that—

> The so-called reciprocal-trade agreement with Canada is a one-sided affair as far as the farmers of Vermont and New England are concerned and * * * it will result greatly to their disadvantage.

He pointed out, particularly, the adverse effects it would have on the dairy industry, on the raisers of certified seed potatoes, on those engaged in the manufacture of maple sugar and the like. Similarly, the president of the Vermont State Grange, Hon. H. A. Stoddard, wrote me that—

> Speaking for the Vermont State Grange, I can say that we are very much opposed to the treaty as we believe that it will act only as a detriment to Vermont agriculture.

In similar vein spoke many another who had the interests of Vermont's agriculture at heart.

Those of us who expressed concern, when the details of the trade treaty were made public were told that we were "starting at shadows." Let us see whether or not such was the case.

I desire to submit at this point a table that I have had compiled showing the comparative figures for the trade between the United States and Canada during the present year—with the trade agreement in force—and those of 1 year ago. I would like particularly to call attention to the marked decrease in the favorable balance of trade for the United States in this short period. The table follows:

Summary figures on trade between the United States and Canada for the 4 months ending April 1935 and April 1936

[Source: U. S. Bureau of Foreign and Domestic Commerce. Monthly Summary of Foreign Commerce of the United States, April 1936, corrected to May 28, 1936, p. 4]

	4 months ending April (each year)	
	1935	1936
Exports (including reexports) from the United States to Canada	$100, 295, 712	$111, 209, 806
General imports from Canada into the United States	79, 820, 958	99, 021, 390
Balance of trade in favor of United States [1]	20, 474, 754	12, 188, 416

[1] Balance of trade computed from figures given.

Furthermore, on the basis of figures that have been furnished me by the Bureau of Foreign and Domestic Commerce of the Department of Commerce, I have had compiled the data which follows and which is self-explanatory. It shows, undeniably, the tremendous increase in imports of those commodities for which "concessions" were granted to Canada in the treaty, and which have great interest to Vermont and New England. The tables follow:

United States imports from Canada [1]

[Figures in thousands of dollars]

	1930				1931			
	January	February	March	April	January	February	March	April
Cattle, weighing 700 pounds or more	(2)	(2)	(2)	(2)	6	2	15	11
Cattle, weighing less than 700 pounds					1	8	9	11
Cream	89	97	139	218	27	6	7	1
Poultry, live	6	2	1	2	1	1	1	1
Maple sugar	38	(1)	21	60		(2)	(2)	198
Apples	17	23	14	26	5	2		(1)
Grass and clover seed	55	111	141	222	20	43	36	23
Lumber and timber, softwoods	2, 132	1, 999	2, 401	2, 535	470	525	797	579
Talc	8	9	9	11	6	6	6	5

	1932				1933			
Cattle, weighing 700 pounds or more	5	9	9	5	3	(2)	(2)	1
Cattle, weighing less than 700 pounds	15	11	11	10	(2)	(2)	(2)	1
Cream	10	11	20	35	(2)		(2)	
Poultry, live	1	1	1	(2)	1	(2)	(2)	(2)
Maple sugar	(2)	106	103	15	42	(2)	103	10
Apples	9	2	14	52	(1)			
Grass and clover seed	10	12	13	3	(1)	1	1	1
Lumber and timber, softwoods	263	342	406	396	144	145	187	299
Talc	5	5	7	5	5	6	5	4

	1934				1935			
Cattle, weighing 700 pounds or more	(2)	(2)	(2)	(2)	63	200	636	880
Cattle, weighing less than 700 pounds	1	(2)	2	1	5	27	143	245
Cream		(2)			(2)	(2)	(2)	(2)
Poultry, live	(2)	1	(2)	(2)	(2)	(2)	1	(2)
Horses over $150	(2)	1	1	5	1	2	2	1
Maple sugar	60	37	51	28	81	19	11	6
Apples	(2)	3	(2)	(2)		(2)		
Grass and clover seed	1	1	8	3	63	78	115	132
Lumber and timber, softwoods	313	327	415	455	333	390	431	502
Fire brick	1	1	2	1	2		2	1
Talc	7	5	10	8	5	6	7	6
Pipe organs					3		11	

[1] Figures are general imports 1929–33. Imports for consumption since Jan. 1, 1934. Monthly figures by countries not available for 1929.
[2] New classes June 18, 1930.
[3] Less than $500.

United States imports from Canada
[Figures in thousands of dollars]

	1929	1930	1931	1932	1933	1934	1935	1936				
								January	February	March	April	Total (January to April)
1. Cattle, weighing 700 pounds or more	12,994	[1] 205	199	70	13	6	3,607	465	496	791	1,774	3,526
2. Cattle, weighing less than 700 pounds (1936—less than 175)		263	302	96	12	13	1,592	16	23	44	103	186
3. New class 1936 (dairy cows 700 pounds or more)								16	11	9	20	56
4. Cream	5,182	2,610	124	187	30	[2]	1	[2]	[2]	1	3	4
5. Cheddar cheese (new class, 1936)								90	75	191	52	408
6. Poultry, live	347	47	41	12	5	6	9	10	5	9	12	36
7. Chickens and guineas, dead (new class, 1936)								[2]	[2]	[2]	[2]	
8. Horses over $150 [3]						28	28	1	3	5	15	24
9. Maple sugar [4]	2,509	1,354	498	605	406	455	283	17	125	44	70	256
10. Apples	475	310	53	100	7	17	6	[2]				
11. Grass and clover seeds	1,619	561	144	42	12	23	25	10	12	16	44	82
12. Seed potatoes, white or Irish [3]						223	66	10	5	136	126	277
13. Lumber and timber, softwoods	35,083	24,405	6,587	3,904	5,699	5,299	7,731	632	589	804	1,239	3,264
14. Firebrick [3]						10	13	3	[2]	3	1	7
15. Talc	126	86	68	53	81	84	81	5	8	7	8	28
16. Pipe organ [3]						9	28	7		2		9
17. Flooring of maple [5]												
18. Limestone [5]												

[1] New class June 18, 1930. [2] Less than $500. [3] Not available prior to 1934. [4] Includes maple sirup prior to 1934. [5] Not available.

These tables above are eloquent in themselves and need little in the way of explanation or comment. To those who say that trade has picked up by leaps and bounds, may I point to these tables and allow them to see at whose expense this increase has taken place.

Another matter in the trade agreement, loudly hailed as a concession to the United States, was the assurance that legislation would be recommended to Parliament to place a "tourist-exemption regulation" in force similar to the $100 duty exemption granted to residents of the United States coming back from a visit to Canada. I have continually striven to have this brought about since being elected to represent the people of Vermont in Congress; I realize the injustice that the set-up has worked upon the border merchants, and have tried unceasingly to have the administration take some action that would aid these border merchants. It was believed that the announcement of the Canadian concession would lead to the desired results—results that would correct the situation that led my friend, Mr. Thomson, of Swanton, to write the following:

Recently the $100 tourist-exemption matter was brought up in the Canadian House of Commons, and Mr. J. B. Mallette, Liberal member for Jacques Cartier, began the discussion by putting in a word for the poor people and urged that some consideration be given to those people who made occasional visits to the States of only a few hours and would like to take a few articles home with them. While he did not think of extending to them the $100 exemption privilege, he maintained they should receive a certain allowance. Mr. Mallette's remarks were timely, and we hope he will be able to get results. Every week a Canadian baker comes into Swanton and surrounding territory with thousands of loaves of bread, but woe betide the poor fellow from Philipsburg or Bedford who is caught by the mounties with a few cans of tomatoes, a baby-carriage spread, or some other insignificant article. Citizens of the States bring in thousands of dollars' worth of goods from Canada every day, much to the chagrin and loss of our border-town merchants. The law should be reciprocal, and the poor man should benefit alike with the rich.

Yet the action that finally was taken by the Canadian Parliament, although in the correct direction, failed to proceed far enough. The result attained was not a truly "reciprocal" provision, according to my interpretation of the term.

FARM MACHINERY INVESTIGATION

Mr. REILLY. Mr. Speaker, the Senate joint resolution now before the House for consideration is identical with House Joint Resolution 212, favorably reported by the Committee on Interstate and Foreign Commerce to the House, and is also identical with House Joint Resolution 419, introduced by me at the present session of Congress.

These resolutions direct the Federal Trade Commission to investigate corporations and companies engaged in the manufacture of farm machinery for the purpose of finding out whether or not unfair trade practices on the part of said manufacturers are responsible for the continued high prices that the farmers have been and still are compelled to pay for farm machinery.

This proposed investigation has the approval of the Federal Trade Commission and also the approval of the Budget Bureau as not being in conflict with the program of the President.

For more than a quarter of a century there has been complaint on the part of the farmers that they have been compelled to pay unjustifiably high prices for their farm machinery, and that that situation has been brought about by the fact that the agricultural-implement manufacturers, through combinations, agreements, and otherwise, have been able to keep the prices of farm machinery higher than competitive manufacturing conditions would warrant.

In 1913 Congress authorized an investigation of the International Harvester Co. by the old Bureau of Corporations, and in 1918 the Federal Trade Commission was authorized to investigate and report to Congress on the causes of high prices in the field of agricultural implements.

For some reason or other nothing was ever done in the way of carrying out the recommendations of the Federal Trade Commission made in its report in 1920 to start suits against the associations who were active in restraining trade in the farm implement industry.

According to the latest price index, the average price level of agricultural commodities that the farmer has for sale is now 105 percent of the pre-war average, while the average price paid by the farmer for what he buys is about 121 percent of pre-war prices.

In 1914, the pre-war date, a grain drill cost the farmer $85.38. In 1918, when the last investigation was ordered, a grain drill cost the farmer $143.02; and in 1935 the cost for such an implement was $151.60.

In 1914 a 7-foot grain binder cost the farmer $131.28, in 1918, $227.06, and in 1935, $238.80.

In 1914 a 5-foot mower cost the farmer $47.56, and in 1918, $82.54, and in 1935, $85.20.

In 1914 a 2-row corn planter cost the farmer $41.96, in 1918, $74.30, and in 1935, $84.70.

In 1914 a sulky hay rake cost the farmer $27.51, in 1918, $48.94, and in 1935, $49.40.

A bulletin issued by the Bureau of Agricultural Economics on January 29, 1936, indicates that the average retail cost of farm machinery to the farmer is now 148 percent of pre-war prices. This bulletin tells the story of the average increase of the retail cost of farm machinery to the farmer since pre-war days, but it is quite apparent that the increase in prices that the farmer has to pay for certain farm implements has gone up, not 48 percent but from 60 to 100 percent since pre-war times.

In view of the fact that automobiles and tractors have come down in prices greatly since pre-war times, it is not to be wondered at that the farmers are of the opinion that they are paying for their farm machinery unwarranted prices.

The farmer today can buy an automobile, and a much better automobile, for about one-half of what he would have have had to pay for an automobile of the same make in 1914. The tractor that the farmer purchases today is priced at about one-half of what he would have had to pay for the same tractor in 1914, and it would be a much better tractor today at that.

Farm machinery expenditures on the part of the farmer constitute an important item on his annual budget. The farmers of the country purchase about $300,000,000 of farm machinery annually. There is a great demand today for farm replacement machinery, and the farmers would be more willing to replace worn-out machinery if they felt and believed that they were getting a square deal in prices.

The farm machinery manufacturers hold that the farmers have no cause for complaint, because of the prices they are paying for their farm machinery, for the reason that the advance in the price of farm machinery since pre-war days is no greater than the advance in price of other articles that the farmer purchases, and that farm machinery prices are not out of line with the prices of all other commodities.

In working out their theory, the farm machinery manufacturers take credit for the reduction in the cost of tractors since pre-war days. The farm machinery manufacturers are not responsible for the reduction in price that the farmers have to pay for tractors. Tractors, like automobiles, have come down in price since pre-war days simply because there is competition in the manufacture of these two articles of farm equipment. Tractors are manufactured not only by the farm implement manufacturers but also by other industrial units with the result that there is real competition in the manufacture of tractors and automobiles, which fact is responsible for the declining prices of tractors and automobiles since pre-war days.

The Federal Trade Commission's investigation of 1918 established the fact that the high prices of farm machinery at that time were caused by combinations and agreements between certain manufacturers of said farm machinery. The farmers believe that they are no better off today than they were in 1918, as far as being free from monopoly in the farm-machinery industry, and on the face of things it would look as though the farmers have just grounds for complaint against the influence of monopoly in fixing the prices of farm machinery.

The best thing for the farmers of this country, and for the manufacturers of farm machinery, is to have an investigation for the purpose of finding out whether or not the 135 farm-implement manufacturers that make up the Farm Equipment Institute and who control the farm-machinery industry are engaged in practices that have been responsible in the past and today are responsible for farm-machinery prices being way above what they were more than 20 years ago.

If such an investigation should disprove the charge that has been made by farmers and farm organizations of the country for a quarter of a century that there is a farm-machinery trust that has been fixing prices of farm machinery without any regard to cost, then it will settle a long-standing dispute between the farmers and the machinery manufacturers and will react to the benefit of the farm-machinery industry, because then the farmers will be satisfied that they are not being held up in the prices they have to pay for their farm machinery, and they will have a more friendly feeling toward the manufacturers of farm machinery, and undoubtedly will be more willing to replace their worn-out farm machinery with new equipment.

If farm-machinery prices are too high and are kept high because of unlawful combinations and agreements between the manufacturers of such machinery, as charged by the farmers, then such combinations should be broken up or restrained and the farmers of the country should be privileged to buy their farm implements in a competitive farm-machinery market where the cost of manufacture and not trade agreements would be the controlling factor in fixing farm-machinery prices.

THE GERMANS IN WISCONSIN

Mr. SAUTHOFF. Mr. Speaker, today is set apart to pay just tribute to the German in Wisconsin, and it is peculiarly fitting that Wisconsin should be proud of her children of Teutonic origin, for no nationality has furnished more to this State than the German. Coming here when the country was still new, he not only settled the land, tilled the soil, and built up communities, but he brought with him education, industry, thrift, integrity, music, and much cultural appreciation. Stable and reliable, he cleared the fields and built his home, for he was always a home builder.

While his Yankee neighbor, coming from New York and other Eastern States, settled where he found the land best suited for raising wheat, the German was concerned about nearness to his market, and so we find him settled in the eastern counties close to Lake Michigan or the Fox River. The Yankee did not worry so much about the Lake ports, for he had come from States where canals had been built, and he was confident that the same thing would take place in Wisconsin; but the German, careful and cautious, kept near water transportation and also "Holz und Heu"—wood and hay. Furthermore, he had been trained in the old country to produce a living from little acreage, so he was satisfied with smaller holdings. The Yankee was intent on raising wheat, and when the land failed to yield sufficiently he sold out and went farther west; but the German, less venturesome, bought these farms, diversified his acreage, fertilized his fields, increased his yield, and became successful. Says Dr. Schafer:

> In the aggregate German farms in Wisconsin have long had vast sums at interest. The Institute for Research of Land Economics of the University of Wisconsin has completed investigations which show that the Nation's area of lowest farm mortgage interest rates coincides very closely with the great maple forest of eastern Wisconsin, which has been held from the first predominantly by German farmers.

Early in October 1839 Henry von Rohr brought the first German colony to Milwaukee. They came to stay and settled in Ozaukee County. Several years later another German colony settled in Dodge County. They looked for water and timber. They had little or no money, so they had to settle where there was readily accessible fuel and building material, fencing, and the many other needs for wood. Good water was essential, and so we find in the next 10 years a steady influx into these eastern counties bordering on Lake Michigan.

EDUCATION

One of the social traits which made the German immigrant of the forties and fifties a valuable asset to any community was his education. The Prussian school system had challenged the attention of the then civilized world.

> In the lowest school in the smallest and most obscure village—
>
> Says Horace Mann—
>
> or for the poorest class in overcrowded cities, in the schools connected with pauper establishments, with houses of correction, or with prisons—in all these there was a teacher of mature age, of simple, unaffected, and decorous manners.

This tribute to the Prussian school system was well deserved, because the teachers were especially well qualified for the work of the schoolroom.

> The gymnasia, the real schule, and the universities sent forth representatives of the highest German culture to honor the learned professions, the literary, philosophical, and scientific circles of America. On the basis of formal school instruction alone the historian of early Wisconsin would be compelled to assign first place in social fitness to the immigrants from Germany.

Such is the statement of Dr. Joseph Schafer, of the Wisconsin Historical Society, in his essay on the Yankee and the Teuton in Wisconsin.

While the Prussian schools were better than those in Massachusetts, nevertheless the opportunity for self-expression was much less. The New Englander had a voice in the Government, an opportunity to attend political meetings, discuss popular issues, and vote for officials. While the German

young man had no training in popular government, he had a most valuable ethical training. In school, along with his other studies, he received strict training in religion and morality, so that honesty, truthfulness, and fidelity to his word meant much to him. In addition to these virtues, the struggle for existence ever present in the vast majority of homes taught him thrift and industry. Pflicht, Sparsamkeit, and Ehrlichkeit were household words to German lads. As a result, his unsecured note was accepted in this State when he needed credit.

This German immigration came from the lower and middle classes for the most part with a strong sprinkling of educated, cultured men known as forty-eighters. These latter men came from the universities and other intellectual groups. Among their number were professors, ministers, and priests, lawyers, and doctors, and, last but not least, newspapermen, who exerted a powerful influence over their countrymen on this side of the Atlantic.

MUSIC

No history could be written of the German people, either here or abroad, without some mention of their love for music. That love was and is today for both vocal and instrumental music. We read of one of the earliest celebrations in Milwaukee and that "some excellent music was furnished by some German musicians." A fine ear for harmony and a sense of time and rhythm have made the German musician an artist of the first class.

Singing also appealed to him, especially group singing. He organized Musikvereine, Maennerchor, and held Saengerfeste. It must be remembered that the German peasant's lot was a hard one in the old country and that Sunday was his day of recreation. He and his family gathered with his fellow countrymen in some outdoor park where gymnastic exercises, bowling, and much singing were indulged in. The German relaxed from his labors and his usual seriousness gave way to jovial, friendly good-fellowship. He drank his beer and sang his songs in a happy spirit, for he was not quarrelsome, and his drinking was temperate. Drunkenness and rowdyism he frowned upon because he had learned "Anstant" in his home, his school, and his church, and he had a profound respect for decency.

Who of us can forget the simple folk songs we learned as children? Familiar to us and bound up with tenderest memories are such well-known songs as "Tannenbaum, O Tannenbaum, wie grün sind deine Blätter", "Blau is ein Bleümelein, das heisst Vergissnichtmein", "Muss i denn, Muss i denn zum Staedele hinaus", "O dies schöne land, ist mein Steierland", "Immer noch ein Traepchen", and a host of others. As long as memory lasts, so long will these strains run through our minds. With the song there was also the dance, "round" dances being the vogue, and these were indulged in with enthusiasm and hilarity. The German worked hard, and he played hard.

CUSTOMS

The German brought with him a love of home, of music, and of art which left its impress on the community where he settled. His music and his literature became world-renowned. From the simple strains of "Du, du liegst mir im Herzen" to the majestic, stately measures of The Pilgrim's Chorus from Wagner's Tannhauser, German music commands the admiration of the civilized world. From his simple, beautiful Maerchen to the learned soliloquy of Goethe's Faust, "Habe nun, ach Philosophie, Juristerei, und Medecin", German literature can compare favorable with that of any nation on earth. And where can you find the gentle, delicate lyric poetry to compare with Heinrich Heine?—

Du bist wie eine Blume,
So hold, so schön, und rein.

Paintings, sculpture, and wood carving were enjoyed and appreciated by the German, and his churches always contained some work of art. A love of these the German brought with him to Wisconsin, especially the eastern counties, where he settled in great numbers in the forties and fifties. He brought also the "Oester Haase"—Easter rabbit—and the "Hausfrau's" magic for coloring eggs; also the cheery, friendly New Year's greeting, "Glückliches Neu-Jahr", when friends and neighbors visited and wine and cake were passed. And are there any among us who can ever forget that wonder of wonders, "Weinachten"? To me no custom will ever compare with the beauty and soul-stirring feeling of this one—the glorious tree, brilliantly lighted by little colored candles; the shimmering silver; the nuts, gilded and silvered, strung about on string; candy "Kirchen"; the fairy village placed about the foot of the tree; and the solemn grandeur of "Stille Nacht, Heilige Nacht."

The family custom of members assembling at the hospitable table and celebrating someone's birthday; the age-old custom of the women meeting at 4 o'clock and partaking of coffee and "Kaffee-Kuchen"; the reading circle; the gatherings in the home; the Turn-Halle and the church—all contributed to friendly discussion and a wider range of knowledge.

POLITICAL AFFILIATIONS

The early German pioneer came chiefly from the peasant class and therefore felt more at home in the Democratic Party, which made more of an appeal to the common people. When the constitutional convention met in 1846, Dr. Franz Huebschmann, of Milwaukee, the most influential of the German element present at that convention, succeeded in securing the vote for all foreigners who were not yet naturalized but who had declared their intention of becoming citizens and had lived in the State for 1 year. This gave many of the immigrants the right to vote; but, unaccustomed to governing themselves, they followed the leadership of their editors. It was not until some years later, through the influence of many "forty-eighters", that the German element became interested in any other political affiliations.

These people were opposed to slavery and when the educated "forty-eighter" came to this country and established himself as a leader in political thought he took with him many of these immigrants. The powerful influence of such a magnetic dramatic figure as Karl Schurz was a tremendous influence in bringing many of the Germans into the Republican Party. However, it took a political upheaval to make them vote the Republican ticket, because they were slow to adopt anything new or different than that to which they were accustomed. As George Kroncke von Ahn, a German immigrant of 1873 and the father of my brother-in-law the judge here, wrote:

> They keep pretty well to their old country customs; they intermarry very seldom, and are mostly Democrats, but good and industrious people.

These people read their German papers and took the advice of their German editors. Among the latter we had such outstanding men as Karl Gustav Haas, father of our friend, Grant Haas, who welcomed us here today in the name of the Governor; also our good friend, Frank Blied, the chairman of this German Day celebration, and some years back my own uncle, Gottlieb Schmidt, one-time editor of the Staat-Zeitung and later Der Nordwesten.

In our own State there are many present today who will recall that it was the German vote that elected George W. Peck Governor because of the famous "little red schoolhouse" issue; and again it was an upheaval as a result of the World War which caused a tremendous swing to the Republican ranks in the election of 1920.

The German element has not, however, asserted itself politically, for, while it has been the predominant race for many years in Wisconsin, it has elected but one of its number Governor of the State.

WAR SERVICE

Many of those who came here in the forties and fifties did so with a very strong feeling against compulsory military service. These people settled down with the hope of never again seeing a gun or a uniform, and devoted themselves to clearing the land so as to make a good farm for themselves and their children.

The coming of the Civil War was a calamity to them. Nevertheless many of them entered military service. Some

of these immigrants were well versed in military affairs, and had seen service in the Mexican War, but the majority of them preferred to stay out of the Army.

As Dr. Schafer says:

The story of German participation in the war has often been told. Wisconsin Germans played a most honorable part in that conflict, as everyone is aware. In respect both to the numbers engaged (in proportion to population) and to the soldierly performance of duty by the men, the brilliancy of the officers, Germans have nothing to fear from comparison which might be made with the records of other population elements.

Fred L. Holmes says in his book Wisconsin's War Record:

In operations the Sixty-fourth Brigade was given the name of "Brigade Terrible", and the division the name "Division Terrible" by the French.

The part the old Wisconsin National Guard troops took in the battles from Chateau-Thierry to Fisnes, July to August 5, as given in an official order, speaks eloquently of their valor. An interesting point is that this division from Wisconsin and Michigan is made up of a great many men of German origin, who, in their shedding their blood for the United States, gloriously showed their loyalty.

On page 180 Mr. Holmes says:

Men of all racial extractions coalesced and became one in the supreme hour of war. The men of German birth or extraction, when put to the test, responded willingly and nobly—the death, the casualty, the muster rolls tell this story so that no man will dare to deny it.

TURNERS

Immediately following the Napoleonic wars, Germany was practically a vassal state. In Luetzow's famous corps were such flaming patriots as Friedrich Ludwig Jahn and the poet, Theodore Koerner. The beloved Fritz Reuter was sent to prison and his health ruined and Hauff's imprisonment cut short his life. Arndt and Grimm and the rest of the seven were driven from their chairs at the universities because they were patriots.

Turnvatter Jahn in 1811 established his Turnplatz on the Haasenheide near Berlin. As Robert Wilde says in his chapter on the history of the Turners:

His plan was to encourage bodily exercise and to foster patriotic ideals in his pupils so that with sound minds and sound bodies, inspired with love of country and passion for freedom, they might help in the liberation of their country from foreign oppression.

This great patriot, whose ideas and ideals were bound up with the slogan "Liberty and Union", wielded a tremendous influence over the young men of his day, all of which was reflected in the struggles of 1848. Their revolution a failure, unable to secure their constitution, they came to this country by the thousands, and, fortunately for Wisconsin, many of them settled here. They brought with them an intense hatred of oppression, a zeal for a clean mind in a sound body, together with excellent morals.

All these were the result of the teachings, the aspirations, and the ideals of the wonderful Turnvatter Jahn. Here in this land they saw the dawn of a new freedom, they again established their Turn societies, their music societies, and their debating clubs. With the building of their halls, the Turners established the first outstanding social centers in this country.

August Willich on June 27, 1853, at Milwaukee, enrolled a small band of German birth, and all "forty-eighters", as the first members of the Turnverein in Wisconsin. Two years later a similar society was founded at Madison, and, looking up the records, we find such well-known local names as John George Ott; the brothers Sauthoff, my father and my uncle; Heinrich Schmiedeman, father of our former mayor and Governor; John Suhr, founder of the German-American Bank, which now, under the name of the American Exchange Bank, is being served by the second and third generation of that family. Soon similar organizations sprang up in a score of other cities in Wisconsin, and so great was the growth of its movement that in 1875 a "Turnlehrerseminar" was established at Milwaukee from which trained teachers graduated regularly. These men, both young and old, were physically well trained and morally and mentally were above the average. From its ranks more than 60 percent of its total members enlisted in the Union Army.

It was the Turners of St. Louis, under the leadership of Franz Sigel, a German, who captured Camp Jackson and saved Missouri for the Union. Lincoln's bodyguard at his inauguration consisted of picked men of the Washington and Baltimore Turnverein.

From the Turners the following regiments were enrolled: The Ninth Ohio, organized and trained by August Willich; the Thirty-second Indiana; Hecker organized the Twenty-fourth and Eighty-second Illinois; Weber organized the Twentieth New York; Osterhaus organized the Twelfth Missouri; Schimmelpfennig organized the Seventy-fourth Pennsylvania; and Pfaender the Second Minnesota. Wisconsin Turners were particularly conspicuous in the Fifth, the Ninth, and the Twenty-sixth Regiments.

The "Turnhalle" is still a social center among the Germans in many of our cities, and the teachings of the Turnverein are still a healthy body, a sound mind, and clean morals.

CONCLUSION

Our people have just passed through 20 years of struggle, of misery, and of sorrow. There has been physical and mental destruction on every hand, upheavals in almost every walk of life tending to destroy the morals, the aspirations, and ideals of our people; but you and I can be certain of one thing and that is this: That the German element in Wisconsin, whether born at home or abroad, can be depended upon to the utmost to maintain and defend a love of home, a love of liberty and freedom, freedom of speech, freedom of the press, freedom of conscience in religious worship; they can be counted upon to maintain and defend democratic institutions and a republican form of government to the last dollar of their possessions and to the last drop of their blood.

DOES THE BLOOD OF HUEY LONG TRICKLE BACK TO WASHINGTON?

Mr. FENERTY. Mr. Speaker, less than a year ago an assassin's hand removed from our midst one of the most unique characters of our generation, a leader of limitless courage, of unsurpassed mental attainments, of unusual political genius, the Honorable Huey Pierce Long, Senator from Louisiana.

Another name—and a lustrous one—is added to the roll of those whom the world cannot readily forget. The lips of slander and reproach are silent, and political criticism, perhaps the most unfair that language can know, hesitates lest some incautious word should mar the expression of admiration which even his enemies cannot now withhold. Great in life, Senator Long was not less so in death, and nothing in his life became him like the leaving it. As the end drew near his thoughts were of those whom he had befriended, and shortly before his lips became forever mute he gasped, "Now what will become of my boys at the university?"

Senator Long was one of the few men in the Democratic ranks who refused to be regimented, who scorned to be a "rubber stamp." His flaming ability turned its revealing light directly and scorchingly on the trickery, the falsity, and dishonesty of New Deal politics, and when he spoke the administration writhed in fear of his devastating and unanswerable logic. He was universally recognized as the most effective political critic of the New Deal and the most serious menace to a Roosevelt renomination.

He had forged the most powerful and available wedge to be driven between the New Deal and the so-called solid South and the administration properly feared it. From Maine to California, Senator Long had his adherents, but from the Farm Belt, from little remote villages of cotton land, where sharecroppers gather on market day, from some of the wheat States beyond the Mississippi, Senator Long had a devoted following that was a tremendous danger to the continuance of the Rooseveltian power and bureaucracy. New Deal leaders in the South were frightened. Huey Long had demonstrated that he could cross swords with them and defeat them on their own ground. With Senator Long at the convention in Philadelphia next week, no one can tell what might be the fate of the President's hope to succeed himself and to have abrogated the two-thirds rule in a probable ambition, if by chance reelected, to seek in 1940 a third term.

The convention at Philadelphia would be a colorful and attractive gathering with the magnetic presence of the Senator from Louisiana. His captivating personality, his amazing ability, his contagious humor, his rapierlike speech, would have made the tumid and soporific bombast of the Roosevelt leaders seem ponderous and inane. Without him, the convention will probably degenerate into a matter-of-fact, routine assemblage, met only for the purpose of placing its servile approval on the dangerous extravagances and violated faith of the Roosevelt dictatorship. Like this Congress, the convention will be a ring-in-the-nose, phonograph-record, motley assortment of "yes men" who must, to retain their political spoils, echo and reecho the sedative evasions of their master's voice. For the man who could have made the mellifluous platitudes of the White House appear in all their vapid pomposity—is now no more. The most dreaded adversary of Franklin D. Roosevelt in the Democratic Party will not be there—and Philadelphia will find, instead of a Democratic convention that might be historic, an assemblage that will be dominated by White House compulsion and entirely lacking in the genius and glamor that Senator Long could so readily have imparted to it.

One of his biographers, Carleton Beals, who, though delineating his faults as well as his virtues, on the whole excites the reader's admiration for the deceased Senator, says of him:

Though his motives may not have been more complex than those of other men, at least all the acts of his life were heightened to an intensity that bears the hallmark of genius. * * *

But few men in history have overcome so many obstacles so rapidly or risen so swiftly to a position of power and importance. The qualities which led to this were his boundless energy, his understanding of human nature and of the common man, his curious coupling of fixed principles with the widest latitude of compromise, opportunism, and adaptibility; a dazzling and devastating power to attack, boldness and audacity, a thoroughgoing appreciation of dramatics and the ability to act, rapid shifting in tactics, a facile and ready tongue, a prodigious memory, the ability to make strong friends and destroy strong enemies, readiness to let bygones be bygones in return for servility or support, a lightning-quick facility for grasping the implications of any and all situations, a willingness to be ruthless when necessary, a quizzical and irrepressible sense of humor. * * *

He has been perhaps called a demagogue too freely, or at least without proper examination of the word. Is the man who has the power to rouse the multitude necessarily a demagogue? Is one who promises what he cannot fulfill more of a demagogue than the one who deceives the public without such promises? Certainly no President in the history of the Republic has so departed from his original campaign promises as has President Roosevelt. * * *

Above all else, whatever his sins, whatever his ultimate purposes, whatever his lack of sincerity, Huey Long has been more courageously frank and outspoken about all public problems than any other man in the ranks of the two major parties. * * *

Whatever the folly of his proposals, he will stand as a remarkable social and political critic of the evils and misfortunes of our day. In most of his attacks on national public figures he was living in a glass house; but, if nothing else, he has quickened and educated the American electorate. The masses, apparently, can only learn through cumulative disillusionment. What remarkable things Huey Long might have taught them in that line!

The Nation regrets his passing, not merely because of the splendor of his intellect or his refreshing amiability or his disdainful simplicity or his homespun but irresistible eloquence, but because in so many aspects he illustrated the spirit of initiative and opportunity which our people like to consider one of the essentially American virtues. The story of Huey Long has the pathos of romance through which, like the note of a song, there runs the melody of a minor chord in the early struggle for learning and success that knew no adventitious circumstances. He was direct, ardent, fearless, prompt to mold his own opinions, militant in their avowal, impulsive in their vindication. Though he belongs to history, it is too soon to write his story, almost too early for panegyric, for our minds are still full of his impetuous and incredible earthly image. But we pray that his audacious and restless soul may at last know everlasting repose and that perpetual light may shine upon him through all the timeless ages of eternity.

The day before Senator Long died I made this statement, as reported by the New York Times, which quoted me with substantial accuracy:

The murderous attempt on the life of Senator Long is to be deplored by all Americans who believe in our system of government. The congressional committee which is about to investigate the political activities of Senator Long in Louisiana should investigate the men who were responsible for instigating the attempted assassination.

I regard the attempt to wipe out Senator Long's life as much worse than the things that have been taking place in Louisiana.

And as the Philadelphia Evening Bulletin and Evening Public Ledger quoted my remarks:

I would not like to be in the position of the men who misled the country into believing that Senator Long had stopped the funds for the carrying out of the provisions of the Social Security Act, when, as a matter of fact, they knew there were ample funds in the hands of the President for that purpose.

That, Mr. Speaker, was on September 10 of last year. What has since been done to investigate the circumstances and motives of the murder?—a crime of the very nature which Senator Long had earlier predicted would be that of his enemies in destroying his power. Why is it that the Roosevelt administration, which does not hesitate to spend huge sums of money to track down the kidnapers of less notable citizens, does nothing about the assassination of the most picturesque and formidable man who has in our time sat in the upper house of Congress? The administration does not blush to squander millions of the taxpayer's money in useless and wasteful enterprises that result only in increasing the cost of living. It is not reluctant to allot $65,000 in its efforts to ascribe to Dr. Townsend such motives as even those who question the economic soundness of the Townsend Plan will admit have not been adequately proven against him. The New Deal shows no lack of determination in expending enormous sums of the people's tax money to ferret out an honest $5 discrepancy in an income-tax return. But, as was significantly stated recently in the weekly Social Justice:

The United States Government will not spend one penny to investigate the murder of the late Senator from Louisiana, shot down in cold blood on the steps of the State Capitol at Baton Rouge.

Can it be that the blood of the martyred Huey Long trickles back to Washington?

Can it be, Mr. Speaker? Can it possibly be? And, if so—or if not—have not the people of America a right to know it?

TOWNSEND PLAN SHOWN TO BE DEFECTIVE BY TESTIMONY OF DR. TOWNSEND AND HIS ASSOCIATES

Mr. WOLVERTON. Mr. Speaker, frequently I have been asked about the so-called Townsend plan. Occasionally these inquiries have been made by form letters asking that I "answer simply 'yes' or 'no'."

It has always been a pleasure, and, in fact, a privilege that I have sought, to make known my attitude on all matters of national legislation. I have also encouraged my constituency to feel the utmost freedom in making known to me their thoughts and opinions on matters that would come before Congress for decision. I have always given careful and thoughtful consideration to the viewpoints expressed, in order that I may give the best possible representation to those whom it is my privilege to represent.

The letters to which I have referred were unfair, although they may not have been so intended. Demand for a "yes" or "no" answer is often resorted to by a "tricky" lawyer who asks a question that is greatly involved and then demands that the witness answer "simply yes or no." I think anyone who has had experience with this type of question and this type of questioner will agree with me that it is unfair and is not calculated to bring out the facts. I have in mind an illustration of the point that I am making. It was a case being tried in court where the husband was asked, "Have you stopped beating your wife? Answer simply yes or no." To have done so would not have brought forth the truth, because if he said "yes" it would have been an admission that he had beaten her but had now stopped, and if he answered "no" then he would have been in the embarrassing situation of admitting that he was still doing so. Neither answer could be made without involving an untruth, assuming the real facts to be that he had never beaten her; and to make no reply at all was equally embarrassing, but no other course remains under such circumstances.

There were many features in connection with the proposed Townsend plan legislation that call for explanation and amendment before an intelligent and honest answer could be made. It is quite apparent that the senders of these messages, granting them to have been sincere in their efforts to advance the cause, who nevertheless were not aware of the condition or they would not have requested a "simply yes or no" answer.

Nothing can more clearly demonstrate this fact than the testimony of Dr. Townsend and Mr. Glen Hudson, an expert produced by Dr. Townsend, in their appearance before the House Committee on Ways and Means to explain the provisions of the bill introduced by Congressman McGROARTY, known as the Townsend plan old-age pension bill. The following testimony represents extracts taken from the evidence given by them in answer to questions directed to them by different members of the committee.

M'GROARTY-TOWNSEND PLAN BILL FOUND DEFECTIVE

Dr. Townsend testifying:

Mr. COOPER. Are we correct in assuming that you are here advocating that this committee favorably report the McGroarty bill as the old-age pension section of the administration measure? That is what you want us to do?

Dr. TOWNSEND. Certainly.

Mr. COOPER. You are satisfied with this bill as it now stands?

Dr. TOWNSEND. I have no doubt but that the bill would be revised. I had no doubt when it was presented that the bill would be.

* * * * * * *

Mr. COOPER. As the bill now stands—as it is presented to this committee for consideration—if you were sitting in the seats that we occupy, would you vote to report this bill, and then, as a Member of the House of Representatives, vote to pass it?

Dr. TOWNSEND. I would with certain amendments—certain corrections which have necessarily been left to the Secretary of the Treasury and which were expected to be left to the committee passing upon the bill.

Mr. COOPER. You admit, then, that the bill should be amended and changed?

Dr. TOWNSEND. Certain elements in it, yes; certain features of it.

* * * * * * *

Dr. TOWNSEND. * * * So far as statistical information is concerned, I should prefer to have that furnished by a statistician and actuary, which Mr. Hudson is.

TOWNSEND OFFICIAL TESTIFIES BILL LOOSELY DRAWN—WOULD NOT VOTE FOR IT

Mr. Glen Hudson called to testify:

Mr. HUDSON. No, sir; I do not want to be held responsible for this bill.

Mr. VINSON. Well, who is?

Mr. HUDSON. I think the bill could be changed and greatly benefited.

* * * * * * *

Mr. VINSON. You may have done that, but I did not see anything in here to keep you from pyramiding that tax. That is one of the questions that has been rising in my mind, the question of pyramiding that tax.

Mr. HUDSON. There is no way of pyramiding this tax. If it were possible to pyramid this tax, it would not amount to anything.

I want to make this explanation: This bill is there and it is in the House. But, as I said before, this bill does not meet with my approval. I would say very frankly that it does not. Naturally your body of men have the power to correct any bill before them.

Mr. VINSON. It is rather loosely drawn, is it not?

Mr. HUDSON. I would say so; yes; very loosely.

* * * * * * *

Mr. COOPER. You say they should be taxed. * * * What explanation have you to offer on that?

Mr. HUDSON. Again I state that I am not holding myself responsible for that bill. Of course, I think that you men have the power and should have, and that bill should be changed as you see fit.

Mr. COOPER. I understand you to state awhile ago very frankly—and I think you have been frank in your responses.

Mr. HUDSON. I have tried to be.

Mr. COOPER. I understood you to state awhile ago very frankly you think this bill is very loosely drawn.

Mr. HUDSON. I restate that.

Mr. COOPER. Would it be fair to ask you this question:

Suppose you sat in the seats we occupy at this table. As the bill now stands in its present form, do you think you would be safe in voting to report it and support it, as a representative of the people?

Mr. HUDSON. No; I do not.

During the examination of Dr. Townsend and Mr. Hudson innumerable conditions in the bill that called for explanation, clarification or change were brought to their attention, as well as inequities, both as to who should be beneficiaries, and, by whom the tax to support the plan should be paid, the apparent insufficiency of the tax to produce sufficient to accomplish the purpose sought, and, the likelihood of a complete failure upon the basis of the plan as laid down in the bill.

The best evidence of this is the fact that already Congressman McGROARTY has introduced two subsequent bills, and, the present indications are that further changes will be necessary and result in bills of a totally different character being introduced.

I am certain that there were many features in the bills as introduced that would not have been any more satisfactory to the aged who petitioned for the bill, had they known of their existence, than to others who had given the subject careful consideration and study. I will relate further from the testimony of Dr. Townsend and Mr. Hudson a few of these instances of a varied character because it is my opinion that they are not generally known:

FORD, ROCKEFELLER, AND MORGAN COULD RECEIVE TOWNSEND PLAN PENSION

Dr. Townsend testifying:

Mr. HILL. Now regardless of the income, from whatever source received, any citizen of the United States receiving that income who is over the age of 60 years, would be entitled to the $200 per month pension.

Dr. TOWNSEND. Yes; I agree to that.

Mr. HILL. That would, of course, include the wealthy people as well as the classes of people all down the line, all the way down to those who are in a state of poverty.

Dr. TOWNSEND. We agree that the plan shall be nondiscriminatory and applied to all citizens equally.

Mr. HILL. In other words, it would apply to John D. Rockefeller, Sr., to Henry Ford, to J. P. Morgan, as well as the man who has no means or income at all?

Dr. TOWNSEND. If they wish to acquire the pensions under the provisions of the act.

Mr. HILL. That is, they would be eligible?

Dr. TOWNSEND. Yes.

WIDOWS, ORPHANS, CRIPPLED, ET AL., NOT INCLUDED IN TOWNSEND PLAN

Mr. Glen Hudson testifying:

Mr. KNUTSON. I have gone through this bill quite carefully. It is not as liberal as I thought it was. For instance, I see that you have failed to make any provision for dependent mothers with children; you have failed to make any provision for crippled children, for blind people, or feeble-minded people. Certainly you will admit that a mother with five or six or seven small children should be more entitled to a pension than Henry Ford.

Mr. HUDSON. Oh, yes.

Mr. KNUTSON. I understand you do not claim authorship of the bill.

Mr. HUDSON. I do not.

Mr. KNUTSON. I would call that to their attention if I were you.

Mr. HUDSON. I will be glad to do so.

Mr. KNUTSON. Because it is a very serious oversight.

FARMERS REQUIRED TO PAY TAX TO SUPPORT TOWNSEND PLAN

Dr. Townsend, testifying:

Mr. HILL. Turning to section 3, that provides the means for raising the money with which to pay these pensions. It provides:

"A tax of 2 percent on the gross dollar value of each business, commercial, and/or financial transaction done within the United States."

That may be increased, under the provisions of this bill, 50 percent, or decreased 50 percent, by the President?

Dr. TOWNSEND. Yes.

Mr. HILL. That would include practically every business transaction of every nature?

Dr. TOWNSEND. Yes, sir.

Mr. HILL. It would include, of course, the sale by a manufacturer to a wholesaler; the sale by a wholesale merchant to a retail dealer; there would be a tax on sales from the retail merchant to the consumer. That is in the ordinary channels of commerce or business. Would it apply to a farmer who sold a cow or a pig?

Dr. TOWNSEND. Certainly. The farmer will have to be registered. He will have to take out a license the same as anyone else.

Mr. HILL. Would it apply to a housewife who sold a dozen eggs?

Dr. TOWNSEND. The farmer and his wife.

Mr. HILL. Or a pound of butter?

Dr. TOWNSEND. The farmer and his wife will constitute one set of licensees, of course, one business. Their aggregate sales will have to be computed at the end of each month.

EVERY CITIZEN TAXED TO SUPPORT TOWNSEND PLAN EXCEPT SO-CALLED COMMON LABORER AND STATE, COUNTY, AND LOCAL OFFICEHOLDERS

Glen Hudson, testifying:

Mr. VINSON. Mr. Hudson, turning to page 3 of your bill * * * I note that you provide for the licensing of all sellers of goods, commodities, and commercial things of value. Why is it that you fail

to provide for licensing of those who perform services, because that is a rather substantial part of the bill?

Mr. HUDSON. And they are taxable, too.

Mr. VINSON. Why do you not license them?

Mr. HUDSON. They should be.

Mr. VINSON. They should be. That was just omitted. Is there any reason for omitting that?

Mr. HUDSON. Not a bit. We want even to license the practitioners of law, in order that they may pay their tax.

Mr. VINSON. That was simply dropped out and should not have been?

Mr. HUDSON. Should not have been; no, sir. I agree with you perfectly.

Mr. DINGELL. Does that include medical men?

Mr. HUDSON. Absolutely. They are not salaried men. That also includes all commission earners, such as life-insurance agents.

Mr. HILL. Will you please define for the record—so that we can understand exactly what we are discussing here—what is a financial transaction within the terms of this bill?

Mr. HUDSON. Any exchange of money for commodities, trade, and so forth; the payment of a grocery bill is a transaction; the payment of a legal fee is a transaction.

* * * * * * *

Mr. COOPER. I wanted to direct your attention to the question which was raised in my mind by the answer made by the gentleman a moment ago. I understood you to say that, although it was not now provided in this bill, it should be provided that this tax would be levied upon personal services too?

Mr. HUDSON. Correct.

Mr. COOPER. That is, everybody.

Mr. HUDSON. Except the wage earners.

Mr. COOPER. What do you mean by "wage earners"?

Mr. HUDSON. I mean that the man who has to go out onto the street and dig ditches for $4 a day.

Mr. COOPER. What is ordinarily termed "common labor"?

Mr. HUDSON. Yes; because he is going to pay his tax in the higher cost of his living.

Mr. COOPER. And everybody except the so-called common laborer would have to pay the tax?

Mr. HUDSON. Yes, sir.

Mr. COOPER. On the amount of salary or compensation received? That is, a tax to be levied by the Federal Government?

Mr. HUDSON. Yes.

Mr. COOPER. What do you think of the legal question that would be promptly raised insofar as State, county, and municipal employees are concerned?

Mr. HUDSON. I think, from the employee's standpoint, there would be no question. There would be no objection on his part.

Mr. COOPER. I understand, but do you think the Federal Government has the right——

Mr. HUDSON. I do not.

Mr. COOPER. Under the Constitution to levy a tax on State, county, and municipal employees?

Mr. HUDSON. I do not.

Mr. COOPER. There would be all of that large number of salaried people in the country who would be relieved of this tax that you say should be levied uniformly on everybody.

Mr. HUDSON. It should, because everybody benefits.

Mr. COOPER. You admit that there would be an inequality that should not be allowed, do you not?

Mr. HUDSON. In my judgment; yes.

TOWNSEND PLAN CONTEMPLATES RAISING COST OF LIVING

Mr. KNUTSON. What are you doing in this bill? You are increasing the cost of living to those who are paying this pension?

Mr. HUDSON. Yes.

Mr. KNUTSON. You admit with your plan you are going to have at least a modified form of inflation. Otherwise you could not accomplish what you say you are going to accomplish.

Mr. HUDSON. What do you term as inflation, the increase of prices?

Mr. KNUTSON. I mean that the dollar will buy less. That is inflation.

Mr. HUDSON. That might be true. Technically speaking, I think that it is.

TOWNSEND PLAN ENCOURAGES SQUANDERING—DR. TOWNSEND WOULD PERMIT PENSIONER TO DRINK HIMSELF TO DEATH

Dr. Townsend, testifying:

Mr. HILL. He could not go out and squander it in order to get rid of it, so that he may be eligible to receive $200 the next month?

Dr. TOWNSEND. We do not care what he does with it. That is immaterial. Let him have carte blanche. Let him buy whisky with it if he wants to kill himself off as quickly as he chooses. That is immaterial. It is commerce—business—that we want in this country. We are not going to regulate people's morals in the least when we give them money to spend.

DR. TOWNSEND DOES NOT BELIEVE IN SAVING

Senator CONNALLY. Are you against saving money?

Dr. TOWNSEND. Yes, I am.

Senator CONNALLY. You are opposed to that?

Dr. TOWNSEND. Absolutely. I think it is wrong in principle. Money should not be used as a means of storing wealth.

TOWNSEND PLAN PROVIDES AN ENLARGED "SALES TAX" TO FINANCE PLAN

Dr. Townsend, testifying:

Senator BARKLEY. It is a percentage tax based on the amount involved in each transaction?

Dr. TOWNSEND. Yes.

Senator BARKLEY. So it is really a sales tax.

Dr. TOWNSEND. There is a distinction, but there is very little difference. A sales tax has to necessarily be a tax on a transaction. All taxes on transactions of a financial nature are sales taxes.

Senator BARKLEY. So it is a distinction without a difference?

Dr. TOWNSEND. Well, the public conception of a sales tax is a limited transaction tax. That is the only difference.

Senator BARKLEY. It is limited to the transactions provided by law?

Dr. TOWNSEND. It is limited to certain kinds of transactions.

Senator BARKLEY. The transactions tax (Townsend plan), would be unlimited, it would apply to all transactions involving sales?

Dr. TOWNSEND. That is what we propose to do.

Senator BARKLEY. You propose to widen the base and change the name to make it more acceptable to the public?

Dr. TOWNSEND. To make it more comprehensive.

Senator BARKLEY. The name is changed in order to get away from the term "sales tax"?

Dr. TOWNSEND. That is all.

TOWNSEND PLAN WOULD REQUIRE EACH FAMILY TO BE CHARGEABLE WITH AN AVERAGE OF $88 EVERY MONTH TO SUPPORT PLAN

Dr. Townsend, testifying:

Senator BARKLEY. According to your plan, we will say that 10,000,000 old people take advantage of it, and there are 130,000,000 people in the country; that means that this $24,000,000,000 a year would have to be paid by the remaining 120,000,000. That represents about 28,000,000 families, on the average, which would mean each family would be taxed $88 a month to raise this enormous amount of money to be paid to these pensioners. Do you know that the average income of the families of the United States today is less than $88 a month?

Dr. TOWNSEND. Yes; I know that.

* * * * * * * *

Senator BLACK. The tax should be placed on those who have the ability to pay it. I am opposed to any sales tax to pension Rockefeller, Morgan, or anybody else in that class.

CONCLUSION

I have selected these extracts from the testimony of Dr. Townsend and Mr. Glen Hudson, his witness, as given before committees of Congress. Of course, it does not represent all of the testimony. There is much more that would be equally interesting and informative. That which has been given, however, is sufficient to indicate that there are many features contained in the Townsend plan—McGroarty bill—that are not generally known. My object in submitting this testimony has been to enable those who desire a deeper knowledge of the subject than that usually given to have some basis for further inquiry and study.

Unfortunately it has been made to appear that those who do not accept the Townsend plan in its entirety are unfriendly to the aged and opposed to any relief being provided for them. Such is not a true statement of the attitude of Members of Congress toward our old folks. Every Member of Congress has deep sympathy for the aged who are without proper incomes. Members of Congress stand ready and willing to do everything possible for the needy aged, which our Constitution authorizes and which our Supreme Court will uphold.

Hon. THOMAS BLANTON, one of the most outstanding and courageous Members of Congress on the Democratic side, in a speech on the floor of this House, has well expressed a thought and a conviction that deserves repetition. He said:

NO TRUE FRIEND WILL DECEIVE

It would be absolutely futile to pass the Townsend plan when every good lawyer in the United States knows that it would be unconstitutional and that it would be annulled and set aside by the Supreme Court, and that under it not one dollar would ever be paid to any aged person in the United States.

They would be all disappointed. They would be expecting something that would not be forthcoming. They would all then say that Congress had handed them a gold brick. They would say that we had misled them. They would say that we had fooled them. They would say that we had trifled with them. They would say that we had taken their votes and support under false pretenses. They would then turn against the Congressmen who had given them a worthless law that gave them nothing, but which had cost their Government a lot of expense in passing it and in forcing the matter to be brought before the Supreme Court to be declared unconstitutional.

In conclusion, I recognize it to be my duty to support and work for old-age pension legislation that would provide substantially and adequately for the needy aged, but I am not willing to give my support to any measure that makes possible a pension for Ford, Rockefeller, Mellon, and Morgan, or any other millionaire, or anyone of less wealth who has sufficient income to care for their needs, and deny any consideration to the widow, orphan, blind, crippled, or otherwise physically handicapped in body or mind, or that will provide funds to be squandered at the expense of hard-working men and women with children to support by imposing a tax more infamous and iniquitous than any sales tax yet conceived.

I am, however, strongly in favor of legislation that will make adequate provision for our needy aged on a basis that is constitutional, safe, and sound from a financial standpoint, and that will afford real help to the aged and not a mere deception. To this I am committed. To this I will give my support. My attitude in the past, as a Member of Congress, toward humane legislation is a guaranty of my future intention and willingness to support all such legislation.

LEGISLATION PASSED BY CONGRESS TO BENEFIT VETERANS

Mr. WOLVERTON. Mr. Speaker, I wish to call attention to some of the worth-while legislation that has been passed by Congress in the last 2 or 3 years in behalf of veterans, and in the enactment of which it has been my privilege to have had a part.

(1) The passage, over President Roosevelt's veto, of legislation that made possible the cash payment of adjusted-service certificates. Approximately 4,000,000 veterans, their families, and dependents are now enjoying the benefits of this legislation, and many more millions of our citizens have indirectly felt the beneficial effect thereof.

(2) The restoration of all benefits to Spanish-American War veterans that had been taken away by the so-called Economy Act.

(3) Increased pensions under the World War rate to certain Spanish-American War veterans who had direct service-connected disabilities.

(4) Restoration of World War veterans, suffering from service-connected disabilities, to their former rates enjoyed prior to the Economy Act; and, the restoration of 75 percent of their former rates to World War veterans having presumptively service-connected disabilities.

(5) Extension of benefits to include the care of widows and orphans of the disabled World War veterans who die from causes other than the ones for which they were drawing compensation.

(6) Provisions of the above-mentioned law extended to the widows and orphans of those veterans who had presumptively service-connected disabilities, but who died of other causes, and wiped out the misconduct clause insofar as it applied to those dependents.

(7) Legislation to safeguard the estates of incompetent veterans and to protect them against the misuse of their funds by dishonest or incompetent guardians.

(8) Hospitalization was restored to veterans of all wars and even to peacetime veterans, who were receiving compensation as result of disabilities incurred in the service.

(9) A comprehensive program for the construction and improvement of veterans' hospitals at a cost of $20,000,000 and upwards.

(10) Compensation for World War veterans, Spanish War veterans, peacetime veterans, and non-veterans who were injured in the Florida hurricane, and for the dependents of the ones who lost their lives in that disaster.

The legislation to which I have directed attention is but a part of the great body of laws that have been passed in former years in the interest of veterans. All such legislation, of course, remains in force. It is interesting, however, to note how much of the legislation to which I have referred was passed to undo the wrongs and injustices resulting from the passage of the so-called Economy Act, in the early days of the present Democratic administration. It is gratifying, indeed, to me as one of the few who voted against the Economy Act, because of the harm which would result to veterans and their dependents, to see that those who were responsible for it are now willing to help in correcting the wrongs that resulted from it. There is much yet to be done. We must not lessen our endeavor until every inequity is eliminated and full justice accomplished.

In conclusion, permit me to express the pleasure and the privilege it has been to be of some service to our veterans and their dependents, not only in the passage of legislation that has made provision for their welfare, but also in assisting them to procure the benefits the law has provided for them. I am conscious of an obligation to our veterans and their dependents and to the fulfillment of such I shall give my constant endeavor.

ADEQUATE OLD-AGE PENSIONS SHOULD BE PROVIDED

Mr. WOLVERTON. Mr. Speaker, there is no question that deserves more careful and sympathetic consideration than that of providing adequate old-age pensions.

As a result of the losses sustained in this prolonged depression, men and women who have never heretofore felt the need of outside aid are compelled, because of their necessitous circumstances, to seek relief. Those who are young enough to be engaged in industry or other active pursuits hope for the day and look forward to when conditions will be again normal and they will have an opportunity to obtain employment in their usual lines of activity.

But there is an ever-increasing number who, by reason of age, cannot look into the future with any feeling other than fear. The uncertainty of obtaining employment because of advancing age presents for them a future that is dark and foreboding. It is individuals such as these who, because of adversity or lack of gainful employment in the days gone by, face the future with dread and ask to be assured of security from want in the days ahead. They wish to have removed the possibility of dependence upon others who may not be willing or able to assume the responsibility of their care.

They want forever removed the threatening possibility of poverty in old age, and the necessity of spending the closing years of their life in the poorhouse or on the county farm. Surely there is a duty to respond to this call for help, remove the fear and make possible a safe, happy, and secure old age.

Last year Congress passed the so-called security bill, the purpose of which was to provide for the present and future welfare of the aged, the crippled, the blind, the widow, the orphan, the unemployed, and those otherwise handicapped in life's battle. Although the bill as presented to Congress did not meet with my entire approval, because of the meagerness of help provided in some instances, particularly that for the aged, yet, after every effort to make its terms more liberal had been defeated, I gave my vote in support of passage of the bill because it, at least, established a principle of governmental responsibility for the aged and the others provided for in the bill.

The passage of the Federal security bill is of tremendous importance in promoting the welfare of our aged persons. It is not to be measured alone by the amount of help that has been provided, but also from the standpoint that for the first time in the history of our Nation the Federal Government has assumed, and has been charged by law, with a responsibility toward the care of our aged and the other classes named in the bill.

I was extremely disappointed, as were many other friends of our old folks, that our effort on the floor of Congress to procure more adequate provision had failed, and except for Democratic opposition the amount provided would have been considerably more; but I was conscious of the fact that with the adoption of the principle of old-age pensions, even though the amount with which it was started was not so large as it should have been, the opportunity was ever present, by congressional action and State participation, to increase the amount as the country recovered from the depression and ability to contribute was thereby improved.

There has been a further source of disappointment to those of us who from New Jersey assisted in the passage of the security bill by Congress. It arises from the fact that the administration of old-age relief in New Jersey does not give expression to the intention with which the Legislature of New Jersey passed the bill making provision for such old-age relief, nor does it carry out the intention of Congress when we passed the Federal statute. If help were given to our aged in New Jersey on the basis of what was provided by the Federal Security Act and the New Jersey Old Age Pension Act, and as was expected when we passed the bill in Congress, they could receive today as much as $45 per month.

This amount is based upon the fact that under the New Jersey statute provision has been made for as much as $30 per month. Under the Federal statute the Federal Government contribution is limited to one-half of the amount contributed by the State and not to exceed $15 per month per individual. Thus it will be readily seen that if the State should contribute $30, then the Federal Government would contribute an additional $15, making a total of $45 per month for the individual.

Unfortunately, however, New Jersey is utilizing the contribution of the Federal Government toward its own contribution instead of passing it on in full to the aged. Thus the State burden is decreased at the expense of the aged.

This action practically nullifies, so far as the aged are concerned, all the help that we as Members of Congress intended they should have. Consequently under such an administration the aged receive an amount not in excess of $30, and in most cases far less. I was dumbfounded a few days ago when my attention was called to a case of an honorable citizen over 80 years of age, who had been industrious and hard-working all of his life, but who through no fault of his own suffered losses during the present depression, and was allowed only $10 per month by the old-age-relief organization of the county in which he resided. Treatment such as this is an outrage. It must be rectified. And I pledge my best endeavors to the end that more sympathetic consideration shall be given and more substantial payments made.

It is cases such as the one I have just referred to that give rise to all kinds of "isms." I am not surprised that it does do so. I would be surprised if it did not. It is our fault that we permit such conditions to exist. It is the duty of everyone who has a kindly feeling toward our aged to make certain that such conditions are rectified by an administration of the acts as will insure being paid to the aged all that was intended by Congress and the State legislature when their respective acts were passed.

There is an additional desire upon my part with respect to our aged. It is a very keen desire to see that such further legislation is passed as will make sure that complete adequacy is provided for them. Such legislation must provide an amount that will remove any thought of fear or uncertainty as to the future. Furthermore, such legislation must recognize and take into consideration that because of bodily infirmity, or other necessitous circumstances, some individuals need and should have a larger amount than others. All must be taken into consideration in order that wise, sane, and adequate legislation may be passed.

Throughout my entire legislative career, both as a member of the New Jersey State Legislature and as a Member of Congress, I have been sympathetic toward those in need. My vote has always been cast in favor of those measures that have sought to promote the welfare of our people. I recognize a duty upon my part to continue my endeavors until full justice is done for our aged and those otherwise physically handicapped who have a peculiar claim upon governmental protection and help and in the fulfillment of this duty my earnest and sincere effort is pledged.

FURTHER AID TO THE HOME OWNER IS IMPERATIVE

Mr. ELLENBOGEN. Mr. Speaker, the depression was caused by the fact that various economic factors were thrown out of balance. One of these was real estate.

I have been interested in the problems of the home owner and of the farm owner for many years. After much study of the subject I have come to the conclusion that we must substantially reduce the burden of the home owner and farm owner before they can take their normal and rightful place in our economic system.

Beginning particularly in 1930 and proceeding at an accelerating rate until 1933, foreclosures of homes and farms took on alarming proportions. Hundreds of thousands of good, thrifty, hard-working Americans lost their homes and the savings which they had invested in them. Sheriffs' sales and writs of eviction have ruthlessly torn them from their most prized possession, the home, which they had bought with their savings after honest and hard toil for many years.

CONGRESS ESTABLISHES THE H. O. L. C.

The danger that sheriffs' sales would deprive the majority of our people of their homes was so grave that in June 1933 the Congress, under the leadership of Franklin D. Roosevelt, established the Home Owners' Loan Corporation. This Federal agency saved, up to June 11, 1936, over 1,000,000 homes in the United States by exchanging their mortgages, taxes, and other liened indebtedness for H. O. L. C. mortgages totaling about $3,100,000,000.

The chief burden upon the home owners came from excessive mortgage debts, high rates of interest, and unconscionable real-estate taxes. The home owner is entitled to equal treatment under the tax laws, which is now denied him under the antiquated system of local taxation in Pennsylvania.

REAL-ESTATE TAXES IN PENNSYLVANIA ARE CONFISCATORY

The real-estate taxes in Pennsylvania upon the homes and farms and upon the commercial properties of the people of Pennsylvania are too high. They are excessive. They are out of proportion compared to the taxes which the owners of other forms of property pay. They are confiscatory. Unless these taxes upon our homes are substantially reduced, tens of thousands of home owners and farm owners in Pennsylvania will be forced to lose their homes and farms and with them their life savings.

EXCESSIVE REAL-ESTATE TAXES ARE RESPONSIBLE FOR HIGH RENTS

Permit me to point out that tenants who do not own homes but rent dwellings or apartments are equally interested in this matter, because a large part of the rent which they pay is collected by the landlord merely to be turned over to the tax collector for real-estate taxes.

OUR HOME OWNERS BEAR THE ENTIRE BURDEN OF LOCAL GOVERNMENT AND OF THE SCHOOL SYSTEM

In 1931, $372,000,000 was levied in Pennsylvania for the needs of local government and for the maintenance of schools. Of this huge sum, only $13,000,000 came from a 4-mill tax on personal property, whereas the entire balance of $359,000,000 came from local taxes upon real estate.

UNEQUAL BURDEN OF TAXES

For every $28 levied for the cost of maintaining local government, which means the government of cities, counties, boroughs, and townships, and for the maintenance of our school system, for every $28, I say, real estate contributes $27 and concentrated wealth in the form of stocks and bonds, and so forth, contributes only $1.

It is a most flagrant example of an unequal burden of taxes. The tax assessment for 1932 and for the following years is equally discriminating. The tax situation in Allegheny County is similar.

The time has come when this inequitable system of taxation must be changed. Taxes upon real estate must be no higher than taxes upon other forms of property. To continue the present system would mean the confiscation of the homes of our people.

The bulk of the personal property in the State of Pennsylvania, as in other States, is concentrated in the hands of a few people. They have been able to so dominate the legislature and the State government of Pennsylvania as to escape taxation to meet the cost of local government and to contribute practically nothing toward education. The burden of administering the local units of government, of constructing school buildings, and of maintaining our educational system has been placed practically in its entirety on the shoulders of the home owners of Pennsylvania.

REAL-ESTATE TAXES MUST BE REDUCED

This situation is so shockingly unjust that it cries for remedial legislation.

Pennsylvanians, whether home owners, farmers, or renters, are struggling against this unbearable load of real-estate taxation. Necessity and justice both demand a change in the system of local taxation. Furthermore, it is not only wrong; it is economically unsound. Real estate will never recover its proper place until taxes on real estate are drastically reduced to a fair and equitable rate.

EXEMPTION OF UTILITY PROPERTIES MUST BE REMOVED

An important reason for the high taxes upon real estate is the fact that all real estate owned by utilities in Pennsylvania, that is, by gas and electric companies, by telephone companies, by water companies, by streetcar and bus companies, and by other utility corporations is exempted from taxation.

Those who own a little home or a small farm or a little business must pay a high tax upon real estate, but those who carry on a giant utility corporation evade all such taxation.

Exemption for churches, schools, and charitable institutions from real-estate taxes is proper; but why utility companies should escape such taxes is inconceivable.

In 1932, in Allegheny County alone, $390,000,000 worth of property was exempted from real-estate taxation—nearly 18 percent of the total of all assessed properties.

Many of the States removed utility-owned real properties from the exempted list and are now collecting taxes upon them. But not so in Pennsylvania. Here the utilities continue to receive police and fire protection, sanitation, and other services, and to use the streets and highways of our cities, counties, and municipal subdivisions, but they pay nothing for the use of these services and facilities. Instead of paying their fair and equitable share of the cost of these services and facilities, the utilities have succeeded in shifting that burden upon the home owners. This must be changed.

REPUBLICAN PARTY CONTROLLED BY UTILITIES

As long as the Republican Party in Pennsylvania has the power to block a change in this system, utility corporations will be exempt in this State because the utilities control the Republican Party and the officials elected by it.

UTILITIES OPPOSED TO ME

I have carried on a vigorous and determined fight to remove the inequitable exemption of utility corporations from real-estate taxes. I have carried on a determined fight to remove this burden from the back of the home owner where it does not belong and place it upon the utility corporations where it does belong.

Because I have carried on this fight for fair treatment of the home owners, the utilities are now supporting against me a man who has served them for many years.

EXCESSIVE BURDEN OF MORTGAGE INDEBTEDNESS

Now let us discuss, briefly, the burden of mortgage indebtedness. Home owners and farm owners everywhere in the United States are suffering from the burden of excessive mortgage debts. Mortgages on owner-occupied homes in the United States in 1932—without considering other forms of real estate and without considering farms—amounted to at least $15,000,000,000, to which should be added at least $2,000,000,000 of taxes, judgments, and municipal liens. This staggering debt is a colossal burden upon the home owner.

This huge debt burden led to wholesale foreclosure of mortgages which was only stopped by the creation by Congress of the Home Owners' Loan Corporation. Its loan activities ended on June 12, 1936. During these 3 years of activity it saved 1,018,000 homes and placed $3,090,000,000 of home-loan mortgages.

I SPONSORED MANY BILLS FOR RELIEF OF HOME OWNERS

During my career in Congress I introduced many bills affecting the H. O. L. C., all of them for one purpose—to make it easier for deserving home owners to obtain relief, or to lessen the financial burden of those who had already received home loans. Among them was a bill to guarantee the principal as well as the interest of home-loan bonds. This principle was adopted into law and made possible the successful loan operations of the H. O. L. C.

On January 3, 1935, I introduced a resolution providing for the resumption of H. O. L. C. activities—suspended by action of the H. O. L. C. Board—and a bill authorizing the issuance of additional H. O. L. C. bonds. I am glad to report that the H. O. L. C. activities were resumed and additional bonds were authorized.

HOMES WITH A STOREROOM ARE MADE ELIGIBLE

I also sponsored a measure to make dwellings containing a little storeroom, a shop, or any other small business enterprise eligible for a H. O. L. C. loan. The H. O. L. C. had held that such properties were commercial and therefore not eligible for a home loan.

Congress recognized the merits of my proposal and the act was amended accordingly, saving many a small-business man.

Mr. Speaker, I am very happy that I have been able to aid in saving more than 1,000,000 home owners in the United States and about 28,000 in the Pittsburgh district.

THESE HOMES ARE NOT PERMANENTLY SAVED UNLESS HOME-LOAN PAYMENTS ARE REDUCED

I am very glad that I was able to aid in removing the threat of foreclosure from so many home owners, but I realize that this does not mean that these homes will remain saved. In many cases the home owner will not be able to meet the large payments for interest and for the reduction of the principal mortgage debt which is required of him by the H. O. L. C. He will lose his home unless we come to his rescue and reduce these payments to a size which he can meet.

PRESENT INTEREST RATES ON HOME LOANS ARE TOO HIGH

Under the present law home-loan mortgages bear interest at the rate of 5 percent a year. This rate of interest is too high.

When the original Home Loan Act was passed in June 1933 Congress may have been justified in fixing the rate of interest at 5 percent, because at that time the bonds which were issued in exchange for distressed mortgages were guaranteed only as to interest and not as to principal and, therefore, had to carry a rate of interest of 4 percent. An additional 1 percent was necessary to absorb the losses. Therefore, the rate of interest to the home owner was fixed at 5 percent.

On January 8, 1934, I introduced a bill to guarantee not only the interest but also the principal amount of H. O. L. C. bonds. On April 27, 1934, such an amendment to the original law was finally passed. This enabled the sale of these bonds at an average rate of interest of 2¾ percent.

The bonds carrying 4-percent interest which had formerly been issued were retired.

AN INTEREST CHARGE OF 5 PERCENT TO THE HOME OWNER IS NO LONGER JUSTIFIED

A charge of 5 percent for interest to the home owner is no longer justified; it should be reduced to 3½ percent.

MY BILL PROVIDES FOR 3½ PERCENT

Why continue to charge a rate of interest which the home owner cannot pay, which is dragging him further and further, deeper and deeper into debt, and which must in the end either be written off or result in foreclosure?

Therefore, on January 16, 1935, I introduced a bill, H. R. 3974, to reduce the rate of interest on H. O. L. C. mortgages from 5 to 3½ percent and to extend the time during which the mortgage must be paid off from 15 to 25 years. I have since reintroduced this bill, and it is now known as H. R. 10638.

At the present time the home owner pays off his Government mortgage at the rate of $7.91 per thousand dollars per month, if he has a 15-year mortgage. On a $3,000 loan that means a monthly payment of nearly $24. Of course, I am not overlooking the fact that the home owner gradually, by monthly payments, pays off his mortgage, so that at the end of 15 years he owns his home free and clear of any debt.

MOST HOME OWNERS ARE UNABLE TO MAKE THESE PAYMENTS

This is indeed a fine feature of the Government loan, provided the home owner is able to make these monthly pay-

ments. But the plain fact is to the contrary; he is not able to make these payments.

If my bill is adopted, it will reduce the rate of interest to 3½ percent and will extend the date of maturity on these home loans from 15 years to 25 years. The monthly payments to the home owner will then be strikingly reduced. Under the present plan, the home owner must pay $7.91, or nearly $8 per thousand, on his mortgage. Under my bill, he will be required to pay only $5.01 per thousand.

A home owner who previously paid on a $5,000 straight mortgage $25 per month—without paying off anything on the principal and reducing his mortgage—would, under the terms of my bill, pay $25.05 instead of $39.55, as under the present law. After 25 years his loan would be fully paid off and he would own his home free and clear of all debts. In a similar case on a $3,000 mortgage he would now be paying $24, whereas under my plan he will pay only $15 a month.

INTEREST RATES TO THE HOME OWNER MUST BE REDUCED

Mr. Speaker, we are living in an era of cheap money. Bankers, financiers, and large industrial and commercial corporations can secure loans at less than 1 percent per year. The home owner who has a private mortgage is still forced to pay at least 6 percent, and in addition to that he must pay a commission for obtaining the loan, an attorney's fee for the examination of the title, and other charges. Six percent is too high a rate of interest, particularly during easy-money times. It retards and endangers recovery. The rate of interest must be reduced. The 6 percent fettish must be smashed.

LET US REALLY SAVE THE HOMES

Mr. Speaker, I consider this problem to be one of the most important of the day. There is nothing more important to a man and to his family than the home which they own.

HOME OWNERSHIP MUST BE PRESERVED

Not only is this important to the individual home owner but it is important to society as a whole. It is important to the Government. A man who owns his home, a family which lives on the soil which is theirs have something concrete, something definite which attaches them to their country and which gives them a direct interest in the welfare of the Government.

Home owners and farm owners are the backbone of the Nation. We cannot, we must not, permit them to be dispossessed, for fear that such action in the end upset the very principles upon which this Government rests.

Mr. Speaker, I hope that in the next session the Congress will pass my bill to reduce the rate of interest on home-loan mortgages and to extend the time for payment. I also hope that the interest on all other mortgages will likewise be reduced. Such action is necessary for the preservation of the homes of our people; it is necessary in the interest of the peace and safety of the Nation.

THE NEW CORPORATE TAX SYSTEM OF THE REVENUE ACT OF 1936

Mr. VINSON of Kentucky. Mr. Speaker, the tax compromise agreed upon by the House and Senate conferees resulted in a substantial victory for the principle of the undistributed-profits tax advocated by the President. The President pointed out in his message of March 3, 1936, that a tax on undistributed profits would accomplish an important tax reform, remove two major inequalities in our tax system, and stop leaks in the present surtaxes. The two major inequities were (1) the inequality existing between the taxation of corporations as compared with the taxation of other forms of business organizations, and (2) the inequity between large and small shareholders due to the existing corporate rates.

The corporate form of doing business enjoys certain advantages over individual and partnership businesses. Individuals and partnerships cannot minimize their taxes by failure to distribute their business earnings. Corporations should not be permitted to withhold from the beneficial shareholders unneeded corporate income at the expense of the revenues of the United States and to the detriment of the shareholders. All business profits should bear their just share of Federal taxes whether held in the enterprise or distributed to the beneficial owners. So far as corporations are concerned, the old law in effect permitted a deferment of any surtax on corporate earnings until they were distributed to the shareholders, and if such earnings remained undistributed they bore no surtax whatsoever.

In addition, the old law grossly discriminated against the small shareholder. By reason of the flat corporate tax collected at the source, he, in effect, paid a normal tax ranging from 12½ to 15 percent as compared with a normal tax of 4 percent paid by the individual who derived his income from other sources. Moreover, the old law has been ineffective in preventing the retention of earnings in corporations controlled by wealthy individuals. Congress has endeavored to cope with this situation since the first income-tax law but the evil has been a growing one and has resulted in many cases in making our surtax rates ineffective. It is unfair not only from the standpoint of the Government revenues but also from the standpoint of the small shareholder who is being deprived of earnings to which he is beneficially entitled, to prevent surtaxes from being imposed upon wealthy shareholders.

THE HOUSE BILL

The House bill substantially removed the inequities referred to by relieving from tax corporations which distribute all of their net earnings annually as earned and by taxing corporations accumulating their net income at a rate to compensate to a large extent for the amount of tax on the shareholder's income lost by reason of the failure to make a complete distribution. Adequate safeguards were provided to prevent unreasonable taxation of incomes in the case of corporations in distress or with inadequate earnings to take care of their immediate business needs. In my opinion, the House bill was sound, both from a practical and a theoretical standpoint. It provided for a tax upon the net income varying from zero percent to 42½ percent in the case of the large corporation, the rate being determined by the proportion of the net income which was undistributed. That is to say, if the corporation distributed all of its net income, then it would pay no tax; on the other hand, if it kept all of its net income it would pay a tax of 42½ percent. Thus the House bill treated the corporation as a conduit through which profits could pass to the stockholder without tax and the stockholder would be taxed on his dividends in accordance with his ability to pay. The House bill also gave substantial relief to small corporations with net incomes of less than $10,000. In this case the rates upon net income varied from zero percent to 29½ percent. The House bill gave certain relief to corporations from the higher rates of tax in the case where they had existing deficits, where they were under contract not to pay dividends, or where they were in debt. These were the so-called "cushion" provisions, and while they were probably open to some objection, I have no doubt but what eventually these cushions could have been worked out satisfactorily.

THE SENATE BILL

The bill as passed by the Senate retained the graduated tax on corporations found in the Revenue Act of 1935, but increased the rates by 3 percent; that is, there was a tax upon corporate net income graduated from 15½ to 18 percent. In addition, it imposed a flat tax of 7 percent upon the portion of the net income of the corporation which was undistributed. Such a system failed completely in removing the two major inequalities in our tax system referred to by the President and in stopping leaks in our present surtaxes, for the following reasons:

First. The inequality in taxation between incorporated and unincorporated business enterprises remained. Corporations could still retain their earnings in the business and pay much less tax than individuals engaged in individual or partnership enterprises.

Second. The discrimination under the Revenue Act of 1935 against the shareholder in the small-income-tax class accentuated by the Senate bill. Under the old law a shareholder might pay in the form of the corporate tax as much as 15 percent on dividends received by him as compared with a 4-percent tax in the case of an individual who received his income from other sources. Under the Senate bill, in

some cases, he would be required to pay almost 25 percent as compared with the 4-percent tax imposed upon the individual who received income from sources other than dividends.

Third. The leak in the surtax was not stopped by the Senate bill. The flat rate of 7 percent upon undistributed profits was a mere gesture and would have no effect upon compelling distribution of unneeded earnings. In fact, the Treasury experts estimated that this 7 percent rate would not cause any distribution of income. Thus, it would not result in any increase in our surtax incomes and, therefore, our surtax rates would still be ineffective under such a plan. This conclusion seems inescapable when it is considered that since dividends are now subject to the 4-percent normal rate, there is a saving to the shareholder by complete distribution of dividends of only 3 percent. This is no inducement at all for the corporation with shareholders in the high surtax brackets to distribute its earnings. Many of the wealthy shareholders are only too willing to keep the earnings in the corporation at the slight cost of 3 percent, which is more than offset by the large saving in surtaxes. The ineffectiveness of such a rate when compared with the rates under the House bill is more apparent when it is realized that the rates under the House bill were imposed upon the entire adjusted net income, whereas under the Senate bill the 7 percent rate applied only to the portion of the net income not distributed.

Fourth. The Senate bill dealt a heavy blow to the small corporation. The only relief granted to the small corporation under the Senate bill was in the graduated rates imposed for the normal tax. But the minimum graduated rate under the Senate bill was higher than the maximum rate imposed by existing law. This is shown by the following table:

	Existing law	Senate bill
	Percent	*Percent*
First $2,000	12½	15½
Next $13,000	13	16
Next $25,000	14	17
Balance	15	18

As pointed out, the House bill provided special relief for corporations with adjusted net incomes of $10,000 or less. There was under the House bill no tax in the case of complete distribution by any corporation and, in the case of the small corporation, the rates of tax varied from zero to a maximum of only 29½ percent. In fact, corporations with adjusted net incomes of $10,000 or less could under the House bill retain for surplus an amount equal to 40 percent of their adjusted net income and not pay any more tax than that imposed under existing law. It has been shown that the average rate of retention over a 10-year period is about 25 percent. Under the House bill a corporation with an adjusted net income of $10,000 could retain as much as 30 percent of its adjusted net income and pay a tax of only 7½ percent, or $750. But the Senate bill failed to recognize the distinction between large and small corporations. This is a serious matter when we consider that corporations with net incomes of $10,000 or less comprise more than 80 percent of all corporations. Out of 257,000 corporations estimated by the Treasury to report incomes for 1936, 214,000 will have net incomes of $10,000 or less. Not only did the Senate bill fail to give relief to small corporations but it actually discriminated against them in favor of the large corporations. This is shown by the following table:

Percent of increase of tax under Senate bill over existing law

Net income:	
$2,000	71
$3,000	70
$4,000	69
$5,000	69
$10,000	68
$20,000	67
$50,000	64
$1,000,000	53

In other words, the larger the corporation, the less the Senate bill increased its tax over that imposed by existing law.

CONFERENCE COMMITTEE BILL

From the foregoing discussion it will be seen that the Senate bill was not acceptable in any form. It was therefore necessary for the House conferees to get some sort of a compromise which would accomplish the tax reform suggested by the President in his message. It is believed that the conference agreement obtained resulted in upholding the objectives of the House bill and in the adoption of an undistributed profits tax with enough teeth to carry out the tax reform suggested by the President. Under the bill as agreed to in conference a normal tax was retained on corporations, but at greatly reduced rates. The following table shows the comparison of the normal tax rates under the existing law, the Senate bill, and the conference agreement:

	Existing law	Senate bill	Conference bill
	Percent	*Percent*	*Percent*
First $2,000	12½	15½	8
Next $13,000	13	16	11
Next $25,000	14	17	13
Balance	15	18	15

It will be seen from the above table that under the conference agreement the portion of the corporate net income which exceed $40,000 will bear the same tax rate as that imposed by the 1935 Revenue Act and the portion of the net income not in excess of $40,000 will pay a less tax rate than that imposed by existing law. This affords a real relief to the small corporation, especially in those cases where due to a complete or large distribution there will be little or no undistributed profits tax to pay.

The conference agreement also imposes an undistributed profits tax with real force behind it. Instead of the flat 7-percent tax contained in the Senate bill, the conference agreement provides for a graduated undistributed profits tax at the following rates:

Seven percent of the portion of the undistributed net income which is not in excess of 10 percent of the adjusted net income.

Twelve percent of the portion of the undistributed net income which is in excess of 10 percent and not in excess of 20 percent of the adjusted net income.

Seventeen percent of the portion of the undistributed net income which is in excess of 20 percent and not in excess of 40 percent of the adjusted net income.

Twenty-two percent of the portion of the undistributed net income which is in excess of 40 percent and not in excess of 60 percent of the adjusted net income.

Twenty-seven percent of the portion of the undistributed net income which is in excess of 60 percent of the adjusted net income.

I have already pointed out that the Senate bill gave practically no relief to small corporations but actually increased the tax burden on the small corporation to a much greater extent than in the case of the large corporation. In addition to the relief afforded the small corporation through the reduction in the rate of normal tax, we also succeeded in securing in the conference agreement an additional cushion for the purpose of the undistributed profits tax through the allowance of a specific credit in the case of a corporation with an adjusted net income of less than $50,000. Under such a provision, corporations with adjusted net incomes of less than $5,000 will never pay an undistributed-profits tax of more than 7 percent, although they retain all of their earnings, and corporations with adjusted net incomes

between $5,000 and $50,000 will have their taxes materially reduced by this provision.

The effect of this specific credit on corporations with varying sizes of net incomes is shown by means of the following table:

Effect of $5,000 specific credit provision

Adjusted net income	Undistributed profits tax, no dividends paid	Percent undistributed profits tax to adjusted net income	Undistributed profits tax 50 percent of adjusted net income paid in dividends	Percent undistributed profits tax to adjusted net income
$1,000	$70	7.00	$35	3.50
$5,000	350	7.00	175	3.50
$10,000	1,250	12.50	350	3.50
$15,000	2,375	15.83	700	4.67
$20,000	3,500	17.50	1,100	5.50
$25,000	4,625	18.50	1,500	6.00
$30,000	5,750	19.17	1,950	6.50
$40,000	8,000	20.00	2,850	7.13
$45,000	9,125	20.28	3,300	7.33
$50,000	10,250	20.50	3,750	7.50
$60,000	12,300	20.50	4,500	7.50

It is plain from the foregoing table that a corporation with an adjusted net income of less than $5,000 may retain all of its earnings without paying an undistributed profits tax of more than 7 percent of its adjusted net income; that a corporation with an adjusted net income of $20,000 may retain all of its earnings without paying more than a 17½-percent undistributed profits tax; and that a corporation with an adjusted net income of $50,000 may retain all of its earnings without paying an undistributed profits tax of more than 20½ percent. These rates are, of course, based upon total retention of earnings. They will be materially reduced in the case of dividend distributions. For instance, in the case of a 50-percent distribution, the undistributed profits-tax rate in the case of a corporation with an adjusted net income of $10,000 or less will be 3½ percent; of a corporation with an adjusted net income of $20,000, 5½ percent; and of a corporation with an adjusted net income of $50,000, 7½ percent. In the case of the average distribution, which is around 60 percent, the rates will be 2.8 percent in the case of adjusted net incomes of $1,000, $5,000, or $10,000; 3.8 percent in the case of an adjusted net income of $20,000; and 5.3 percent in the case of an adjusted net income of $50,000.

In order to compare the actual tax results of the House bill, the Senate bill, and the conference committee bill, I am submitting the following chart showing comparatively the taxes under these bills which would be paid by a corporation with a net income of $10,000 and by a corporation with a net income of $100,000, with various amounts distributed in dividends:

Corporation with net income of $10,000

Dividends paid	House bill	Senate bill	Conference report
0	$2,967	$2,178	$2,082
$1,000	2,612	2,108	1,862
$2,000	2,258	2,038	1,678
$3,000	1,903	1,968	1,508
$4,000	1,548	1,898	1,387
$5,000	1,193	1,828	1,317
$6,000	838	1,758	1,247
$7,000	535	1,688	1,177
$8,000	280	1,618	1,107
$9,000	90	1,590	1,040
$10,000	0	1,590	1,040

Corporation with net income of $100,000

Dividends paid	House bill	Senate bill	Conference report
0	$42,500	$23,219	$31,502
$10,000	37,500	22,519	28,802
$20,000	32,500	21,819	26,102
$30,000	27,500	21,119	23,402
$40,000	22,500	20,419	20,979
$50,000	17,500	19,719	18,779
$60,000	13,125	19,019	16,994
$70,000	9,375	18,319	15,348
$80,000	6,000	17,619	14,271
$90,000	2,857	17,440	13,840
$100,000	0	17,440	13,840

Let us first consider the foregoing table relating to a corporation with a net income of $10,000. It will be seen that under the conference report less tax is paid by such corporation than under either the House bill or the Senate bill when no dividends whatsoever are declared. When 30 percent of the net income is distributed in dividends, it will be seen that the conference agreement provided a total tax of $460 less than the Senate bill. With a normal distribution of about 60 percent of the net income, the tax under the House bill was $838; under the Senate bill, $1,758; and under the conference report, $1,247. Thus, at this point the conference report results in a fair average between the House and Senate bills.

In respect to corporations with net incomes of $100,000, it will be observed that the maximum tax with no dividend distribution under the House bill was $42,500; under the Senate bill, $23,219; and under the conference report, $31,502. Thus, it is obvious that while the conference report does not produce a maximum tax equal to the House bill, it is still substantially above the Senate bill and sufficiently so to discourage the unwise accumulation of corporate surpluses. It should be observed that under the House bill the total tax varies from zero to $42,500, a spread which gave assurance that unnecessary accumulations of profits would not be made. On the other hand, under the Senate bill the tax varied from $17,440 to $23,219. It seems obvious that this difference in tax was not sufficient to encourage the distribution of dividends. This is especially true, since it must be remembered that under all the bills dividends are now made for the first time subject to the normal tax, and when the stockholder takes into account his 4-percent normal rate he really saves only 3 percent by the complete distribution of dividends. Under the conference report the minimum tax is $13,840 and the maximum tax $31,502. In my opinion, this is a sufficient difference to assure a fair distribution of dividends. Moreover, while the Treasury estimated that the 7 percent undistributed profits tax imposed by the Senate bill would not result in any increase in revenue from surtaxes, it estimated that the graduated undistributed profits tax provided for in the conference agreement would yield additional revenue from increased income subject to surtaxes in the amount of $279,000,000.

The following tables will show that under the conference agreement the percentage of increase over the Revenue Act of 1935 is greater in the case of a large corporation than in the case of the small corporation. The reverse was the case under the Senate bill.

Net income	Total tax		Increase	
	Present law	Conference agreement [1]	Amount	Percent
$1,000	$125	$144.40	$19.40	15.52
$2,000	250	288.80	38.80	15.52
$3,000	380	461.10	81.10	21.34
$4,000	510	633.40	123.40	24.20
$5,000	640	805.70	165.70	25.89
$10,000	1,290	2,082.00	792.00	61.40
$20,000	2,640	5,236.00	2,596.00	98.33
$50,000	6,940	15,163.10	8,223.10	118.49
$100,000	14,440	31,502.80	17,062.80	118.16
$200,000	29,440	63,927.80	34,487.80	117.13
$300,000	44,440	96,352.80	51,912.80	116.82
$400,000	59,440	128,777.80	69,337.80	116.65
$500,000	74,440	161,202.80	86,762.80	116.55
$1,000,000	149,440	323,327.80	173,887.80	116.36

[1] Tax computation based on no distribution.

Net income	Total tax		Increase	
	Present law	Conference agreement [1]	Amount	Percent
$10,000	$1,290	$1,363.60	$63.60	4.93
$20,000	2,640	3,160.80	520.80	19.73
$50,000	6,940	9,519.40	2,579.40	37.17
$100,000	14,440	20,302.00	5,862.00	40.60
$300,000	44,440	63,052.00	18,612.00	41.88
$400,000	59,440	84,427.00	24,987.00	42.04
$500,000	74,440	105,802.00	31,362.00	42.13
$1,000,000	149,440	212,677.00	63,237.00	42.32

[1] Tax computation based on 50-percent distribution.

METHODS FOR RETAINING EARNINGS WITHOUT PAYMENT OF UNDISTRIBUTED PROFITS TAX

It may be proper to state that under the House bill or the conference agreement numerous methods may be employed by a corporation if it desires to retain the earnings in its business. I refer to the sale of stock rights, the retention of cash in the business by the use of taxable stock dividends, or the issue of interest-bearing notes to shareholders. These methods are not to be considered as tax avoidance at all, for the income in question has gone through the surtax mill.

The issuance of stock rights is one method whereby a corporation can secure capital for its business without cutting down its dividend distributions, and thereby avoid the undistributed-profits tax. A striking example of this method is shown in the case of the American Telephone & Telegraph Co., which, during the period from 1921 to 1931, inclusive, paid regular dividends at the rate of $9 per share, the dividends aggregating about $854,000,000 during 10 years. During this 10-year period, the corporation offered rights to its stockholders in 1921, 1922, 1924, 1926, 1928, and 1930, and in the aggregate raised $958,000,000 of capital from its stockholders through the sale of additional stock to them, or $104,000,000 more than the aggregate dividends paid to them during the period.

The method of issuing taxable stock dividends is a means whereby the corporation can actually retain earnings in the treasury without paying the undistributed-profits tax. This is because we allow the corporation a credit against its undistributed net income for taxable stock dividends before applying the undistributed-profits tax. This method was provided for in the House bill. In fact, when the House bill was pending before the House, I developed this theory in a speech on the floor. In this connection, I quote the following from my remarks on the floor:

The case of Eisner against Macomber, as I recall, involved a corporation with $1,000,000 common stock. There was a declaration of a $500,000 stock dividend to the common-share holders. The Court held, and I think correctly, that where each shareholder got his proportionate part of the new stock there was no change in his ownership in the corporation. That, in a corporation with a million-dollar capital, the distribution of another half million to the holders of the common stock made no change in ownership. The shareholder who owned a share of stock would own one and a half shares in the increased structure, and therefore there was no change in the ownership so far as he and the corporation were concerned.

It has been evidenced throughout the years that there are innumerable stock dividends that are taxable. The issuance of stock, either common or preferred, or bonds, in payment of dividends may change the proportion of ownership among the shareholders. For instance, let us take this illustration: You issue preferred-stock holders common stock to satisfy dividends declared to preferred-stock holders. You have introduced additional common stock. It is in the hands of persons other than the present common-stock holders; consequently there is a change in the proportion of ownership in the common-stock holders.

The Supreme Court in one case laid down the rule that the yardstick in respect of the taxability of stock dividends was the character or kind of stock and the change in proportion of ownership. I submitted in the RECORD yesterday a statement prepared for me by Mr. Kent, Acting General Counsel of the Bureau of Internal Revenue, setting forth decisions of the Supreme Court where stock dividends were held to be nontaxable; and other cases where the Supreme Court and the Board of Tax Appeals held that stock dividends were taxable. In this connection I pointed out that in the April volume of the Columbia University Law Review a gentleman, in whom we have great faith and confidence, the Honorable Roswell Magill, wrote a very comprehensive and illuminating article on the taxability of stock dividends.

Since that time the Supreme Court has sustained this view in an opinion by Justice Roberts in the case of *Koshland* v. *Helvering* (56 Sup. Ct. 767), decided May 18, 1936. In that case the taxpayer purchased nonvoting preferred stock upon which she subsequently received a dividend in common stock. The Court held that the dividend in common stock was income to the shareholder, as it gave her an interest different from that which her former holdings represented. Thus, a corporation through the issuance of taxable stock dividends can retain the necessary cash and still secure the advantage of the dividend credit and avoid the payment of the undistributed-profits tax.

The third method is that whereby the corporate directors, instead of declaring a dividend, may issue notes of the corporation carrying a certain rate of interest. There have been cases of where bonds have actually been distributed among the shareholders instead of cash by way of dividends, and such bonds are taxable under the law as dividends according to their fair market value at the time they are issued. There is thus a choice between giving shareholders an additional interest as creditors or increasing their equity in the enterprise by giving them stock. To take a concrete illustration, suppose that a corporation has a net income of $100,000 for 1936, and it has a $75,000 obligation falling due which it has not made provision for meeting in other ways. If it issues interest-bearing notes to its shareholders to the extent of $75,000, the indebtedness of the corporation is really being transferred from a third party to the persons who are the real owners of the enterprise.

These methods will generally benefit the small corporation to a greater extent than the large. In this connection, I wish to quote the following statement from Mr. George C. Haas, Director of Research and Statistics for the Treasury Department:

It is a good general rule that the principal stockholders in small, struggling and newly established corporations are men of much smaller total incomes than the principal stockholders in large, prosperous, and well-established corporations. If, therefor, such principal stockholders subscribe back to the corporation for additional shares all or part of their dividend receipts, less the personal income tax thereupon, the proportion of the gross dividend receipts subscribed back by them will be much greater in the case of the average small corporation than in the case of the average large one. The great importance of the difference which exists because of the differing individual income-tax rates upon different income classes can best be seen when it is noted that while dividends which fall in the bracket between $10,000 and $12,000 of stockholders' individual incomes will be reduced by only a personal income tax of 11 percent, or less than the present corporation taxes, the dividends which fall in the income bracket between $100,000 and $150,000 will be reduced by a 62 percent individual income tax. In other words, a greater proportion of the earnings of small corporations will be available for reinvestment, when paid out to their stockholders, than of large corporations. I submit that this differential will give smaller corporations a chance to catch up upon their larger rivals which they never had under any previous tax legislation.

DEFICITS

Another phase of the conference committee bill which will materially aid the corporation with a deficit will be found in that provision which provides that the dividends of a corporation up to the amount of its currrent net income shall constitute a taxable dividend in the hands of the shareholder even though the corporation had a prior-year deficit in excess of its current earnings. The old rule in this case was that such distributions constituted a return of capital and were not taxable dividends to the stockholder but reduced his basis in the case of subsequent sales, and under the old rule the corporation would get no dividend credit. Under the new rule this situation is reversed. The stockholder pays tax on his dividend, does not reduce his basis, and the corporation receives the benefit of the dividend credit, thereby reducing its undistributed net income subject to the undistributed profits tax.

DIVIDEND CARRY-OVER

The provision allowing a dividend carry-over for 2 years, contained in the House bill, has been preserved in the conference committee bill. This is a very meritorious and equitable provision. Suppose, for instance, that a corporation computes its net income to be $20,000 and pays $20,000 in dividends. Under this circumstance, of course, it would pay no undistributed-profits tax. But suppose upon audit of the taxpayer's return by the revenue agent the net income is determined to be $10,000. Without the dividend carry-over, $10,000 of dividend credit would be lost to the corporation. Under this provision, however, the $10,000 can be carried forward into the next year and treated as if it were a dividend paid in that year and used to reduce the undistributed net income for that year. If it is not absorbed in that year, the excess can be used in the next year.

BANKS, INSURANCE COMPANIES, AND FOREIGN CORPORATIONS

The provisions of the House bill exempting banks, insurance companies, and foreign corporations from the undistributed-profits tax and imposing in lieu thereof a flat rate of tax were agreed to by the conference committee in substantially the same form as passed by the House. In the case of banks and insurance companies, the law requires them to maintain certain reserves, and it was felt that it would be unwise to levy a tax upon them for retaining earnings which they were required by law to retain. The conference agreement also adopted the House method of taxing nonresident aliens and foreign corporations not doing business in the United States. As in the case of the House bill corporations in receivership were not subject to the undistributed-profits tax. The conference agreement subjects such corporations only to the graduated normal tax imposed upon ordinary corporations.

Our old tax law contained a system of taxing nonresident aliens and foreign corporations which, possible of defense on a theoretical ground, was entirely impracticable of enforcement. The conference committee bill, which follows the general theory of the House bill, is a very substantial improvement in respect to the practical taxation of these foreign individuals and companies. This system will produce substantially greater revenue than at present.

LIQUIDATIONS

Another substantial defect in existing law which was cured under the House bill and also cured under the conference committee bill was in relation to the complete liquidation of holding companies. In a large number of cases such liquidation was effectually prevented by the provision of the existing law which provided that 100 percent of the gain should be taken into account upon a complete liquidation. This has been changed under the bill so that the capital gain bracketed rates will apply to such liquidation. This new system will bring in substantial tax, will encourage the liquidation of useless companies, and be fair to all concerned. The Treasury estimates additional revenues from this source. The estimated increase is $33,000,000.

CONCLUSION

In conclusion, let me reiterate my firm conviction that the House bill set forth a plan of taxation eminently fair and productive of substantially increased revenue. The Senate bill, in my opinion, did not give any substantial recognition to the theory of the undistributed-profits tax and created a tremendous burden on corporations without regard to their ability to pay. The small corporation was tremendously burdened under the Senate bill. As far as the conference committee bill is concerned, while I do not believe it is as sound from a theoretical standpoint as the House bill, I do consider that it will give a fair test of the undistributed profits tax system. Moreover, I believe that the conference committee bill gives fairer treatment to the small corporation and that the bill is certain to produce substantial amounts of added revenue, and alleviate to a large extent the inequities of the present system.

A BRIEF REVIEW OF THE SECOND SESSION OF THE SEVENTY-FOURTH CONGRESS

Mr. O'CONNOR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address delivered by me.

The second session of the Seventy-fourth Congress, which adjourned on June 20, was, contrary to general belief, about 1 month shorter in duration than the average length of sessions, over a period of 15 years.

To adequately review the legislation passed at this session would be impossible in the time allotted to me. I shall therefore only touch upon the more important matters, or those measures which have commanded a widespread interest.

APPROPRIATIONS

First, as to appropriations for the Government, a subject much discussed in these days, the total appropriations for the fiscal year ending June 30, 1937, was $6,800,000,000. This amount, however, included $1,425,000,000 for relief; $517,000,000 to start the Social Security Act in operation; $1,000,000,000 to assist agriculture; $600,000,000 for payments to veterans, in addition to the bonus; and $365,000,000 for public works.

THE PUBLIC DEBT

The public debt now amounts to $34,000,000,000, a stupendous sum of money, but only about 10 percent of the Nation's wealth or worth. Few businesses, corporate or individual, can boast of a balance sheet showing an indebtedness of only 10 percent of its total value. The public debt of the United States is still much less per capita than that of any of the large nations of the world, and the interest charges are still less.

In the press and over the radio one reads and hears reckless statements that this administration has inflicted on the people, for generations to come, a debt burden of thirty-five billions. These partisan spokesmen deliberately conceal the fact that this administration inherited a debt of twenty-two billion, six billion of which was the deficit, piled up from failure to balance the annual Budget, during the last 2½ years of the previous administration.

It should also be borne in mind that the present public debt of thirty-four billion includes the two and one-quarter billion paid out to veterans under the bonus, and that of the total amount about four and one-half billion is recoverable through collateral and security held by the Government lending agencies.

Another interesting fact is that while the immediate burden on the taxpayer amounts to eight hundred and five millions a year in interest, that amount, due to low interest rates, is much less than in 1923 when the total debt was much lower in amount.

TAXES

The Revenue Act of 1936 is estimated to raise about seven hundred and eighty-five million in taxes. This measure, made necessary by reason of the decision of the Supreme Court of the United States holding the Agricultural Adjustment Act was unconstitutional and, further, by reason of the law for the immediate payment of the bonus going into effect over the President's veto, applies solely to corporations and is based on their income. They do not pay taxes until they make a profit and most of the taxes will not be payable if the profits are distributed to the stockholders. Most small corporations will pay less taxes than they did before, by reason of this new law.

RELIEF

The one billion four hundred and twenty-five million appropriated for work relief, together with the unexpended balance of the previous appropriation of four billion eight hundred million, will provide three billion five hundred million for relief for the coming year. This amount is equal to the sum spent for this purpose last year and together is about equal to the deficit during the last half of the previous administration.

AGRICULTURE

To aid the farmer to the extent of $1,000,000,000, Congress passed the Soil Conservation Act to take the place of the Agricultural Adjustment Act held invalid by the Supreme Court. Likewise there was passed the Farm Mortgage Act, providing one hundred and twenty-five million to aid drainage and irrigation districts. The act regulating commodity exchanges, and the act permitting compacts among the tobacco-growing States will also be of assistance to those 25,000,000 of our people engaged in agriculture.

RURAL ELECTRIFICATION

Congress authorized the expenditure of four hundred and ten millions over a period of 10 years to bring electricity to the farms and the rural communities.

HOUSING

Unfortunately the Wagner-Ellenbogen Housing Act to provide for low-cost housing and slum clearance was presented to Congress too late in the session to be enacted into law. This long-range program will undoubtedly be put into effect early in the next session.

In the meanwhile, the present National Housing Act, under the Federal Housing Administration, was strengthened and extended to provide hundreds of millions of dollars for the modernization of houses and the alteration of multiple dwellings such as apartments.

THE ANTI-CHAIN-STORE BILL

This bill, more appropriately called the price-discrimination bill, and popularly known as the Robinson-Patman bill, is designed to aid the small merchant, the corner grocer, and druggist so he can stay in business and compete with the large chain organizations and not be swallowed up in monopolies.

LABOR

A number of bills became law aiding labor generally and Government employees in particular. Among these was the so-called Walsh-Healy bill regulating hours and wages and prohibiting child labor on Government contracts. Railroad employees were aided by legislation. Government employees were assured reasonable hours, vacation leave, and sick leave.

FLOOD CONTROL AND RELIEF

Three hundred and twenty millions of dollars was allotted for the control of floods throughout the entire country, while two hundred and seventy-two millions was provided for flood control on the lower Mississippi. In addition to these amounts the Reconstruction Finance Corporation was authorized to loan fifty millions to aid sufferers in the areas flooded during the past spring.

NEUTRALITY

Early in the session Congress by resolution took a firm stand that this country should not become involved in the disputes of foreign nations, but would maintain a strict neutrality. Subsequent events proved the wisdom of this course.

SHIP SUBSIDY

Our Nation has never yet developed an adequate merchant marine so vital to business and employment in times of peace and so indispensable in times of war. Other nations by means of financial aid to shipbuilders and operators have developed their merchant fleets which we were compelled to use to transport our soldiers and supplies during the World War. Under the bill which was passed the Government will render financial aid in the building and operation of ships to meet the differences in such costs between this country and those amounts in other countries.

In this connection several bills became law providing greater safety for passengers on ships in an attempt to avoid the horrible losses in the fate of the *Morro Castle* and other vessels.

THE BONUS

The long-discussed problem of the immediate payment of the adjusted compensation service certificates was solved in this session of Congress by the law paying to over 3,000,000 of our veterans of the World War two and a quarter billions of dollars. This payment was made on June 15 and already its effect has been felt, in the wide distribution of these funds, in the stimulation of business, and building.

The foregoing necessarily only touches the high spots of the session. Over 400 bills of a public nature became law and a like number of bills of a private nature. The major work of the session was to follow up and continue the program initiated by the administration when it took office in March 1933. To that end the session, while comparatively short, was continuous and driving on its Members. The efficacy of its work will be valued when sufficient time will permit retrospection.

RADIO'S TOWN CRIER—HAMILTON DALTON

Mr. FENERTY. Mr. Speaker, under leave to extend my remarks, I include herewith a report taken stenographically of my speech at a dinner tendered to an eminent radio commentator, Mr. Hamilton Dalton, in the La Fayette Hotel, Philadelphia, on the evening of June 13, 1936:

It is a real pleasure to be present with you tonight to pay tribute to the distinguished radio commentator, who has won a preeminent place in the ranks of his profession. As we look about us here and behold Democrats and Republicans, men of every creed, profession, and occupation, assembled to do him honor, when that eminent artist and cartoonist, Jerry Doyle, rises to tell us that "Ham" Dalton is without a peer in his ability to hold a radio audience, when that prominent real estate man of the Northeast, Mr. Richard Damerau, speaks so fervently of his friend, when Mr. Charles Stern portrays his talents in such glowing colors, when men here belonging to different political parties speak of Mr. Dalton's utter absence of partisanship in his radio talks, surely we must all adopt as our own the phrase which the internationally famous Philco radio commentator, Mr. Boake Carter, applied to Mr. Dalton when he said: "When better commentators are made, 'Ham' Dalton will be better yet."

It is not known to all Philadelphians that our guest of honor, the author of Philadelphia's widely known motto, "Whoever you are, wherever you live, if you're for progress you'll like Philadelphia", is a newspaperman who came into the profession of radio commentator by what might be called a fortuitous circumstance. It was while he was employed on the copy desk of the Atlanta Georgian and American that he was invited to call upon the commentator for these papers some evening to attend a broadcast. The following Sunday evening, if I remember the manner in which "Ham" has told the story to some of us, he visited the studio of the well-known Mike Thomas just before the broadcast began. The occasion was an interview by the radio member of the staff of the associate sports editor of the same newspaper, Jimmy Burns, with whose writings all southerners are familiar. Imagine the consternation that seized the visible audience in the room when Mr. Thomas suddenly became ill from overwork and handed his manuscript to Mr. Dalton with the injunction to take his place on the program.

It is difficult to imagine "Ham" Dalton as being nervous under such conditions, but he himself assures us that it was only many days later, when he was accustomed to substitutinb for his ill coworker, that he finally became confident and unafraid of the then dreaded microphone.

It was during the course of that experience that Mr. Dalton conceived the idea of publicly welcoming by radio the new chief of police of the Georgia metropolis and thus making it possible for all of the citizens of Atlanta to take part in the ceremony. He utilized the broadcast to pay tribute to the rank and file of the police department, which had been spoken of adversely in some of the newspapers. It is worth remembering that such was the success of his broadcast concerning the heroic and self-sacrificing work which the police department in Atlanta, as in every city, is called upon to do, that Mr. Dalton is still remembered and beloved by the members of the Department in Atlanta.

Sometime later, when the manager of WGST, the Columbia station in Atlanta, Mr. Loren Watson, sent for Mr. Dalton and suggested the advisability of entering the radio profession, his offer of a position was speedily accepted. As it transpired, the gentleman who is known in Philadelphia as radio's town crier and most forceful commentator was offered opportunity to work in even larger radio fields. He finally elected to head the Philadelphia Electric Co.'s program over Station WCAU in this city. Surrounding himself with an orchestra, under the masterly direction of Harold Micklin, the Wanderer's Quartet, and a soprano soloist, our guest of honor began his work in this city on September 19, 1932. These splendid musical productions continued under his guidance until the following December, when he resigned to become radio's town crier, a free-lance commentator without compensation.

It was then that he originated the well-known motto, over the Philadelphia Station WPEN, "Whoever you are, wherever you live, if you're for progress, you'll like Philadelphia." This was but the beginning of the series of broadcasts through which Mr. Dalton later drew to himself hundreds of thousands of men and women in the unseen audiences reached by radio stations in the cities of Providence, New York, Trenton, Philadelphia, Wilmington, Baltimore, and Washington. The telephone wires of his studio were kept busy with local and long-distance messages from those of low and high degree, either to express their admiration or to challenge what "radio's most forceful commentator" had asserted. So illuminating were some of Mr. Dalton's broadcasts that in many instances men of both political parties holding high public office in the several States and in the National Government telephoned for copies of his broadcasts, in order to study the suggestions for betterment in public life and office which Mr. Dalton had made.

It is not surprising, then, that on another occasion, no less than 17,000 copies of his talk on International Currency were sent to the American people and over 5,200 Philadelphians wrote to him in commendation of his remarks in one broadcast over Station WIP, while from the people of the metropolitan area of this city he has received more than 200,000 letters, few of them expressing disapproval or disagreement. I sometimes wonder how this young man could personally read and answer so much mail, in addition to the task which was imposed upon him by the very nature of his radio work and his repeated invitations to speak at several dinners in an evening.

Philadelphia owes a debt of gratitude to the guest of the evening for his incessant urging upon the people of the Nation the necessity of understanding the progressive spirit with which our people are imbued. I believe that it was his constant emphasis upon the good qualities of the city and his unceasing efforts for the beautification of Philadelphia, as well as his pleas for fair treatment to the police and firemen, that won for him over a year ago the annual award of the Philadelphia Chapter of the Hotel Greeters of America under the leadership of Mr. Daniel Crawford, Jr., international president of that body.

Of immediate interest to the many lawyers who are assembled here tonight is the story told a few moments ago by that eminent member of the Philadelphia bar, Mr. William J. Brady, that Mr. Dalton was the only one permitted to broadcast an eyewitness story of the riots which occurred some time ago at the Eastern Penitentiary.

The gentleman to my left, Mr. Charles A. McCullough, who was for many years a distinguished and efficient member of the police department, informed me earlier in the evening that upon that occasion the prison radios were turned on, in the hope that the broadcast would have a quieting effect upon the disturbers and other inmates who were placed in danger by the actions of the few disgruntled prisoners. Our illustrious Philadelphia jurist, the Honorable Harry S. McDevitt, with his accustomed interest in all that makes for betterment of the conditions in our prisons as elsewhere, took part in that broadcast.

Mr. Dalton's descriptive ability, his emphatic, incisive manner of speech, his wide understanding of languages, his clear comprehension of the problems that beset the people, his unqualified defense of the American Constitution and the Supreme Court against those who insidiously assail them, his devotion to the cause of Philadelphia development, have been shared over the radio with millions of Americans in a manner that charms his listeners, even as they pause to ponder the weight of his message.

With the spirit of hospitality and cordiality that has ever characterized the people of Philadelphia, "Ham" Dalton has been welcomed as an adopted son to whom the people of Philadelphia justly look with pride and admiration.

It is for this reason that leaders of Philadelphia thought and action have tonight assembled here to pay tribute to radio's town crier, who undoubtedly appears to be the pioneer of a professional group that, I venture to say, will play a mighty and tremendous part in the future development of our city and the Nation.

DEATH OF SPEAKER BYRNS

Mr. CHANDLER. Mr. Speaker, under general leave to extend my remarks I submit herewith resolutions adopted by the Tennessee delegation on the death of the late Speaker BYRNS. Mr. Speaker, while under the shadow of the overwhelming loss of our colleague, Hon. JOSEPH W. BYRNS, the Tennessee delegation in the House of Representatives met on June 4, 1936, and adopted the following resolutions:

It is with the deepest regret and most profound sorrow that the Members of the Tennessee delegation in the House of Representatives have received the very sad intelligence of the untimely passing of our warm personal friend, esteemed colleague, and distinguished fellow Tennessean, the Honorable JOSEPH W. BYRNS, Speaker of the House of Representatives.

No man in the House of Representatives from Tennessee had the length of service as that of Speaker BYRNS, and no Member of the House exceeded him in the affection of his colleagues.

Distinguished as a leader, loyal and faithful as a public servant, true as a friend, and patriotic as a genuine American and Tennessean, JOSEPH W. BYRNS' place in the history of the Nation will live long in the hearts of the people of this country.

He served with credit and distinction as a Representative from the Hermitage district of Tennessee for nearly 28 years. Early in his congressional service he was honored by membership on the important Appropriations Committee of the House and presided with marked ability as chairman of this committee and later as majority leader of the House. He was elected Speaker unanimously on the convening of the Seventy-fourth Congress. His service in that great position was always marked with an unusually high degree of devotion to duty, and with the utmost consideration for both the majority and the minority, as well as every individual Member of the House, whose confidence and affection he enjoyed to the fullest. His arduous duties and his efforts to bring to a conclusion the present session of Congress overtaxed his strength and brought his notable career to a close in the very height of his usefulness to the Congress and to the Nation.

It has not only been our privilege to enjoy a very close and devoted friendship with Speaker BYRNS, but also to have known for many years most pleasantly his charming wife and splendid son, and we recognize the irreparable loss sustained by them.

Therefore be it resolved by the members of the Tennessee delegation in the House of Representatives:

That we record these expressions of the grateful appreciation of serving with the Honorable JOSEPH W. BYRNS and of having his true friendship.

That we express our deepest regret and most heartfelt sympathy to his dear wife and son and other members of his family in their overwhelming loss.

That we shall ever cherish his memory, endeavor to emulate his noble character, and that we acknowledge our lasting debt of gratitude for the privilege of having been so closely associated with him.

That a copy of these resolutions be furnished the family, to the press, and presented for inclusion in the CONGRESSIONAL RECORD.

SAM D. MCREYNOLDS, *Chairman,*
JERE COOPER,
CLARENCE W. TURNER,
J. RIDLEY MITCHELL,
HERRON PEARSON,
J. WILL TAYLOR,
B. CARROLL REECE,
WALTER CHANDLER, *Secretary*

RECESS

Mr O'CONNOR. Mr. Speaker, I move that the House now stand in recess until 10: 30 o'clock tomorrow morning.

The motion was agreed to; accordingly (at 10 o'clock and 27 minutes p. m.) the House stood in recess until tomorrow, Saturday, June 20, 1936, at 10: 30 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

875. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated June 15, 1936, submitting a report, together with accompanying papers and illustration, on a preliminary examination and survey of Frankfort Harbor, Mich., authorized by the River and Harbor Act approved August 30, 1935 (H. Doc. No. 511); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

876. A letter from the Secretary of War transmitting a letter from the Chief of Engineers, United States Army, dated June 15, 1936, submitting a report, together with accompanying papers and illustration, on a preliminary examination and survey of Elokomin Slough, or River, Wash., authorized by the River and Harbor Act approved August 30, 1935 (H. Doc. No. 510); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. S. 949. An act for the relief of R. R. Purcell; with amendment (Rept. No. 3046). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1790. An act for the relief of Margaret Murphy; with amendment (Rept. No. 3047). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2575. An act for the relief of Emma Gomez; without amendment (Rept. No. 3048). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2576. An act for the relief of Manuel D. A. Otero as administrator of the estate of Teresita S. Otero, deceased; without amendment (Rept. No. 3049). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3143. An act for the relief of the Passaic Valley sewerage commissioners; without amendment (Rept. No. 3050). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3484. An act for the relief of Edward Y. Garcia and Aurelia Garcia; without amendment (Rept. No. 3051). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland; Committee on Claims. S. 3808. An act for the relief of R. D. Stephens and Vera Stephens; without amendment (Rept. No. 3052). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 4160. An act for the relief of F. M. Loeffler; without amendment (Rept. No. 3053). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 4362. An act for the relief of Rufus C. Long; without amendment (Rept. No. 3054). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 4363. An act for the relief of B. W. Winward; without amendment (Rept. No. 3055). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 4456. An act for the relief of the estate of Charles White; without amendment (Rept. No. 3056). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 4591. An act for the relief of the children of Rees Morgan; with amendment (Rept. No. 3057). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 4616. An act for the relief of G. A. Trotter; without amendment (Rept. No. 3058). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 2917. A bill for the relief of Peter Karampelis; with amendment (Rept. No. 3059). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. H. R. 4966. A bill for the relief of Lewis Clark; with amendment (Rept. No. 3060). Referred to the Committee of the Whole House.

Mr. SEGER: Committee on Claims. H. R. 8111. A bill for the relief of John Munro; with amendment (Rept. No. 3061). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 9420. A bill for the relief of the estate of Cornelius P. Young; with amendment (Rept. No. 3062). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 9421. A bill for the relief of the estate of Alexis Romm; with amendment (Rept. No. 3063). Referred to the Committee of the Whole House.

Mr. TOLAN: Committee on Claims. H. R. 11017. A bill for the relief of Raymond E. Payne and Anna R. Payne; with amendment (Rept. No. 3064). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 12086. A bill for the relief of John McShain, Inc.; with amendment (Rept. No. 3065). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 12671. A bill for the relief of the First, Second, and Third National Steamship Companies; with amendment (Rept. No. 3066). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2976. An act for the relief of John Edgar White, a minor; with amendment (Rept. No. 3067). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 12147. A bill for the relief of the New York & Baltimore Transportation Line; with amendment (Rept. No. 3069). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DIRKSEN (by request): A bill (H. R. 13014) to amend the Interstate Commerce Act to prohibit reduction of freight rates from rail-shipment points on account of indirect water competition; to the Committee on Interstate and Foreign Commerce.

By Mr. KOPPLEMANN: A bill (H. R. 13015) to amend the Revenue Act of 1932 with respect to the deduction for estate-tax insurance; to the Committee on Ways and Means.

By Mr. FLETCHER: A bill (H. R. 13019) to amend the Social Security Act (Public, No. 271, 74th Cong.); to the Committee on Ways and Means.

By Mr. BUCHANAN: Joint resolution (H. J. Res. 639) to provide certain administrative expenses for the Division of Territories and Island Possessions, Department of the Interior, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. GASQUE (by request): Joint resolution (H. J. Res. 640) authorizing the President to proclaim January 1 of each year (or any other date) as a day of fasting and prayer; to the Committee on the Judiciary.

By Mr. BUCHANAN: Joint resolution (H. J. Res. 641) making appropriations for the payment of expenses incurred in an election contest for a seat in the House of Representatives from the Twentieth Congressional District of the State of New York; to the Committee of the Whole House on the state of the Union.

My Mr. MASSINGALE: Joint resolution (H. J. Res. 642) to enable the Secretary of Agriculture to apply such methods of control of grasshoppers as in his judgment may be necessary; to the Committee of the Whole House on the state of the Union.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BULWINKLE: A bill (H. R. 13016) for the relief of Azor Pruett and C. C. Carter; to the Committee on Claims.

By Mr. GILDEA: A bill (H. R. 13017) granting a pension to Louisa Stauffer Everett; to the Committee on Invalid Pensions.

By Mr. HARTLEY: A bill (H. R. 13018) for the relief of Harry James Foster; to the Committee on Naval Affairs.

By Mr. WIGGLESWORTH: A bill (H. R. 13020) for the relief of Agatha Milauskas Yakavonis (nee Agatha Milauskas); to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

11125. By Mr. CULKIN: Petition of 12 residents of Madison County, favoring passage of House bill 8739; to the Committee on the District of Columbia.

11126. By Mr. PAREDES: Resolution No. 23 of the municipality of Luisiana, Laguna Province, Commonwealth of the Philippines, adopted by unanimous consent at a meeting of the municipal council, held April 8, 1936, urging the immediate approval by the Congress of the United States of the Dockweiler bill, which is House bill 8000, Seventy-fourth Congress; to the Committee on Ways and Means.

11127. Also, Resolution No. 34 of the Municipal Council of the Municipality of Bay, Laguna Province, Commonwealth of the Philippines, approved unanimously at a meeting held on April 11, 1936, appealing to the sense of justice of the American Congress and requesting passage of the Dockweiler bill, being House bill 8000, Seventy-fourth Congress, in order to preserve the coconut industry in the Philippines and enable the Filipino people to keep on buying American goods; to the Committee on Ways and Means.

11128. Also, Resolution No. 35 of the Municipal Council of Paete, Laguna Province, Commonwealth of the Philippines, adopted at the regular meeting of the council, held on April 12, 1936, at that municipality, requesting the approval by the Congress of the United States of the Dockweiler bill (H. R. 8000), Seventy-fourth Congress; to the Committee on Ways and Means.

11129. Also, Resolution No. 7 of the municipality of Longos, Province of Laguna, Commonwealth of the Philippines, unanimously adopted at the regular meeting of the council held the 30th of May 1936 at the municipality, requesting the American Congress to approve the Dockweiler bill; to the Committee on Ways and Means.

11130. Also, Resolution No. 84, of San Pablo, Laguna, respectfully requesting Congress passage of the Dockweiler bill (H. R. 8000) and indorsing High Commissioner Frank Murphy's radiogram to the honorable the Secretary of War of the United States on March 24, 1936, transmitting a petition of assemblymen representing coconut-producing provinces, and an appeal to Congress on behalf of 4,000,000 Filipinos to approve the said Dockweiler bill for reasons set forth therein; to the Committee on Ways and Means.

11131. Also, Resolution No. 22 of the municipality of Pila, Province of Laguna, Commonwealth of the Philippines, unanimously adopted at the special meeting of the council, held on April 20, 1936, at the municipality, endorsing High Commissioner Murphy's radiogram to the Philippine Resident Commissioner at Washington sent through the honorable the Secretary of War, to the effect that assemblymen representing coconut-producing provinces appeal to Congress on behalf of 4,000,000 Filipinos to approve the Dockweiler bill (H. R. 8000); to the Committee on Ways and Means.

11132. Also, Resolution No. 29 of the municipality of Alaminos, Province of Laguna, Commonwealth of the Philippines, unanimously adopted at a regular meeting of the council held on April 20, 1936, at the municipality, that, in view of the impending ruin threatening the coconut industry, which is the means of livelihood of the people in the locality, due to the imposition of excise tax on coconut oil in the United States, said municipality joins the petition for the approval by the American Congress of the Guffey-Dockweiler bill seeking the elimination of the said excise tax; to the Committee on Ways and Means.

11133. Also, Resolution No. 35 of the municipality of Magdalena, Province of Laguna, Commonwealth of the Philippines, unanimously adopted at the special meeting of the council, held on April 22, 1936, at the municipality, that the 3-cents per pound excise tax levied in the United States on coconut oil imported from the Philippines lowers the average price of copra and coconuts to only half of normal prices compared with former years, thus seriously hampering the economic life of the Islands, and, further, because said excise tax is violating both the latter and the spirit of the Tydings-McDuffie Independence Act; that said municipality recommends to the American Congress the approval of the Dockweiler bill; to the Committee on Ways and Means.

11134. By Mr. PLUMLEY: Petition of some 40 citizens of Morristown, Vt., with reference to antigun legislation, opposing general disarmament, and seeking protection for private rights of citizens; to the Committee on the Judiciary.

11135. By Mr. TREADWAY: Resolutions adopted by the General Court of Massachusetts, urging Federal legislation requiring the marking of articles made of imitation leather; to the Committee on Interstate and Foreign Commerce.

SENATE

SATURDAY, JUNE 20, 1936

(Legislative day of Monday, June 15, 1936)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, June 19, 1936, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Lewis	Reynolds
Ashurst	Connally	Loftin	Robinson
Bachman	Copeland	Lonergan	Russell
Bailey	Davis	McAdoo	Schwellenbach
Barkley	Dieterich	McGill	Sheppard
Benson	Duffy	McKellar	Shipstead
Bilbo	Frazier	McNary	Steiwer
Black	George	Maloney	Thomas, Okla.
Bone	Gerry	Metcalf	Thomas, Utah
Borah	Gibson	Minton	Townsend
Brown	Glass	Moore	Truman
Bulkley	Guffey	Murphy	Tydings
Bulow	Hale	Murray	Vandenberg
Burke	Harrison	Neely	Van Nuys
Byrd	Hastings	Norris	Wagner
Byrnes	Hatch	Nye	Walsh
Capper	Hayden	O'Mahoney	Wheeler
Caraway	Holt	Pittman	
Carey	King	Pope	
Chavez	La Follette	Radcliffe	

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], and the Senator from Nevada [Mr. MCCARRAN] are absent because of illness; and that the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Oklahoma [Mr. GORE], the Senator from Kentucky [Mr. LOGAN], the junior Senator from Louisiana [Mrs. LONG], the senior Senator from Louisiana [Mr. OVERTON], the Senator from South Carolina [Mr. SMITH], and the Senator from Ohio [Mr. DONAHEY] are unavoidably detained from the Senate.

Mr. MCNARY. I announce that the Senator from California [Mr. JOHNSON] is absent because of illness, and that the Senator from Vermont [Mr. AUSTIN], the Senator from New Jersey [Mr. BARBOUR], the Senator from Iowa [Mr. DICKINSON], the Senator from New Hampshire [Mr. KEYES], and the Senator from Maine [Mr. WHITE] are necessarily absent.

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present.

TRIBUTE TO THE LATE SENATOR DUNCAN U. FLETCHER

Mr. LOFTIN. Mr. President, I have a communication from the Public Printer, addressed to the President of the Senate, enclosing resolutions embodying a beautiful tribute to my late colleague, DUNCAN U. FLETCHER, senior Senator from Florida, by the officials and employees of the Government Printing Office. I ask unanimous consent to have printed in the RECORD the letter from the Public Printer, as well as the resolutions enclosed.

There being no objection, the letter and resolutions were ordered to be printed in the RECORD, as follows:

UNITED STATES GOVERNMENT PRINTING OFFICE,
Washington, D. C., June 20, 1936.

The PRESIDENT OF THE SENATE,
The Capitol, Washington, D. C.

DEAR MR. PRESIDENT: I have the honor to transmit herewith a resolution of sorrow adopted by the officials and the employees of the United States Government Printing Office upon hearing of the death of the Honorable DUNCAN U. FLETCHER, chairman of the Joint Committee on Printing.

During the many years that the late Senator FLETCHER was a member of the Joint Committee on Printing he proved to be a most faithful and helpful friend to the officials and employees of the United States Government Printing Office, and in recognition of his deep interest and helpfulness the officials and employees of the office wish by this act to express their heartfelt sympathy in the loss of their distinguished friend.

Cordially yours,

A. E. GIEGENGACK,
Public Printer.

A resolution

Whereas the officials and the employees of the United States Government Printing Office have heard with profound sorrow of the sudden death of the Honorable DUNCAN U. FLETCHER, senior Senator from the State of Florida; and

Whereas the late Senator FLETCHER was a member of the Joint Committee on Printing from 1911 to 1918, and from 1921 to 1936, during which period he served as chairman of the committee from 1913 to 1918 and from 1933 to 1936; and

Whereas during all of the years while a member of the Joint Committee on Printing Senator FLETCHER proved to be a most faithful and helpful friend to the officials and employees of the United States Government Printing Office: Now, therefore, be it

Resolved by the officials and employees of the United States Government Printing Office, That they extend their heartfelt sympathy to the bereaved widow and other members of the family of our departed friend; and be it further

Resolved, That a copy of these resolutions be transmitted to the United States Senate, a copy to the Joint Committee on Printing, and a copy thereof to the family of our deceased friend.

DELAWARE VALLEY TERCENTENARY COMMISSION

The VICE PRESIDENT appointed Mr. GUFFEY, Mr. MOORE, Mr. TOWNSEND, Mr. DAVIS, and Mr. BARBOUR as the members on the part of the Senate of the United States Delaware Valley Tercentenary Commission, established under the provisions of the joint resolution (H. J. Res. 499) authorizing and requesting the President to extend to the Government of Sweden and individuals an invitation to join the Government and people of the United States in the observance of the three hundredth anniversary of the first permanent settlement in the Delaware River Valley, and for other purposes, approved June 5, 1936.

SEGREGATION OF THE FUNCTIONS OF DEALER AND BROKER

The VICE PRESIDENT laid before the Senate a letter from the chairman of the Securities and Exchange Commission, transmitting, pursuant to law, a report on the feasibility and advisability of the complete segregation of the functions of dealer and broker, which, with the accompanying report, was referred to the Committee on Banking and Currency.

PETITION

The VICE PRESIDENT laid before the Senate a cablegram from the president of the Senate of Puerto Rico, on behalf of that senate, favoring the enactment of pending legislation creating a commission to investigate the situation in regard to the granting of independence to Puerto Rico, with certain amendments thereto, which was ordered to lie on the table.

REPORT OF THE BANKING AND CURRENCY COMMITTEE

Mr. ADAMS, from the Committee on Banking and Currency, to which was referred the bill (S. 4670) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough, reported it with amendments and submitted a report (No. 2454) thereon.

"MORRO CASTLE" AND "MOHAWK" INVESTIGATIONS—REPORT OF THE COMMITTEE ON COMMERCE

Mr. COPELAND. I ask unanimous consent to make an additional preliminary report from the Committee on Commerce in connection with the *Morro Castle* and *Mohawk* investigations, with particular reference to recommendations for necessary legislation. I ask that it be printed as part 4 of Senate Report No. 776.

I request also that the report with the accompanying draft of proposed legislation be printed in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The report referred to is as follows:

[S. Rept. No. 776, pt. 4, 74th Cong., 2d sess.]

"MORRO CASTLE" AND "MOHAWK" INVESTIGATIONS

Supplementing the Committee's Reports No. 776, submitted June 3, 1935, No. 776—part 2, submitted February 6, 1936, and No. 776—part 3, submitted May 20, 1936, the following additional preliminary report is submitted, with particular reference to that portion of Senate Resolution 7 requiring recommendations for necessary legislation.

INTERNATIONAL REGULATIONS FOR PREVENTING COLLISIONS AT SEA

For many years there has been an international agreement on the regulations for preventing collisions at sea to be followed by ships of all nations while on the high seas and in waters adjacent thereto. The rules now in force were contained in an act approved August 19, 1890, which has since been amended in various minor parts. It is vitally important that these international regulations be brought up to date, as many changes in procedure have become desirable since the present ones were made effective.

1929 CONVENTION

Among other matters pertaining to safety of life at sea, these international regulations for preventing collisions at sea were considered by the International Conference on Safety of Life at Sea in 1929, and a revised set of regulations was drawn up by the conference and submitted to the various maritime nations. In these new regulations, the wording has been somewhat clarified and many minor changes have been made to bring them up to date. The predominance of power-driven vessels over sailing vessels, the use of the radiotelegraph for distress signals, and the availability and necessity for better lights were all considered. As yet, these regulations have not been brought into effect, and of course cannot be brought into effect until all the maritime nations have agreed not only to the wording, but also as to the date upon which the rules are to become effective. While the United States of America was a signatory to the convention, we have not yet ratified it. Nevertheless, the duty devolves upon us to be prepared to put the new international regulations for preventing collisions at sea into effect on the same date as the other maritime nations.

NEED OF LEGISLATION

As the international regulations for preventing collisions at sea are now part of our statute law, it is necessary that this law be amended so that the new regulations can be made effective, and the same procedure should be followed as was followed in making effective the law of August 19, 1890, which was done by authorizing the President to fix the date upon which the regulations would become effective, thus making it possible to have these regulations effective in all countries on the same date.

The proposed legislation, quoted below, which contains the revised regulations and empowers the President to put them into effect by proclamation, is strongly recommended for enactment by the Subcommittee on Commerce for the furtherance of safety of life at sea.

A bill to adopt regulations for preventing collisions at sea

Be it enacted, etc., That the act entitled "An act to adopt regulations for preventing collisions at sea", approved August 19, 1890, as amended, is amended to read as follows:

"SEC. 2. The following regulations for preventing collisions at sea shall be followed by all public and private vessels of the United States upon the high seas and in all waters connected therewith, navigable by seagoing vessels:

"PRELIMINARY

"In the following rules every steam vessel which is under sail and not under steam is to be considered a sailing vessel, and every vessel under steam, whether under sail or not, is to be considered a steam vessel.

"The words 'steam vessel' shall include any vessel propelled by machinery.

"The term 'under steam' shall mean under any mechanical power.

"A vessel is 'under way' within the meaning of these rules when she is not at anchor or made fast to the shore or aground.

"The length of a vessel shall be deemed to be the length appearing in her certificate of registry.

"RULES CONCERNING LIGHTS, ETC.

"The word 'visible' in these rules, when applied to lights, shall mean visible on a dark night with a clear atmosphere.

"ARTICLE 1

"The rules concerning lights shall be complied with in all weathers from sunset to sunrise, and during such time no other lights which may be mistaken for the prescribed lights or impair their visibility shall be exhibited.

"ARTICLE 2

"A steam vessel when under way shall carry—

"(a) On or in front of the foremast, or if a vessel without a foremast, then in the forepart of the vessel, a bright white light, so constructed as to show an unbroken light over an arc of the horizon of 20 points of the compass, so fixed as to throw the light 10 points on each side of the vessel, viz, from right ahead to 2 points abaft the beam on either side, and of such a character as to be visible at a distance of at least 5 miles.

"(b) Either forward or aft of the white light mentioned in subdivision (a) a second white light similar in construction and character to that light.

"Vessels of less than 150 feet in length shall not be required to carry this second white light, but may do so.

"(c) These two white lights shall be so placed in a line with the keel that one shall be at least 15 feet higher than the other and in such a position that the lower light shall be forward of the upper one, and higher than the lights mentioned in article 2 (d) and (e). The vertical distance between the two white lights shall be less than the horizontal distance. The lower of these two white lights, or if only one is carried, then that light shall be placed at a height above the hull of not less than 20 feet, and, if the breadth of the vessel exceeds 20 feet, then at a height above the hull not less than such breadth, so, however, that the light need not be carried at a greater height above the hull than 40 feet.

"(d) On the starboard side a green light so constructed as to show an unbroken light over an arc of the horizon of 10 points of the compass, so fixed as to throw the light from right ahead to 2 points abaft the beam on the starboard side, and of such a character as to be visible at a distance of at least 2 miles.

"(e) On the port side a red light so constructed as to show an unbroken light over an arc of the horizon of 10 points of the compass, so fixed as to throw the light from right ahead to 2 points abaft the beam on the port side, and of such a character as to be visible at a distance of at least 2 miles.

"(f) The said green and red side lights shall be fitted with inboard screens projecting at least 3 feet forward from the light, so as to prevent these lights from being seen across the bow.

"In naval vessels of special construction in which it is not possible to comply fully with the provisions of this article as to the position of lights or their range of visibility, those provisions shall be followed as closely as circumstances will permit, and naval vessels in which it is not practicable to carry the second white light referred to in subdivision (b) of this article shall not be required to carry it.

"ARTICLE 3

"A steam vessel when towing another vessel shall, in addition to her side lights, carry two bright white lights in a vertical line one over the other, not less than 6 feet apart, and when towing more than one vessel shall carry an additional bright white light 6 feet above or below such lights, if the length of the tow, measuring from the stern of the towing vessel to the stern of the last vessel towed, exceeds 600 feet. Each of these lights shall be of the same construction and character, and one of them shall be carried in the same position as the white light mentioned in article 2 (a), and the lowest light shall be carried at a height of not less 14 feet above the hull.

"The vessel towing and the vessels towed, except the last vessel of the tow, may carry in lieu of the light required in article 10, a small white light abaft the funnel or aftermast, for the tow to steer by, but such light shall not be visible forward of the beam.

"ARTICLE 4

"(a) A vessel which is not under command shall carry, where they can best be seen, and, if a steam vessel, in lieu of the lights required in article 2 (a) and (b), two red lights, in a vertical line one over the other, not less than 6 feet apart, so placed that the lower light shall not be less than 14 feet above the hull, and of such a character as to be visible all round the horizon at a distance of at least 2 miles; and shall by day carry in a vertical line, one over the other not less than 6 feet apart, where they can best be seen, two black balls or shapes each two feet in diameter.

"(b) A vessel employed in laying or in picking up a submarine cable shall carry, in lieu of the lights required in article 2 (a) and (b), three lights in a vertical line, one over the other, not less than 6 feet apart, so placed that the lowest of these lights shall be not less than 14 feet above the hull. The highest and lowest of these lights shall be red, and the middle light shall be white, and they shall be of such a character as to be visible all round the horizon, at a distance of at least 2 miles. By day she shall carry in a vertical line, one over the other, not less than 6 feet apart, where they can best be seen, three shapes not less than 2 feet in diameter, of which the highest and lowest shall be globular in shape and red in color, and the middle one diamond in shape and white.

"(c) The vessels referred to in this article, when not making way through the water, shall not carry the side lights, but when making way shall carry them.

"(d) The lights and shapes required to be shown by this article are to be taken by other vessels as signals that the vessel showing them is not under command and cannot therefore get out of the way.

"These signals are not signals of vessels in distress and requiring asisstance. Such signals are contained in article 31.

"ARTICLE 5

"A sailing vessel under way, and any vessel being towed, shall carry the same lights as are prescribed by article 2 for a steam vessel under way, with the exception of the white lights mentioned therein, which they shall never carry.

"ARTICLE 6

"Whenever, as in the case of small vessels under way, during bad weather, the green and red side lights cannot be fixed, these

lights shall be kept at hand lighted and ready for use; and shall, on the approach of or to other vessels, be exhibited on their respective sides in sufficient time to prevent collision, in such manner as to make them most visible, and so that the green light shall not be seen on the port side nor the red light on the starboard side, nor, if practicable, more than two points abaft the beam on their respective sides.

"To make the use of these portable lights more certain and easy, the lanterns containing them shall each be painted outside with the color of the light they respectively contain, and shall be provided with proper screens.

"ARTICLE 7

"Steam vessels of less than 40, and vessels under oars or sails of less than 20, tons gross tonnage, respectively, and rowing boats, when under way, shall not be required to carry the lights mentioned in article 2, but if they do not carry them they shall be provided with the following lights:

"1. Steam vessels of less than 40 tons shall carry:

"(a) In the forepart of the vessel, on or in front of the funnel, where it can best be seen, and at a height above the gunwale of not less than 9 feet, a bright white light constructed and fixed as prescribed in article 2 (a), and of such a character as to be visible at a distance of at least 3 miles.

"(b) Green and red side lights constructed and fixed as prescribed in article 2 (d) and (e), and of such a character as to be visible at a distance of at least 1 mile, or a combined lantern showing a green light, and a red light from right ahead to two points abaft the beam on their respective sides. Such lantern shall be carried not less than 3 feet below the white light.

"2. Small steamboats, such as are carried by seagoing vessels, may carry the white light at a less height than 9 feet above the gunwale, but it shall be carried above the side lights or the combined lantern mentioned in subdivision 1 (b).

"3. Vessels under oars or sails, of less than 20 tons, shall, if they do not carry the side lights, carry, where it can best be seen, a lantern showing a green light on one side and a red light on the other, of such character as to be visible at a distance of at least 1 mile, so that the green light shall not be seen on the port side nor the red light on the starboard side: *Provided*, That where it is not possible to fix this light, it shall be kept lighted and ready for use, and shall be exhibited in sufficient time to prevent collision.

"4. Small rowing boats, whether under oars or sail, shall only be required to have ready at hand a lighted lantern showing a white light, which shall be temporarily exhibited in sufficient time to prevent collision.

"The vessels referred to in this article shall not be obliged to carry the lights prescribed by article 4 (a) and article 11, last paragraph.

ARTICLE 8

"Sailing pilot vessels, when engaged on their stations on pilotage duty and not at anchor, shall not show the lights required for other vessels but shall carry a white light at the masthead, visible all round the horizon at a distance of at least 3 miles, and shall also exhibit a flare-up light or flare-up lights at short intervals, which shall never exceed 10 minutes.

"On the near approach of or to other vessels they shall have their side lights lighted ready for use, and shall flash or show them at short intervals to indicate the direction in which they are heading, but the green light shall not be shown on the port side nor the red light on the starboard side.

"A sailing pilot vessel of such a class as to be obliged to go alongside of a vessel to put a pilot on board may show the white light instead of carrying it at the masthead, and may, instead of the side lights above mentioned, have at hand ready for use a lantern with a green glass on the one side and a red glass on the other, to be used as prescribed above.

"A steam pilot vessel, when engaged on her station on pilotage duty and not at anchor, shall, in addition to the lights and flares required for sailing pilot vessels, carry at a distance of 8 feet below her white masthead light a red light, visible all round the horizon at a distance of at least 3 miles, and also the side lights required to be carried by vessels when under way.

"All pilot vessels, when engaged on their stations on pilotage duty and at anchor shall carry the lights and show the flares prescribed above, except that the side lights shall not be shown.

"When not engaged on their stations on pilotage duty, they shall carry the same lights as other vessels of their class and tonnage.

"ARTICLE 9

("This article does not apply to Chinese or Siamese vessels.)

("The expression 'Mediterranean Sea' contained in subsections (b) and (c) of this article includes the Black Sea and the other adjacent inland seas in communication with it.

"Fishing vessels and fishing boats, when under way and when not required by this article to carry or show the lights hereinafter specified, shall carry or show the lights prescribed for vessels of their tonnage under way.

"(a) Open boats, by which it is to be understood boats not protected from the entry of sea water by means of a continuous deck, when engaged in any fishing at night with outlying tackle extending not more than 150 feet horizontally from the boat into the seaway, shall carry one all-round white light.

"Open boats, when fishing at night, with outlying tackle extending more than 150 feet horizontally from the boat into the seaway, shall carry one all-round white light, and, in addition, on approaching or being approached by other vessels shall show a second white light at least 3 feet below the first light and at a horizontal distance of at least 5 feet away from it in the direction in which the outlying tackle is attached.

"The lights mentioned in this subdivision shall be of such a character as to be visible at a distance of at least 2 miles.

"(b) Vessels and boats, except open boats as defined in subdivision (a), when fishing with driftnets, shall, so long as the nets are wholly or partly in the water, carry two white lights where they can best be seen. (Dutch vessels and boats when engaged in the 'kol', or hand-line fishing, will carry the lights prescribed for fishing with driftnets.) Such lights shall be placed so that the vertical distance between them shall be not less than 6 feet and not more than 15 feet, and so that the horizontal distance between them, measured in a line with the keel, shall be not less than 5 feet and not more than 10 feet. The lower of these two lights shall be in the direction of the nets, and both of them shall be of such a character as to show all round the horizon and to be visible at a distance of not less than 3 miles.

"Within the Mediterranean Sea and in the seas bordering the coasts of Japan and also, as regards Union of Soviet Socialist Republics vessels, in the seas (excluding the Baltic) bordering the coasts of the Union of Soviet Socialist Republics, sailing fishing vessels of less than 20 tons gross tonnage shall not be obliged to carry the lower of these two lights; should they, however, not carry it, they shall show in the same position (in the direction of the net or gear) a white light visible at a distance of not less than 1 sea mile on the approach of or to other vessels.

"(c) Vessels and boats, except open boats as defined in subdivision (a), when line fishing with their lines out and attached to or hauling their lines, and when not at anchor or stationary within the meaning of subdivision (h), shall carry the same lights as vessels fishing with drift nets. When shooting lines, or fishing with towing lines, they shall carry the lights prescribed for a steam or sailing vessel under way, respectively.

"Within the Mediterranean Sea and in the seas bordering the coasts of Japan and also, as regards Union of Soviet Socialist Republics vessels, in the seas (excluding the Baltic) bordering the coasts of the Union of Soviet Socialist Republics, sailing fishing vessels of less than 20 tons gross tonnage shall not be obliged to carry the lower of these two lights; should they, however, not carry it, they shall show in the same position (in the direction of the lines) a white light visible at a distance of not less than 1 sea mile on the approach of or to other vessels.

"(d) Vessels, when engaged in trawling, by which is meant the dragging of an apparatus along the bottom of the sea—

"1. If steam vessels, shall carry in the same position as the white light mentioned in article 2 (a), a tricolored lantern so constructed and fixed as to show a white light from right ahead to two points on each bow, and a green light and a red light over an arc of the horizon from two points on each bow to two points abaft the beam on the starboard and port sides, respectively; and not less than 6 nor more than 12 feet below the tricolored lantern a white light in a lantern, so constructed as to show a clear, uniform, and unbroken light all round the horizon.

"2. If sailing vessels, shall carry a white light in a lantern, so constructed as to show a clear, uniform, and unbroken light all round the horizon, and shall also, on the approach of or to other vessels, show where it can best be seen a white flare-up light or torch in sufficient time to prevent collision.

"All lights mentioned in subdivision (d), 1 and 2, shall be visible at a distance of at least 2 miles.

"(e) Oyster dredgers and other vessels fishing with dredge nets shall carry and show the same lights as trawlers.

"(f) Fishing vessels and fishing boats may at any time use a flare-up light in addition to the lights which they are by this article required to carry and show, and they may also use working lights.

"(g) Every fishing vessel and every fishing boat under 150 feet in length, when at anchor, shall exhibit a white light visible all round the horizon at a distance of at least 2 miles.

"Every fishing vessel of 150 feet in length or upward, when at anchor, shall exhibit a white light visible all round the horizon at a distance of at least 2 miles and shall exhibit a second light as provided for vessels of such length by article 11.

"Should any such vessel, whether under 150 feet in length, or of 150 feet in length or upward, be attached to a net or other fishing gear, she shall, on the approach of other vessels, show an additional white light at least 3 feet below the anchor light, and at a horizontal distance of at least 5 feet away from it in the direction of the net or gear.

"(h) If a vessel or boat when fishing becomes stationary in consequence of her gear getting fast to a rock or other obstruction, she shall in daytime haul down the day signal required by subdivision (k); at night show the light or lights prescribed for a vessel at anchor; and, during fog, mist, falling snow, or heavy rainstorms, make the signal prescribed for a vessel at anchor. (See subdivision (d) and the last paragraph of article 15.)

"(i) In fog, mist, falling snow, or heavy rainstorms, drift-net vessels attached to their nets, and vessels when trawling, dredging, or fishing, with any kind of dragnet, and vessels line fishing with their lines out, shall, if of 20 tons gross tonnage or upward, respectively, at intervals of not more than 1 minute, make a blast; if steam vessels, with the whistle or siren, and, if sailing vessels, with the foghorn; each blast to be followed by ringing the bell. Fishing vessels and boats of less than 20 tons gross tonnage shall not

be obliged to give the above-mentioned signals; but, if they do not, they shall make some other efficient sound signal at intervals of not more than 1 minute.

"(k) All vessels or boats fishing with nets or lines or trawls, when under way, shall in daytime indicate their occupation by displaying a basket where it can best be seen. If vessels or boats at anchor have their gear out, they shall, on the approach of other vessels, show the same signal on the side on which those vessels can pass.

"The vessels required by this article to carry or show the lights hereinbefore specified shall not be obliged to carry the lights prescribed by article 4 (a) and the last paragraph of article 11.

"ARTICLE 10

"A vessel when under way shall carry at her stern a white light so constructed, fitted, and screened that it shall throw an unbroken light over an arc of the horizon of 12 points of the compass, viz, for six points from right aft on each side of the vessel, and of such a character as to be visible at a distance of at least 2 miles. Such light shall be carried as nearly as practicable on the same level as the side lights.

"In small vessels, if it is not possible on account of bad weather or other sufficient cause for this light to be fixed, a light shall be kept at hand lighted and ready for use, and shall, on the approach of an overtaking vessel, be shown in sufficient time to prevent collision.

"In naval vessels of special construction in which it is not possible to comply with the provisions of this article as to the position of lights or their range of visibility, those provisions shall be followed as closely as circumstances will permit.

"For vessels engaged in towing, see article 3, last paragraph.

"ARTICLE 11

"A vessel under 150 feet in length, when at anchor, shall carry forward, where it can best be seen, but at a height not exceeding 20 feet above the hull, a white light in a lantern so constructed as to show a clear, uniform, and unbroken light visible all around the horizon at a distance of at least 2 miles.

"A vessel of 150 feet or upward in length, when at anchor, shall carry in the forward part of the vessel, at a height of not less than 20 feet above the hull, one such light, and at or near the stern of the vessel, and at such a height that it shall be not less than 15 feet lower than the forward light, another such light.

"Between sunrise and sunset all vessels when at anchor in or near a fairway shall carry, forward, where it can best be seen, one black ball 2 feet in diameter.

"A vessel aground in or near a fairway shall carry by night the above light or lights and the two red lights prescribed by article 4 (a), and by day, where they can best be seen, three black balls, each 2 feet in diameter, placed in a vertical line one over the other.

"ARTICLE 12

"Every vessel may, if necessary, in order to attract attention, in addition to the lights which she is by these rules required to carry, show a flare-up light or use any detonating or other efficient sound signal that cannot be mistaken for a prescribed distress or fog signal.

"ARTICLE 13

"Nothing in these rules shall interfere with the operation of any special rules made by the government of any nation with respect to additional station and signal lights for two or more ships of war or for vessels sailing under convoy, or with the exhibition of recognition signals adopted by shipowners, which have been authorized by their respective governments and duly registered and published.

"ARTICLE 14

"A vessel proceeding under sail when also under steam or other mechanical power shall carry in the daytime, forward, where it can best be seen, one black cone, point upward, 2 feet in diameter at its base.

"SOUND SIGNALS FOR FOG, ETC.

"ARTICLE 15

"All signals prescribed by this article for vessels under way shall be given—

"1. By 'steam vessels' on the whistle or siren;

"2. By 'sailing vessels and vessels towed' on the foghorn.

"The words 'prolonged blast' used in this article shall mean a blast of from 4 to 6 seconds' duration.

"A steam vessel shall be provided with an efficient whistle or siren, sounded by steam or some substitute for steam, so placed that the sound may not be intercepted by any obstruction, and with an efficient foghorn, to be sounded by mechanical means, and also with an efficient bell. (In all cases where the rules require a bell to be used a drum may be substituted on board Turkish vessels, or a gong where such articles are used on board small seagoing vessels.) A sailing vessel of 20 tons gross tonnage or upward shall be provided with a similar foghorn and bell.

"In fog, mist, falling snow, or heavy rainstorms, whether by day or night, the signals described in this article shall be used as follows, viz:

"(a) A steam vessel having way upon her shall sound, at intervals of not more than 2 minutes, a prolonged blast.

"(b) A steam vessel under way, but stopped and having no way upon her, shall sound, at intervals of not more than 2 minutes, two prolonged blasts, with an interval of about 1 second between them.

"(c) A sailing vessel under way shall sound, at intervals of not more than 1 minute, when on the starboard tack, one blast, when on the port tack, two blasts in succession, and when with the wind abaft the beam, three blasts in succession.

"(d) A vessel, when at anchor, shall, at intervals of not more than 1 minute, ring the bell rapidly for about 5 seconds.

"In vessels of more than 350 feet in length the bell shall be sounded in the forepart of the vessel, and, in addition, there shall be sounded in the after part of the vessel, at intervals of not more than 1 minute, a gong or other instrument, the tone of which cannot be confused with the ringing of the bell.

"(e) A vessel when towing, a vessel employed in laying or in picking up a submarine cable, and a vessel under way, which is unable to get out of the way of an approaching vessel through being not under command, or unable to maneuver as required by these rules, shall, instead of the signals prescribed in subdivisions (a), (b), and (c) of this article, at intervals of not more than 2 minutes, sound three blasts in succession, viz, one prolonged blast, followed by two short blasts.

"A vessel towed, or if more than one vessel is towed, the last vessel of the tow, shall, at intervals of not more than 2 minutes, sound four blasts in succession, viz, one prolonged blast, followed by three short blasts: *Provided*, That this signal is not required when it is impossible to keep the vessel manned.

"When practicable, the vessel towed shall make this signal immediately after the signal made by the towing vessel.

"(f) A vessel aground in or near a fairway shall give the signal prescribed in paragraph (d), and shall, in addition, give three separate and distinct strokes on the bell immediately preceding and following each such signal.

"Sailing vessels and boats of less than 20 tons gross tonnage shall not be obliged to give the above-mentioned signals; but if they do not, they shall make some other efficient sound signal at intervals of not more than 1 minute.

"(Belgian and Dutch steam pilot vessels, when engaged on their station on pilotage duty in fog, mist, falling snow, or heavy rainstorms, are required to make, at intervals of 2 minutes at most, one long blast with the siren, followed after 1 second by a long blast with the steam whistle and again after 1 second by a long blast on the siren. When not engaged on their station on pilotage duty, they make the same signals as other steamships.)

"SPEED OF SHIPS TO BE MODERATE IN FOG, ETC.

"ARTICLE 16

"Every vessel shall, in a fog, mist, falling snow, or heavy rainstorms, go at a moderate speed, having careful regard to the existing circumstances and conditions.

"A steam vessel hearing, apparently forward of her beam, the fog-signal of a vessel the position of which is not ascertained, shall, so far as the circumstances of the case admit, stop her engines, and then navigate with caution until danger of collision is over.

"STEERING AND SAILING RULES

"PRELIMINARY—RISK OF COLLISION

"Risk of collision can, when circumstances permit, be ascertained by carefully watching the compass bearing of an approaching vessel. If the bearing does not appreciably change, such risk should be deemed to exist.

"ARTICLE 17

"When two sailing vessels are approaching one another so as to involve risk of collision, one of them shall keep out of the way of the other, as follows, viz:

"(a) A vessel which is running free shall keep out of the way of a vessel which is close-hauled.

"(b) A vessel which is close-hauled on the port tack shall keep out of the way of a vessel which is close-hauled on the starboard tack.

"(c) When both are running free, with the wind on different sides, the vessel which has the wind on the port side shall keep out of the way of the other.

"(d) When both are running free, with the wind on the same side, the vessel which is to the windward shall keep out of the way of the vessel which is to leeward.

"(e) A vessel which has the wind aft shall keep out of the way of the other vessel.

"ARTICLE 18

"When two steam vessels are meeting end on, or nearly end on, so as to involve risk of collision, each shall alter her course to starboard, so that each may pass on the port side of the other.

"This article only applies to cases where vessels are meeting end on, or nearly end on, in such a manner as to involve risk of collision, and does not apply to two vessels which must, if both keep on their respective courses, pass clear of each other.

"The only cases to which it does apply are when each of two vessels is end on, or nearly end on, to the other; in other words, to cases in which, by day, each vessel sees the masts of the other in a line, or nearly in a line with her own; and, by night, to cases in which each vessel is in such a position as to see both the side lights of the other.

"It does not apply, by day, to cases in which a vessel sees another ahead crossing her own course; or by night to cases where the red light of one vessel is opposed to the red light of the other, or where the green light of one vessel is opposed to the green light of the other, or where a red light without a green light, or a green light without a red light, is seen ahead, or where both green and red lights are seen anywhere but ahead.

"ARTICLE 19

"When two steam vessels are crossing, so as to involve risk of collision, the vessel which has the other on her own starboard side shall keep out of the way of the other.

"ARTICLE 20

"When a steam vessel and a sailing vessel are proceeding in such directions as to involve risk of collision, the steam vessel shall keep out of the way of the sailing vessel.

"ARTICLE 21

"Where by any of these rules one of two vessels is to keep out of the way, the other shall keep her course and speed.

"(When, in consequence of thick weather or other causes, such vessel finds herself so close that collision cannot be avoided by the action of the giving-way vessel alone, she also shall take such action as will best aid to avert collision. (See articles 27 and 29.))

"ARTICLE 22

"Every vessel which is directed by these rules to keep out of the way of another vessel shall, if the circumstances of the case admit, avoid crossing ahead of the other.

"ARTICLE 23

"Every steam vessel which is directed by these rules to keep out of the way of another vessel shall, on approaching her, if necessary, slacken her speed or stop or reverse.

"ARTICLE 24

"Notwithstanding anything contained in these rules, every vessel, overtaking any other, shall keep out of the way of the overtaken vessel.

"Every vessel coming up with another vessel from any direction more than two points abaft her beam, that is, in such a position, with reference to the vessel which she is overtaking, that at night she would be unable to see either of that vessel's sidelights, shall be deemed to be an overtaking vessel; and no subsequent alteration of the bearing between the two vessels shall make the overtaking vessel a crossing vessel within the meaning of these rules, or relieve her of the duty of keeping clear of the overtaken vessel until she is finally past and clear. As by day the overtaking vessel cannot always know with certainty whether she is forward or abaft this direction from the other vessel, she should, if in doubt, assume that she is an overtaking vessel and keep out of the way.

"ARTICLE 25

"In narrow channels every steam vessel shall, when it is safe and practicable, keep to that side of the fairway or mid-channel which lies on the starboard side of such vessel.

"ARTICLE 26

"Sailing vessels under way shall keep out of the way of sailing vessels or boats fishing with nets or lines or trawls. This rule shall not give to any vessel or boat engaged in fishing the right of obstructing a fairway used by vessels other than fishing vessels or boats.

"ARTICLE 27

"In obeying and construing these rules due regard shall be had to all dangers of navigation and collision, and to any special circumstances which may render a departure from the above rules necessary in order to avoid immediate danger.

"SOUND SIGNALS FOR VESSELS IN SIGHT OF ONE ANOTHER

"ARTICLE 28

"The words 'short blast' used in this article shall mean a blast of about 1 second duration.

"When vessels are in sight of one another, a steam vessel under way, in taking any course authorized or required by these rules, shall indicate that course by the following signals on her whistle or siren, viz:

"One short blast to mean, 'I am directing my course to starboard.'

"Two short blasts to mean, 'I am directing my course to port.'

"Three short blasts to mean, 'My engines are going full speed astern.'

"NO VESSEL UNDER ANY CIRCUMSTANCES TO NEGLECT PROPER PRECAUTIONS

"ARTICLE 29

"Nothing in these rules shall exonerate any vessel, or the owner or master or crew thereof, from the consequences of any neglect to carry lights or signals, or of any neglect to keep a proper lookout, or of the neglect of any precaution which may be required by the ordinary practice of seamen, or by the special circumstances of the case.

"RESERVATION OF RULES OF HARBORS AND INLAND NAVIGATION

"ARTICLE 30

"Nothing in these rules shall interfere with the operation of a special rule, duly made by local authority, relative to the navigation of any harbor, river, or inland waters.

"DISTRESS SIGNALS

"ARTICLE 31

"When a vessel is in distress and requires assistance from other vessels or from the shore, the following shall be the signals to be used or displayed by her, either together or separately, viz:

"In the daytime—

"1. A gun or other explosive signal fired at intervals of about a minute;

"2. The International Code signal of distress;

"3. The distance signal, consisting of a square flag, having either above or below it a ball or anything resembling a ball;

"4. A continuous sounding with any fog-signal apparatus;

"5. The international distress signal made by radiotelegraphy of radiotelephony, or by any other distance signaling method.

"At night—

"1. A gun or other explosive signal fired at intervals of about a minute;

2. Flames on the vessel (as from a burning tar-barrel, oil-barrel, etc.);

"3. Rockets or shells, throwing stars of any color or description, fired one at a time, at short intervals;

"4. A continuous sounding with any fog-signal apparatus;

"5. The international distress signal made by radiotelegraphy of radiotelephony, or by any other distance signaling method.

"The use of any of the above signals, except for the purpose of indicating that a vessel is in distress, and the use of any signals which may be confused with any of the above signals, is prohibited.

"ARTICLE 32

"All orders to helmsmen shall be given as follows: 'Right Rudder' to mean 'Direct the vessel's head to starboard.' 'Left Rudder' to mean 'Direct the vessel's head to port.'

"SEC. 3. That all laws or parts of laws inconsistent with the foregoing regulations for preventing collisions at sea for the navigation of all public and private vessels of the United States upon the high seas and upon all waters connected therewith by seagoing vessels, are hereby repealed.

"SEC. 4. This act shall take effect at a time to be fixed by the President by proclamation issued for that purpose."

FURTHER REPORTS

As our work proceeds, we shall make further reports in accordance with the provisions of Senate Resolution No. 7.

SAFETY IN THE AIR—DEATH OF SENATOR CUTTING (REPT. NO. 2455)

Mr. COPELAND. Mr. President, I ask unanimous consent from the Committee on Commerce to submit on my own part and that of the Senator from Missouri [Mr. CLARK], as well as the Senator from Ohio [Mr. DONAHEY], who has given his permission to be joined in the report, a preliminary report on the disaster in the air in which Senator Cutting was killed, and on safety in the air.

Unfortunately this report was not ready before the Senator from Maine [Mr. WHITE] was called from the city, and unfortunately, likewise, the Senator from California [Mr. JOHNSON] is ill. However, I think the report will be found to be of interest to all the Members of the Senate, as we all loved Senator Cutting. I ask unanimous consent that the report be printed in the body of the RECORD following my remarks.

Mr. NORRIS. Mr. President, I did not hear all the Senator said. Is this a preliminary report?

Mr. COPELAND. It is a preliminary report so far as ultimate action of the committee is concerned, but I have referred particularly to the part of the report which relates to the Cutting disaster.

Mr. NORRIS. Has the committee taken all the evidence and made all the investigation of that matter it will make?

Mr. COPELAND. I think I may say, so far as regards the death of Senator Cutting, that practically all of the evidence has been taken. There are some official reports which we wish to scrutinize, but we have reached a very definite conclusion regarding the incident.

Mr. NORRIS. That conclusion is contained in the report?

Mr. COPELAND. It is.

Mr. NORRIS. Will there be another report on the death of Senator Cutting?

Mr. COPELAND. Not particularly. There will be another report on aviation, on safety in the air, but, so far as the death of Senator Cutting is concerned, I venture to say that this practically completes the report.

Mr. NORRIS. With that statement of the chairman of the committee, I add to his request a request for unanimous consent that the report be printed as a Senate report, as well as in the RECORD. I think Senators ought to have the report in pamphlet form. Will the Senator agree to that?

Mr. COPELAND. That is very agreeable to me. I think it would be quite desirable.

The VICE PRESIDENT. Is there objection to the request of the Senator from New York?

There being no objection, the report was ordered to be printed as a Senate report and to be printed in the RECORD as follows:

The Committee on Commerce, who were directed by resolution (S. Res. 146) to investigate certain airplane accidents in interstate air commerce, submit the following report:

INTRODUCTION

Our colleague, Senator Cutting, was killed in an airplane accident at Atlanta, Mo., on May 6, 1935.

It was in the transition period between contact and blind flying that this crash occurred. A new type of airplane capable of sustaining flight with one of its power plants out of commission enabled modern operation practices to come into being and increased safety in flying. With the ability to sustain flight and go on to the destination, even after one engine had failed, the pilots were able to ascend to great altitudes, irrespective of fog, rain, storms, or mists. They could face periods of bad weather which had often interrupted flying. This improvement added greatly to safety and permits the completion of many more schedules than was possible previously. Blind flying, radio aids on the ground, and conversations between the ground and the plane were great factors in a new method of flying on scheduled air lines.

The best pilot in the old times was the one who could fly through all kinds of difficulties by keeping the ground in sight and working his way through because of his familiarity with landmarks, such as rivers, hills, railroads, and other prominent features of the landscape. But with the advent of modern operations and confidence in the ground organization, the picture changed. The best pilot was one who could take advantage of altitude and go up where there was no chance of encountering hilltops or other dangerous obstacles en route.

This transition, even today, more than a year since the Cutting accident, has not been traversed completely. There are still pilots who cling to the old-time methods, especially when they get into an emergency situation. But, on the whole, the record for safety is mounting rapidly. When modern operations are coupled with modern equipment everywhere installed, the risk of flying will reach the minimum.

The circumstances leading up to the Cutting accident are quite material. A Washington party engaged the Transcontinental & Western Air Express, Inc., for what is known as a charter flight. In charter flights, even now, old-time methods are usually employed, and often with the single-engined, obsolescent type of equipment. When this particular charter flight started out from Washington they were fortunate in having a modern plane and at the helm, from Washington to Kansas City, Howard E. Hall, first pilot in Transcontinental & Western Air Express, Inc. Mr. Hall is a man thoroughly familiar with modern practices and one of the strongest crusaders for modern practices in flying. At Kansas City the Washington party transferred to a new machine, which was manned by a new crew, Messrs. Bolton and Greeson, the pilot and copilot, respectively, who were later in charge of the machine in which Senator Cutting was killed.

We have studied the log of the flight from Kansas City to Los Angeles and find that the equipment was in perfect shape. Mr. Louis W. Goss, the superintendent of the Pacific Division of Transcontinental & Western Air Express, Inc., met this charter flight on its arrival on April 30 and instructed Bolton and Greeson to stand by for the return trip. In due course it was arranged that they should take off Saturday, May 4, at 2 o'clock, but weather conditions east of Albuquerque were very bad, and westbound ships were not getting through. Consequently the charter party decided to take the train and get aboard an airplane at Albuquerque or some place east of there if and when weather conditions improved. This released Bolton and made the plane and crew available for a regular run east.

It should be noted that airplane *323*, the plane under discussion, had made a short test flight of some 20 minutes, and now that it was available it was dispatched on a round trip to Winslow late on the evening of May 4. On the short flight over Los Angeles and on this trip to Winslow and back the pilot reported that his radio transmitter was not functioning properly on night frequency (Witness Goss, p. 736, Department of Commerce record of investigation).

Goss, the superintendent at Glendale, immediately advised the radio technician, and the latter removed the transmitter from the plane, checked it thoroughly, cleaned all contacts and relays, reinstalled it, and checked it on day and night frequencies. It was made ready for the ill-fated flight six, originating at Glendale on May 5 at 4 p. m. The usual ground test before its take-off showed it to be in perfect condition.

FACTS ABOUT PLANE, EQUIPMENT, PERSONNEL, AND PASSENGERS AT THE TAKE-OFF, MAY 5, 1935, AT 4 P. M., GLENDALE, CALIF.

Let us pause in a chronological review of the flight and the circumstances leading up to it. First, we will consider the actual conditions existing when the trip originated at Glendale, Calif. We will enumerate them under the four classifications used in the standard practice by Government departments in the investigation of causes of accidents. These are personnel, matériel, miscellaneous, and doubtful.

I. Personnel

There is abundant evidence to show that the pilot was proficient and expert in his technical requirements. He had been checked out as recently as April 26 on flight 2 between Kansas City and Columbus. This was done by an officer of the airline, Mr. Lawrence G. Fritz, who is intimately familiar with all pilots and who regularly makes the check. The pilot's physical qualifications were 100 percent, as indicated by his last medical examination, but, what is probably more important, by his general demeanor before take-off and during the flight. (See testimony of Mr. Goss, p. 733, and Mr. Mesker, a passenger, p. 761, Department of Commerce record of investigation.) The statement of Pilot J. D. Graves, dated July 30, 1935, who took off just before Bolton on the first section of flight 8 from Albuquerque, is interesting. Graves speaks therein highly of both Pilot Bolton and his copilot, Greeson, summing up his testimony by saying Bolton was considered as one of the outstanding young men in his profession.

Bolton's regular run was from Newark to Kansas City, but on this charter flight he was covering the line from Kansas City to Los Angeles. He was thoroughly familiar with the western half of the transcontinental run, and, as a matter of fact, until the year before that had been his regular tour of duty for a long time. It should also be noted that the accident actually took place east of Kansas City, at a point covered by his regular weekly assignments. There can be no allegation of inferior professional equipment or unfamiliarity with the terrain on the part of the personnel flying the ship.

II. Matériel

As modern equipment has so much to do with safety in modern operations, we will go into this in considerable detail:

1. The airplane itself: A Douglas DC–2, the well-known, modern passenger airliner, thoroughly equipped with the latest known safety devices and capable of maintaining its altitude with full load if one power plant failed. It had a cruising speed of roughly 180 miles per hour with 60 percent of the power in use, and dropping down from 180 to 150 to 120 miles per hour during the climb after taking off and during the let-down when approaching its destination.

2. Equipment.—(a) The automatic pilot: This device, costing some $5,000, operates on a gyroscopic principle. No other airline in the country on domestic runs uses this equipment. This machine will keep the craft in straight and level flight on a predetermined course, "relieving the human pilot of strain and fatigue and giving him more time to devote to navigation, radio communication, and checking of instruments." (See Bulletin No. 1, Bureau of Air Commerce, Civil Aeronautics in the United States, Aug. 1, 1935).

(b) Controllable pitch propeller: This enables the pilot to take off with one setting of the propeller blades and then to cruise with another setting, in much the same way that an automobile driver shifts from low to second and then to high gears.

(c) Two-way radio: This permits the pilot to keep in touch with the company's ground organization and to take advantage of the radio range beacon guidance, as well as the weather broadcasts, offered by the Federal airways system.

(d) The artificial horizon: This device in use on airlines for about 5 years and operating on the gyroscopic principle tells the pilot when he is banking, climbing, diving, or flying at a normal altitude. It shows a miniature airplane against a straight line, representing the horizon, and is particularly useful in blind or "over the top" flying.

(e) The rate-of-climb indicator: This instrument shows the pilot when, even though the ground is not visible, he is nosed down or upward and in such a way that he may estimate fairly accurately his rate of descent in numbers of feet per minute.

(f) The directional gyro: The pilot adjusts this instrument to the compass course he wishes to fly. He then flies the airplane, or lets the automatic pilot fly it, so that this instrument gives the reading for the course at all times.

(g) The sensitive altimeter: This modern barograph, operating on the same old principle used by the early balloonists, has the advantage that it registers altitude within very narrow limits. In fact, while it does lag appreciably, it registers fairly accurately a descent of only 10 feet.

(h) The manifold-pressure gage: This instrument measures horsepower by gaging the pressure of the gas mixture in both engines' manifolds. The pilot knows that his engine may be safely operated at a stated manifold pressure at a given altitude and watches this instrument from time to time because he can detect, just as a doctor might detect trouble in one's heart with a stethoscope, any trouble that might be brewing.

(i) Miscellaneous instruments, such as oil-pressure gages, temperature pressure gages, and fuel-tank levels: These instruments perform their obvious functions and reveal instantly in flight the true condition they respectively indicate.

(j) De-icing equipment: On the leading edge of an airplane's wing and tail surfaces to break up the film of ice which forms there under certain conditions. With this device the ice is blown away before it can build up into a contour which would destroy the lift of an airplane's wing.

(k) Carburetor heating device: These heaters were developed shortly before this accident by this company exclusively at that time. They enable the pilot to draw from his exhaust sufficient heat to prevent the carburetor congealing with ice, as in modern airplane engines it is very apt to do, when the atmospheric temperature is low and the other necessary icing conditions prevail.

(l) Landing flaps: The DC–2 was one of the first airliners to employ the landing flap. This acts as a brake while the airplane is

landing, even before it has made contact with the ground. It is extremely useful in high-speed airliners, for it permits them to make contact with the earth on landing at a very much reduced speed and does not impair either controllability or flying qualities.

(m) Retractable landing gear: On the DC–2 airplane the pilot pulls up his wheels (retracts them). This not only enables him to fly at an increase of about 15 miles per hour with the same power but also enables him, because of the reduced drag, to fly along with one engine completely dead, even though the gas tanks and the cargo space and weight are at its top limit.

3. Ground aids to navigation: As the ground aids are part and parcel of a modern operation carried on by a plane as equipped above, a paragraph describing them is in order:

The Federal airways system: Every day and night the beacon lights, intermediate landing fields, radio stations, and weather-reporting facilities of the Federal airways system serve airmen flying all over 20,000 miles of routes in the United States. The navigation aids are established and maintained by the Air Navigation Division of the Bureau of Air Commerce and are available to everyone.

This particular company, the T. W. A., not satisfied with the intensity of weather information and forecasting, or with the ability of their pilots to interpret the Government information adequately, had established a meteorological service of their own. This has a staff of four men at Glendale, Calif., alone, and others at strategical points on its system.

The Government, from airway keepers at points all along the airway, report at regular sequence every hour, over a teletype system on the ground, local weather conditions and general forecasts. This information is handed out from the Government station on an airport to the fliers at that airport and also is broadcast by radio over the radio range beacon. The radio range transmitter is housed usually several miles away from the airport and is operated by remote control. This removes the high towers to a distant place and also makes for less radio interference from other radio stations near the airport. Weather maps are prepared and posted at airport stations and handed to the pilots before the take-off. The United States Weather Bureau has worked out and published in a pamphlet full instructions standardizing the practices and insuring the highest efficiency in the personnel, even at a remote station far away in the waste places and mountain tops along an air line.

Light beacons are established all along an airway, located on towers that rotate six times a minute, and can be seen from great distances, provided the pilot's eye comes into the focus of the reflector. Irrespective of this, it may be seen for several miles on nights of good visibility and for several hundred yards around, even in thick fog. At each beam tower fixed projectors, called course lights, point forward and backward along the airway, showing red where there is no landing field available but green when a place where a plane may get down is available. This is an additional aid of great value. These rotating beacons, as a general rule, are stationed from 10 to 15 miles apart, and on fair nights, when his airplane is in full flight, sometimes as many as five of them are visible simultaneously ahead and behind the plane.

More important to the pilot under modern methods of operation, however, are the radio range beacons established for the purpose of giving directional guidance to the plane. The pilot and copilot have earphones and tune in on the radio range beacons. When the plane is on course he hears a long-drawn-out humming sound. But this is intermittently broken by the code signal, which is given twice in rapid succession. If the pilot gets off his course, the steady hum breaks up and he hears the "dot-dash, dot-dash, dot-dash" of the Morse telegraphic code. If he moves to the other side of the on course, he would hear "dash-dot, dash-dot, dash-dot."

Periodically this chain of signals is broken by the announcer at the sending beacon, who comes on the air, cutting off completely the guidance and recognition signals. He broadcasts the ceiling, sky conditions, weather obstructions, temperature, wind direction, and other items that may be of value to a man flying along in the air. This seance takes from 1 to 2 minutes.

About every 50 miles along an airway there are intermediate landing fields. At each of these is a nighttime signal, a green light indicating that there is a field. The outline and general shape of the field are indicated by white lights around the border, with green lights at a few points, the latter being at the ends of the best runways. At an occasional station, as at Kirksville, a marker beacon enables the pilot to check his position and, with the benefit of the latest type, actually to land when the weather is bad. It is the airway keeper who operates the teletype, used as indicated above, for gathering weather information.

This ground equipment must be considered under the heading of matériel. It is part and parcel of a modern operation, such as was carried on the night of May 5 and 6, 1935, when Senator Cutting was killed.

III. Miscellaneous

There are many miscellaneous items connected with the operation of the airways. About the time of this accident the Regulations Division of the Bureau of Air Commerce had collected them and published them in a volume known as the Operations Manual. In fairness to the company concerned in the crash, it should be pointed out that their desire to cooperate prompted them to become the first airline in the United States whose manuals had been approved by the United States Government. This information had been put into what is called a "pilot's kit", an elaborate wallet constantly carried by the pilot on his knee. It contains maps, regulations, radio information, etc.

The company is on its honor to abide by these manuals, but, as a check-up, the Government employs flying inspectors to make sure that the manuals are complied with strictly. This relieves the pilot of much of his discretionary power, but, of course, does not take away from him completely his ability to "act on his own", just as a ship captain would act at sea in an emergency. The employment of the manuals is one of the products of the transition period and since that time has been adopted as a contribution to safety by most of the airlines. Conditions of weather—night or day—and of all the terrain approaches to airports, etc., are covered explicitly in the manuals. The pilot is left in no doubt whatsoever as to what he should do, not only in normal but also in abnormal conditions.

IV. Undetermined causes for trouble

Under the heading "Undetermined and Doubtful Causes of Accidents", your committee places the subject of radio operation as it applies to airlines. We find that the radio broadcasters and users had not worked out with the Federal Communications Commission regulations suitable to their particular purpose. In fact, it may be startling to learn that, when the Federal Communications Commission checked up on the radio activity of the Cutting flight, they found violations. The report of the Federal Communications Commission finds as follows:

"As a result of this investigation, it has been found that the cause of the accident was not due to the failure of the company's radio system to function." (See report, Federal Communications Commission, quoted p. 258, vol. I, hearings, Subcommittee on Safety in the Air.)

THE CUTTING PLANE

With the equipment we have just described, the plane started from Los Angeles (Glendale Airport) at 4 p. m. on May 5, 1935. The take-off was normal, and Kingman, Ariz., reported the ship directly overhead at 5:35 p. m. On the 5:40 regular radio schedule, when the pilot must indicate his position, Bolton reported himself 10 miles east of Kingman at 12,000 feet altitude and stated that the weather was clear, the ceiling unlimited, and the temperature 35° F.

Approximately 2 hours later, at 7:35 to be exact, Winslow, Ariz., reported the plane directly overhead. The pilot Bolton, with his plane and passengers, arrived safetly at Albuquerque at 8:50 p. m., or 10 minutes ahead of schedule.

This flight had been quite uneventful, although undoubtedly very delightful for the passengers, sailing high at 12,000 feet over the mountains out over the level plains. Mrs. Mesker, a passenger (p. 761, Department of Commerce Investigation), who had known the pilot for some 3 years, states that, as was wont, Pilot Bolton came back into the cabin "for a nice little visit." Mrs. Mesker's husband was also a pilot, and a general conversation was carried on, reviewing events since last they met. The conversation only lasted about 5 minutes and Bolton returned to his place in the cockpit. Mrs. Mesker did not have an opportunity to converse with him again.

As for the mechanical and flying qualities of the plane, there is one interesting notation on the report blank reading as follows: "Transmitter will not work on night frequency."

This fact was called to the attention of the field manager, who in turn instructed Mr. Charles Bates, the radio technician, to inspect the radio transmitter and put it in working order. Bates is a man who checks the company radio sets on the line and travels up and down the airway in doing so. It happened that this expert was at Albuquerque at that particular moment. The report shows: "Bates partly removed the transmitter from its frame and checked several items, such as tubes and connections, etc. 'As scheduled departure time was drawing near, the pilot went to the rear of the plane and talked with Mr. Bates—working in the radio compartment. Bolton told Bates not to check further since day frequency was working O. K., and that a delay would occur if he, Bates, removed the transmitter for a further check. In the meantime the field manager and pilot had both talked via phone to Supt. A. D. Smith relative to weather conditions, forecasts for the period, etc. As ground fog was forecast to form between Wichita and the Flint Hills and a 6,000-foot overcast was reported at Cassoday, authority was given for the flight to proceed on instruments. The day frequency was checked on the ramp before departure and functioned satisfactorily.' "

It is contended that there is no real hazard in using radio day frequency instead of night frequency. Either should suffice, provided receiving stations all along the line are notified, as they duly were in this case. It might also be noted that this particular airplane, unlike most airliners on other systems, had four crystals and four transmitting channels, two (day and night) west of Kansas City, and two (day and night) east of Kansas City. In addition there was the two-way set for use with the beacons and with the ground stations, and a third auxiliary or emergency set capable of receiving on a distinct and separate power supply when needed, but the latter was never used.

FLIGHT FROM ALBUQUERQUE TO KANSAS CITY (SENATOR CUTTING ABOARD)

Only one passenger got on board the plane at Albuquerque. That was Senator Cutting. He took his place in seat 9. This is about midway up the fuselage of the airplane and somewhat nearer the trailing or rear edge of the wing.

Of the 13 human beings aboard, 5 were killed. From the survivors and from the radio contacts with the plane it is possible to get a pretty accurate idea of everything that happened until Wichita, Kans., was passed. Here Pilot Bolton was heard for the

last time. The pilot's own story would, of course, be invaluable, but as he perished, the nearest possible reconstruction of the conditions of the flight from the standpoint of the crew is found in the statement of Pilot J. D. Graves, who was preceding Bolton, some 30 minutes ahead of the latter. His statement reflects so closely what must have been the experience of Bolton that we are quoting his words in full and underscoring such words as are most valuable to us in the endeavor to arrive at the cause of the crash.

"During preparations at the field for take-off at Albuquerque I was informed Bolton was following our flight 8 on flight 6 and was about on schedule, 30 minutes behind us. Along with McFerren, my copilot, we checked over the weather map and reports, and estimated what our flying altitude, winds aloft, and cruising speed would be. It was a perfect night to fly, and as the weather was all clear except for a moderately high overcast at Kansas City, we gave it no special concern. The pilot who brought our ship in from Los Angeles said the weather had been perfect all the way over, tail winds, air smooth, and clear skies. I discussed the functioning of our airplane with the pilot who brought it in, and as it was satisfactory, signed the clearance for the flight on the weather report after asking for permission to fly instruments. The weather did not necessarily indicate instrument flight, as it was possible from the reports to fly underneath the overcast at Kansas City. I asked for instrument clearance as a matter of routine, as I thought we might be flying high and would have to descend through the overcast. I noted that the forecast stated Kansas City would remain open until after our arrival.

"The mountain division superintendent was not available at the moment, so I requested my instrument clearance be given to me via radio in flight as soon as the superintendent could be contacted.

"As we taxied away to take-off we saw Bolton landing at Albuquerque.

"The flight from Albuquerque to Kansas City was unusually good because of quartering tail winds and pleasant temperatures and smooth air. The passengers slept all the way, some even through the landing at Kansas City.

"It was no effort to make schedule time and we at one point reduced our throttles as we were making over 200 miles an hour, and intended to pass up Wichita. The static conditions throughout were moderate and we had no trouble making all our radio contacts. However, we were unable that night to hear any ship's radio reports in the air, although we heard ground stations talking to other ships. We flew at 12,000 feet and 10,000 feet all the way.

"Although I had no apprehension as to the weather up to arrival at Kansas City, I always make a practice of carefully watching an overcast condition; and at regular intervals, about every hour, I requested via radio confirmation that the Kansas City ceiling would remain above limits. Each time until near Kansas City I was assured it would remain above limits. The ceiling reports ranged around 2,000 feet above sea level up until we were within 18 minutes of Kansas City. Although I did not hear Bolton on his radio, I am sure he received the messages to me and had the benefit of all the weather data I asked for and received. I was not, and am sure he was not, worried about the weather. The reports presented a very simple weather problem and one we had both had many, many times. The anticipation of having to descend through an overcast is nothing at all to be concerned about when the proper facilities are available even when ceilings are very low.

"As you no doubt have my statements as to details of the trip I will not reiterate them here. Suffice it to say we kept a very complete navigation log during the flight. Estimated and recorded our upper air winds and checked our cruising speed at frequent intervals. Our fuel functioning was normal, and we estimated our arrival over Kansas City on schedule, 2 a. m., while many hundreds of miles west of our destination. We made this arrival good with no effort, and due to our use of throttles and power output arrived with an ample supply of fuel, as we had estimated our consumption accurately.

"My only concern was felt when I received the special 600-foot ceiling report from Kansas City when we were 18 minutes out. This was a decided drop, and I wanted to quickly verify this, as it might go a lot lower. Although I was not trying to think for Bolton, too, I wanted full details for his benefit as well as mine. As our own company observers assured us the ceiling was 800 feet or over and would remain above limits, I was certain we could land safely, as we were very close. Since the top of the clouds was 6,500 and we could see the glow of Kansas City through them, a fairly high ceiling was indicated, regardless of official reports, which are often erroneous. It is not good practice for a pilot to think in terms of any other flight ahead or behind him, as no two flights, pilots, or ships, render the same problem. I was not concerned about Bolton, because I knew him to be a good pilot and knew he would handle his flight on his own judgment. I do not know what he thought of me as a pilot, but I am sure he would not follow me blindly, thinking I would keep him out of trouble, nor would he consider his ability superior to mine. He undoubtedly flew his own ship on his own judgment.

"We had no trouble landing except for interruption of the radio range by the operator to give weather broadcasts, contrary to my request for continuous operation. Due to this condition, we were forced to make two approaches on instruments. The actual ceiling was above the minimum when we arrived, as we saw the river and beam station from 2,000 feet above sea level. I was confident that we would have no trouble and had let my copilot fly the ship from a point east of Wichita to the point over the Kansas City range station. He performed a perfect job, and after I took the ship to make our instrument approach for landing, calmly proceeded to gather all additional weather information at our alternate fields. I am sure Bolton heard all this, or most of it, as he was only 100 miles behind us.

"All the messages we received were clear and informative, and I cannot think of a thing that myself or Bolton could have wanted or needed in the way of information. I was slightly impatient about having to make two attempts on the beam approach, as I wanted to get out of Bolton's way, but our landing was finally executed with no trouble.

"As we landed and taxied across the field I perceived the weather conditions getting worse rapidly. The visibility was decreasing, due to an increase in mist falling from the upper strata and the lower scattered clouds were thickening and merging with the upper layer, thus lowering the ceiling.

"We were not in Bolton's way, as he was a good 30 minutes behind us, and I had my copilot inform our office as soon as we were below the overcast; this was a good 10 minutes before Bolton could possibly have arrived, and he must have received a message.

"As soon as we landed I went into the depot and gave the weather conditions to the dispatcher on duty. I told him conditions were getting bad, but to tell Bolton if he did not like the reports from his alternate fields to make an attempt at Kansas City by coming in on the SW leg at minimum altitude, as I thought the ceiling was higher along the river where we had come through and this leg of the beam lies along the river.

"I think Bolton made an attempt to land at Kansas City. He was not heard, nor were we on our first attempt. This is due to wind conditions usually. I think after his failure to land at Kansas City he proceeded at once to Kirksville, where he was directed to go, and where his best ceiling was reported within his fuel range. That is what I would have done.

"I had no apprehension for Bolton even after he failed to appear at Kansas City; and, in fact, was somewhat relieved he had a better place to go, as Kansas City was offering at that time very questionable weather conditions for landing."

Bolton's plane traveled at almost exactly the same speed as Graves. One is safe in assuming that Bolton closed in on Graves roughly 19 minutes during the time Graves consumed 20-odd minutes in effecting his landing at Kansas City. In other words, Bolton was only 10 minutes out when Graves landed there. Even flight 5, well below Wichita and going the other direction, heard Graves talking constantly to Kansas City, calling for the beam to be made constant. There is no question that Bolton heard it all, too, and may even have throttled back somewhat to delay his arrival at Kansas City. This is unfortunate for the weather was, of course, closing in rapidly and every minute counted.

Let us for a moment go more deeply into the radio contacts between Bolton after he took off from Albuquerque, N. Mex., at 9:15 p. m., exactly on schedule. One radio frequency, as we stated, was quite sufficient, provided stations were notified.

We find that Albuquerque advised Amarillo that Bolton, flight 6, was to be worked on day frequency. The Wichita operator heard the plane answer Albuquerque on the 9:55 regular schedule and again heard the plane (Bolton) call Albuquerque shortly after 10 p. m.

The plane passed over Amarillo at 11:58 p. m. It was heard by Rhynsburger, the operator at Wichita, at 1:34 a. m. A few minutes later it was reported by flight 5, which had just met it and exchanged customary landing-light signals. Copilot Evan Lewis, flight 5, stated he heard flight 6 acknowledge receiving Wichita's broadcast of weather information (p. 831, Department of Commerce investigation).

Lewis met both flight 8 and flight 6 duly, and we call attention to the fact that Bolton flashed on his lights as a signal. We feel this important, for at one time the committee's experts were suspicious that there had been a drain on the batteries due to a faulty starter button. This would cause radio failure and account for the night frequency difficulties. But when one finds Bolton flashing on his lights, leaving his warning signals on and being liberal with his power, dispels suspicion that there was a battery drain.

When Lewis heard Bolton say "Okay" to Wichita, that was the last message from the plane. Transmission at best that night was none too good. (See Graves' statement.) The weather at Kansas City changed from overcast, few breaks, 2,500 feet, 7 miles visibility, at 10:52 p. m., to overcast, hazy, 2,500 feet, 5 miles, at 11:52 p. m.; then to overcast, hazy, 2,500 feet, 5 miles, at 11:52 p. m.; then to overcast, low scattered at 700 feet, light fog, sprinkling, 1,500 feet, 5 miles, at 00:52 p. m.; then decreased to overcast, light mist, light fog, 600 feet, 3 miles, dew point up a point to 47 (49, 47), at 1:52 a. m.

Both the company and the Government meteorologists, even with this noted change in hourly sequence, still predicted that Kansas City would remain open until morning.

Flight 8 arrived over the Kansas City radio station at 1:59 a. m., spent 22 minutes in making two attempts on instruments before completing landing. The second attempt was necessary, due to interruption of beam just as the plane approached the station on first attempt.

And now we come to one of the saddest and most unfortunate occurrences that has been written in air-line operation. But to appreciate it one should be familiar with some of the background.

Quoting from the hearings before this committee, we find Senator CLARK interposing: "That is just a counterpart of the Cutting accident, is it not?" Mr. Frye replied, "Exactly."

"That" referred to was an accident that occurred January 1, 1935, 4 months and 6 days before the Cutting accident. The grave question for this committee to determine obviously then is who is responsible for a duplicate accident? Also, what steps had been taken between January 1 and May 6 to prevent a recurrence?

In the old days of contact flying, when radio ranges were first set up, it was proper to interrupt a radio beam for the purpose of broadcasting weather. But with the advent of modern practice it had been found that sometimes a pilot coming in "blind" for a landing, "riding a beam", will suddenly encounter such an interruption. Obviously that evil should have been corrected immediately, so that when a pilot was obliged to resort to this maneuver he could expect favorable response to his request to the range operator for continuous beam.

"That", referred to by Senator CLARK, was an accident described in the hearings on page 280 and sequence. To recount this story is very nearly to recite the circumstances met by Graves (flight 8) on his arrival at Kansas City at 1:59, when the ceiling had dropped to 400 feet and the visibility to only 1,000 yards. So low were the clouds that some of the high buildings nearby were obscured by occasional low scud. At the same terminal (Kansas City), on January 1, 1935, the same thing occurred:

"About a week ago we damaged a ship at Columbus, Mo., in a forced landing, which we think would have been prevented had we been able to have the Kansas City beacon station kept in continuous operation while two planes were trying to get in. The first plane spent 30 minutes trying to get in. The second plane, which had to fly around Kansas City all the time this was going on, was then delayed 20 minutes longer, due to the broadcasting of totally useless weather information, and by then ceiling had lowered and the visibility had decreased to such an extent that, although the pilot got under the ceiling, he was unable to get into the field and had to head east for Marshall, Mo., which was reporting adequate ceilings. At the time the plane arrived over Marshall the ceiling was still being reported as 1,100 feet, although the first plane, which had gone in and landed there, reported the beacon on the field to be in the fog. Plane no. 2, which had flown from Chicago to Kansas City and had then spent 50 minutes waiting for the first plane to clear, and in attempting to get in himself, went on to Columbus, Mo. (committee note: Compare with Kirksville), and, due to the fact that his gas was getting low, landed in the emergency field, in spite of the fact that visibility was poor and almost solid scud was drifting over the field at an altitude of 150 feet. The same situation prevailed there as at Marshall in that the Department's weather observer was still reporting 1,000-foot ceiling. Fortunately the result of the landing was only approximately $10,000 damage to the plane, as none of the passengers was injured. However, the whole thing could have been avoided if the radio-beacon station at Kansas City had been kept in operation as common-sense dictates, as he could have either landed at Kansas City earlier or left Kansas City with ample fuel to go to other points where better conditions prevailed."

It was developed in testimony before our committee that from the time of this accident until the Cutting repetition, the Chief of the Air Navigation Division resented allegations made by the president of Transcontinental & Western Air, Inc., that changes were being made all over the country by that division on the airlines without notice. A wire from him, December 24, 1934, sent to R. W. Schroeder in the Bureau of Air Commerce, but in the other division, the Regulation Division, read as follows:

"I want to enter vigorous protest against the changing of airway facilities from day to day without notification to air-line operators. I understood at our August meeting that this practice was to be discontinued and that operators' approval would first be secured. This has not been done and is going to result in fatal accidents if not immediately corrected. I suggest that changes be made only on definite dates at intervals of 90 days, and that operators be given 30-day notice so new maps and charts can be made up and all personnel fully informed in advance of changes.

"Merry Christmas.

"JACK FRYE."

Mr. Martin replied under date of December 27 (see pp. 277 and 278, committee hearings), evidencing personal resentment: First, that the wire had not been sent to him—"first of all, the responsibilities for changes in airways facilities is mine"; and second, that anyone should dare criticize the airway division, and denying the allegations made—"reference is made to your statement that no changes in airways facilities without the operator's approval. This is contrary to any knowledge that I possess. It is a fiction of convenience", etc.

Mr. Frye wrote the Bureau on January 7, 1935, and again on January 23, listing the changes made on the T. W. A. lines (the route which was being flown by Senator Cutting). There was plenty of sugar-coating in the correspondence on both sides but the thicker the coating, the more bitter was the substance beneath.

Whether or not this petty squabbling caused the Cutting crash is a question. Certain it is that very little attention was paid to the accident of January 1, at Columbia, referred to above, and which resulted because the Department of Commerce cut the beam as the pilot was coming in for a landing. No heed was paid to Frye's two letters in January (p. 281, hearings) "demanding that these things be operated this way"—meaning what should be done when a pilot was using the beam for a blind landing, as was the case with Graves and Bolton.

So it was that when Graves on flight 8 arrived at Kansas City, he consumed 22 minutes in landing when it should only have required 5. Bolton was only allowed one pass at the field when his plane came along 10 minutes later with Senator CUTTING and the others aboard.

Graves' statement, quoted above, reveals the difficulty he had. The committee can assume that the range may have been cut when Bolton was actually attempting that first "pass at the field", in carrying out his instructions.

We are confident that Bolton would have landed Senator Cutting's plane safely at Kansas City had it not been for this cutting of the beam. We feel certain that had the Bureau of Air Commerce complied with Frye's letters of January 1935, Graves would have come easily on his first "let-down" for a landing. He would have consumed 5 instead of 22 minutes and Bolton would have been permitted to come on in, in due course, for his scheduled stop at Kansas City.

The committee does not feel that the Bureau of Air Commerce has refuted the company's claims that it had been trying for 4 months to prevent a recurrence of the January 1 accident. According to departmental testimony it is shown that the Department complied only in a half measure, and excused it on the ground that it was a "regulation" and therefore the interruption of the beam for Graves and Bolton was justifiable.

Only 6 days before the Cutting crash a halfway attempt at complying with Frye's recommendation was made (see 5 (c) below). But, as a matter of fact, this proposal was nullified by rule 5 (d), hereafter quoted. This places the responsibility squarely on the shoulders of the Department. If the Commerce man on duty actually did refuse to give continuous beam operation, he is absolved by the following rule, but the Department showed incompetence by promulgating an absurd ruling to cover such emergency situations. Let it be clear that the Bureau of Air Commerce admits one of the interruptions of the beam alleged by Frye (B–16, Mr. Mulligan's statement).

The following is a quotation of the rule covering continuous beam operation, May 1, 1935:

"5. (c) At stations where facilities for broadcasting on a frequency of 236 kilocycles are not available, the scheduled and special weather broadcasts shall be made on the range frequency. Exception: When specifically requested to provide maximum radio range service for the landing of specified aircraft, the local ceiling and visibility shall be broadcast on the range frequency at the time of the scheduled weather report broadcast followed by the announcement: 'Remainder broadcast postponed.' At 5-minute intervals after scheduled broadcast time, the operator will ascertain if the aircraft has landed and will complete the broadcast as soon as the aircraft has landed excepting that broadcasts of airway weather shall be canceled if necessary to delay more than 20 minutes.

"5. (d) Special weather reports shall be broadcast on the range frequency immediately upon receipt at all times." (See Mulligan's statement, p. B–7.)

To obtain a picture of the situation at Kansas City at the critical moment in this investigation, we deem it advisable to quote verbatim certain testimony from the committee record, pages 287 and 288, volume I:

"Pilot Graves arrived over the Kansas City radio beam station 3 miles from the airport at 1:59 a. m. on May 6. He was coming in on the radio beam and saw the beam station from 1,250 feet above the ground, which is 550 feet above the Department of Commerce minimum for that station.

"He would have landed within 3 minutes through the lower scattered clouds but for the fact that the Department of Commerce radio operator suddenly cut off the radio beam despite the previous request to maintain it continuously. As a result, the safety of his passengers required him to go up into the overcast until the beam was resumed. Exactly the same thing happened on the second approach and again he was forced back.

"The CHAIRMAN. That previous request was the request made by the T. W. A. officials?

"Mr. FRYE. It was made by the pilot on this flight to the T. W. A. ground station at Kansas City, and the T. W. A. radio operator and dispatcher at Kansas City called the Department of Commerce station there at 1:45 a. m., 14 minutes before Graves arrived, requesting the continuous operation of the station. They gave the continuous operation through 50-minute period. This is broadcast on every 5 minutes, and it was continued through the 50 minutes, and I believe the 55, then on the very minute that the pilot arrived, or about the time of his arrival the beam was cut off to broadcast weather after it had been requested that the continuous beam be maintained.

"The CHAIRMAN. I think you told me there were no other airships in that vicinity at the time?

"Mr. FRYE. No, sir; except the ship which was coming in, and which needed the continuous beam, and also because he was without a course where he was flying when this was cut off.

"The CHAIRMAN. That was more important, in your judgment, than the weather forecast?

"Mr. FRYE. Very much so.

"Senator JOHNSON. How long did it take for the weather broadcast to be made?

"Mr. FRYE. Sometimes a minute, maybe 2 or 3 minutes. Of course, a fellow in close to a station like this Graves was, just approaching on the station, if the broadcast had been continued,

he would have made a certain turn down the beam for his landing in the field. There were obstructions to the north and south of him, and with the beam off he could not be certain he was going to maintain this course, so he had to pull back up into the clouds and go back out toward Omaha to get organized for another approach.

"The CHAIRMAN. Would that be like a man who was overboard, and the chap on shore said, "I cannot send you a life preserver for a few minutes, because I have got to broadcast the weather?"

"Mr. FRYE. Exactly; that is correct.

"Senator CLARK. As I understand this matter, Graves is criticized because he did land in Kansas City and Bolton is criticized because he did not land?

"Mr. FRYE. Yes, Senator; that is it exactly. I will continue with this a little further.

"As a result, the safety of his passengers required him to go up into the overcast until the beam was resumed. Exactly the same thing happened on the second approach and again he was forced back.

"He made three approaches to the field before he was able to land.

"The CHAIRMAN. And in each instance they were broadcasting and cut off the beam?

"Mr. FRYE. And in each instance they were broadcasting and cut off the beam. The last time they only cut it off for about 10 seconds, but the pilot knew he was over the station. When you get exactly over the station, you get a cone of silence that lasts for a few seconds, then the signal comes on loud, indicating you have passed the station.

"Mr. Graves is here, and he can probably tell you better how it happened.

"The last time he was not certain whether he has passed over the cone of silence, so he had to go up and do it all over again.

"During this time, Bolton was ordered to stand by while Graves proceeding with his delayed landing. In the meantime, the ceiling continued to lower, but even when he finally landed at 2:24, after 25 minutes delay, but we figure out it would take him 3 minutes to land, so that the delay was actually 22 minutes, the true ceiling, as observed by Graves and his copilot, was above the Department of Commerce minimum.

"Despite these difficulties, Graves brought the plane down and his passengers are alive today. If he had been sent to Kirksville in the face of the erroneous weather reports from there, that might not have been the result.

"After the Department of Commerce reviewed Pilot Graves' experience they said he had violated section 7–F of chapter 8, because the ceiling was too low for a safe landing and decided also that he had violated section 59–J by doing an act in connection with aircraft which is contrary to the public safety and interest and detrimental to the morale of the pilots and mechanics and fined him $500."

The committee fears bias in this matter. We are constrained to believe that an attempt was made to throw the blame on the company by raising the issue of so-called violations.

INVESTIGATIONS

Aside from our own, there were three distinct investigations of that accident. It is unfortunate in many ways that allegations of prejudice have been made against all three. The interests of safety and of progress would better be served if such contentions were impossible. Our recommendations will cover suggestions to prevent them in the future. (See ch. 10.)

In its general investigations the committee employed questionnaires, hearings where witnesses appeared, and personal inspection and surveys. In the case of this particular accident, we were obliged to study and review the three investigations above mentioned, send experts to the scene of the crash, and hold hearings where competent witnesses testified before our committee.

ITEMS IN DETERMINING CAUSES OF ACCIDENTS

Tabulated below will be found a comparison of these three investigations. To this we will add our observations and findings, but before doing so it is necessary to make a categorial pronouncement as follows:

In all accidents the most important items in determining the cause are, first, the actual spot where the crash occurred; second, the time at which it happened; third, the safety factors, mechanical and human, lacking at the moment of impact; and fourth, the contributing factors which might be termed "unnecessarily present."

AIDS NEAR SCENE OF CRASH

The scene of Pilot Bolton's crash is within the present range of the MRL radio station at Millard airport near Kirksville, to which the plane was headed. The spot is normally within the sweep of the three nearby rotating searchlights on towers, stationed 10 miles apart on the old "contact" flying airway, Kirksville to Kansas City. From 1,200 feet on a clear night, the last signals he would expect were the boundary lights visible, together with the red lights atop the radio towers there. These Bolton never saw, because if he had he could have landed from the low altitude, even in terrible weather, on an airport with such perfect approaches as are found there.

NO PROOF ALL SIGNALS WERE NOT RECEIVED BY PILOT BOLTON

Evidence exists that Bolton's radio sending set on day frequency, was working as far east as Witchita. From there on we find no proof that he could not receive all signals. At no time did he break the seal and utilize the emergency receiving set in his plane. After leaving Kansas City he entered on his log certain "wind aloft" data not transmitted until he must have been under way to Kirksville.

There was evidence in abundance that Bolton was a very conscientious pilot. He knew that to land below a 700-foot ceiling at Kansas City would be a violation of regulations. He had heard and was probably perturbed by the worrying orientation problem being solved by Pilot Graves, the man who preceded him on the first section. He heard about the delays and troubles related to his colleague's landing, when the latter consumed some 22, instead of the normal 4 or 5 minutes, for a "sit down." He heard the vain calls for the cessation of the useless and uncalled for general weather reports when the radio was urgently required to give a continuous beam, so that he might guide his plane down without fear of coming near to the high buildings in the vicinity of the Kansas City airport.

BOLTON FOLLOWED INSTRUCTIONS

Even a fleeting glimpse of the airport at Kansas City (reported by one of the survivors) did not lure him to dive as many a pilot has dived, and often will again, down through a hole in the clouds to a steep glide-in landing. Cooly he followed instructions, "Make one pass at the field, and if you don't break through, go on toward Burlington and land at the first open field." He knew that the weather observer at Kirksville was reporting favorable ceilings, none less than 1,200 feet. He was beckoned on there, not by pastures green, but by the equivalent in flying parlance, "tail winds and happy landings." Even if the weather closed down somewhat there, he felt sure that the dispatcher at Kansas City was correct in sending him on to Kirksville, where ground orientation facilities of Millard Field existed. There, he knew, were a small-type radio range, boundary lights, and, above all, a large, wide field, high, well drained, hard surfaced, with unexcelled approaches.

With a sense of relief at being freed from such an overwhelming problem as Pilot Graves had accomplished successfully, he must have pulled up for the comparatively short, simple flight to Kirksville, where, on the hourly sequence, clouds were reported consistently high and landing facilities were the very best. "If it closes in there," he surely thought, "my last reserves are the range to guide me in where no tall buildings can possibly intervene, and the lights which I can pick up when I let down."

BOLTON PROCEEDED TOWARD KIRKSVILLE ON THE KANSAS CITY BEAM

To pick up the Kansas City range on its true "on course" was a simple matter. With his eyes shut (provided the beam leg was reaching out on its normal 53° bearing) he knew he would in a definite number of minutes come squarely over the airport. Pilots can estimate time of arrival almost to the minute. There was no need to wait for the let down until he reached a cone of silence because 1,200 feet at Kirksville was well above regulations for a descent. Over Brookfield, only 35 miles, or 10 minutes from his destination, he started the slow, easy, nose-down lowering, which he knew would not disturb the dozing or sleeping passengers.

INACCURATE WEATHER DATA RECEIVED—CONTACT FLYING

Forecasts, he knew, are not reliable; both the Government and his company forecasters at Kansas City, he found out 20 minutes before, had erred; but observers on the job at Kirksville, reporting weather at that very moment, could not be wrong. Down and down he descended slowly, ever proceeding toward his destination and riding the "on course" signal of the Kansas City beam. "I won't even have to pick up the Burlington range," he calculated, "because I'll soon contact Kirksville, which on this night normally should be heard at least 10 miles out, and even if the Kansas City beam is swinging or askew, I'll hit the north leg of the Kirksville beam—anyway, check my quadrants and 'come on in.'"

But as he lowered he did not break through the dense haze. "I am down now to the 1,200-foot ceiling, another few feet, a few more, but still no sign of the ground. What's wrong with that weather man at Kirksville and his 1,200-foot ceiling?" Turning on his headlight, it still flashed a milky glow. This, he knew, meant that he was still in the overcast. At last the ground, but oh so close! Just how close it was difficult to say because ragged, jagged "scud" clouds intermittently cut off his view, as at 150 miles per hour these dashed past.

There was still no sign of the last reserves provided by the Government for just such situations; no flashes of a beacon, mushy but useful; no "dot dash, dash dot", in the "A" or "N" quadrant of Kirksville. He knew that if the new Kirksville radio were "out", his only recourse lay in the last two reserves, the flashing beacon lights, the boundary lights with the red lights on top of the towers. The situation demanded that he keep the ground in sight.

Contact flying was nothing new to Pilot Bolton. But in contact flying under such conditions as he faced, one must keep just below the low hanging wisps of clouds, not feet, but inches below. It would not do to go up into the thick again, for the gas was running low. The field could not help but appear soon, he thought, because he had ridden the Kansas City beam truly on the "on course." There was no need of going into either radio beam twilight, for he knew well that no other ships were out on that route, or anywhere near him at that time of night, 3:20 a. m. For 9 miles, according to eyewitnesses, he flew thus, 4 of them after having straightened out to parallel a highway

with its telephone poles in flat perspective showing in the glow of the dimmed light from his plane, or the intermittent flash from his nose lights. Snapping on his headlight for an instant, he realized or reckoned that he had inadvertently eased up into the overcast, probably as he had been dialing the radio or nodding to Greeson, his trusty copilot.

In split seconds Bolton lowered a few feet to keep below the overcast. There was no time to watch the altimeter now, or study anything but the ground. Down a "draw" or gulley, only 792 feet long and 300 feet wide, taking only 3 seconds to traverse, he lowered in flight some 4 yards. Directly ahead was a rise in the ground and a tree; off to the right was a white house, standing out menacingly in the glow.

"I must swerve", he thought. But in flying, even a slight turn demands a little lowering of the wing to prevent skid or slip. This maneuver used up the few odd feet he was above the ground level and his wing tip very lightly scraped the terrain. The plane was slightly out of control, but still the pilot might make a flat landing since his wheels were up and would not trip him. But the upgrade beyond was too much. Fate, not Bolton, now held the stick. He landed creditably under the circumstances, but the inevitable happened—some of his passengers were killed and others fatally injured.

PILOT BOLTON DISPLAYED CHARACTER

Bolton himself, mortally wounded and bleeding profusely, displayed such nerve and coolness in the few minutes that followed, that no one could possibly allege carelessness, lack of loyalty to duty, selfishness, or a character that would shirk, or under any circumstances disobey the law or tradition. Uncomplainingly, he told everyone who asked him what had happened, that he was "out of gas", an expression the schools teach the pilot to say when he is forced down. Bolton was low on gas—too low to venture up again into the overcast, which would have meant another time-consuming orientation, but he did not whimper even though he knew he had been "let down" in trying to land. He was the victim of fallible ground aids to navigation in which he trusted implicitly.

WEATHER CONDITIONS AT TIME AND PLACE OF CRASH

Eight minutes from him was the flat, firm airport; 5 minutes to the west were the slow rotating light beacons. Around him was fog, mist, and rain. Evidence shows that it was raining so hard, or had been, that it was not possible for the survivors to ignite some old papers as a distress signal or flare.

Twenty-five citizens in the vicinity of the airport have sworn that the weather was bad all night. One Government weather observer alone, the man sending out the weather sequences, is authority for the statement that between 2 a. m. and 3 a. m. the ceilings were never less than 1,200 feet. Several affidavits were obtained by the Department of Commerce to substantiate the claim of their employee, but they are so unconvincing and indefinite as to time and cover points so far removed from the main issue, that they are of little use in evidence, certainly as to the ceiling height and horizontal visibility between 1:30 and 3 a. m., May 6, 1935.

ALLEGATIONS OF ABSENCE FROM DUTY OF AIRWAY-KEEPER JONES

There is in evidence before this committee an affidavit from Cleo Ronk, which states in effect that a Department of Commerce official approached him January last asking for a formal statement to the effect that the weather was good. Neither this possible misdemeanor nor an allegation that the airway keeper was absent from the airport necessarily reflects on the Bureau of Air Commerce higher-ups. But in our investigations we have found an abundance of evidence to indicate an unwillingness on the part of the Chief of the Air Navigation Division even to consider that such error could be possible. The airway keeper might, or might not, be indicted by a grand jury on the strength of the several affidavits of good citizens who gladly furnished them because of their interest in air safety. Whether or not he was guilty need not be determined by this committee. But it is a fact that the man has since been promoted and still holds a Government job. In our opinion, he should have been suspended, and a fair and impartial investigation should have been held. Such a procedure is still in order, and is recommended.

SEVERITY OF WEATHER CONDITIONS BETWEEN 3 AND 4 A. M.

Your committee does not choose to sit in a judicial capacity on whether or not Jones was guilty of neglect of duty. But something is wrong with a weather reporting and forecasting system which will lure a planeload of passengers on to an airport where weather conditions were as bad as it seems they were. An employee of the Sinclair Prairie Pipe Line Co., L. W. Cockrell, who gages oil tanks 30 feet high every hour, said in his affidavit that at 3 a. m. and 4 a. m., "This fog was so dense that it would strike your face like a mist, and was like pea soup with ink poured in it." The tank which Cockrell climbed is located 6 miles, over comparatively flat country, from the Millard Airport, and 10 miles from the scene of the accident.

CAUSE

Cause of the T. W. A., Atlanta, Mo., crash of May 6, 1935

Pilot Bolton, having been obliged to pass up his landing at Kansas City, under direction from proper authority, set a course for Kirksville (Millard) Airport. No evidence of mechanical failure having been found, his safe arrival and landing at this alternative destination was dependent upon three aids to navigation furnished by the Bureau of Aeronautics, Department of Commerce:

First, dependability of the northeast leg of the Kansas City radio range.

Second, he needed the normal operation of the MRL ratio station at Kirksville.

Third, he needed the best efficiency on the three rotating light beacons on the last 20 miles southwest of Kirksville (Millard) Airport, Mo.

All three failed him.

Northeast leg of Kansas City radio range off course

The northeast leg of the radio range was off course, and brought him directly over the spot where the accident happened. Had this beam been "on line", where normally it should have been, he would have broken through right on the airway. He would then have been in the path of the lighted beacons, over more level terrain than he actually found, would have picked up the boundary lights, and landed easily.

That this alinement of the northeast leg of the Kansas City radio range was squarely over the path Bolton was directed to take is proven by the fact that Pilot Vernon I. Powers, of Braniff Airways, following the same beam, was heard by the survivors on the ground and was vertically overhead one-half hour after the Cutting crash. On such a night as this, with no other ships in the vicinity, there is no good reason why two first-rate pilots would fly more than a mile to the right of the true "on course" beam signal. Each unbeknown to himself was flying "on course", but in reality 11 miles off the correct path. The committee is forced to conclude that the reason for those concurring positions was that the beam both pilots were following was seriously off direction at a point 118 miles from Kansas City.

Any doubt that the beam was off is dispelled when one reads the affidavit of Lieutenant Bredouw of the United States Army Air Corps Reserve, on active duty at the time of the Cutting accident. He flew the beam the next afternoon, at the first opportunity after the weather became fairer, and found the "on course" of the beam to be squarely over the scene of the accident. This demonstrated it was far from where it should have been and was an important factor in causing the terrible calamity.

Four days later, too, on May 10, Inspector Jacobs of the Bureau of Air Commerce, reported the beam was still off, a distance of some 4 miles. "The south edge of the 'on course' signal of the northeast leg of the Kansas City range was found to be directly over the town of La Crosse, Mo.", he stated. (La Crosse is exactly half way between the scene of the accident and the Kirksville (Millard) Airport.)

Condition of MRL radio station at Kirksville

But the accident might have been avoided in spite of this defect had there not been the feature of another reserve aid, provided by the Government for just such emergencies. In a written report, this inspector of the Department of Commerce who flew over the scene May 10 states that he "was unable to hear the Kirksville radio range at a point about 2 miles away from the station with the volume of the receiver tuned 'full on.' At a point about 1 mile south of the Kirksville field, the Kirksville radio range signals came in with about the same intensity as the Kansas City radio range but it was necessary to have the volume tuned 'full on' to receive a satisfactory radio signal. Radio reception conditions were only 'fair', at the time of these tests, as there was considerable static."

Today, right over the scene of the accident, the signals from this station come in clearly, almost with the force and clearness of a full nearby range beam. The Kirksville station devices were rectified after the accident. The inspection required by regulations after installation had never taken place, and the station's chances of being in working order were about the same as when an inexperienced person sets up a farm lighting set. It may light up the incandescent lamps, but the improper setting before inspection and adjustment will probably result in giving extremely dim light. The light may be there, but its usefulness is negligible until adjusted under competent direction.

The rotating beacons

Granted these two failures had occurred, Pilot Bolton still had a good chance of flying "contact" and arriving safe and sound. This would have been the case had he been able to pick up the very last reserve aid provided for him by the Air Navigation Division of the Bureau of Air Commerce—the rotating beacons. In murky weather these lights cannot be seen very far, especially if the wattage is low. In good weather their chief value is their capacity for being seen, while in the direct focus of the beam, from extremely long distances. In bad weather pilots have had to rely on the piling up of candlepower because the directional, pencil-like shaft is conspicuous by its absence. It cannot penetrate fog, but it does "spill" all around and serves a useful purpose in that it sheds some light. This milky "mush-over", as they call it, has proven helpful to many a pilot lost on the bleak prairies on dark and stormy nights such as the night of the Cutting crash. Any one of three of these lights might have caught the pilot's eye in the mixture of scud, low clouds, patches of mist, and varying ceilings. This is specially true in Bolton's case, because at the altitude of, roughly, 100 feet that he maintained on the last half minute of his flight he was on about the same level as the beacons

which are westward and on higher ground, really on what is a flat plateau lying between the town of La Plata and Kirksville.

We are of the opinion that acts of omission caused the failure of the first two reserves above mentioned, and an act of commission, the last. To be specific: The Kansas City radio range was off course, and the radio station at Kirksville was dangerously weak. Both these defects were due to lack of effective inspection. The light beacons were useless.

Laxity of maintenance of aids to air navigation

Records of the Department of Commerce reveal that the aids to navigation in the district which includes the airway Kansas City to Kirksville (Millard Airport), Mo., were not maintained according to regulations legally in existence. Your committee has studied carefully all the maintenance sheets of the Bureau of Air Commerce and finds as follows:

In the Third District where this wreck occurred, with headquarters at Chicago, Ill., under the supervision of Manager Carl McCluer, servicing was completed at but 5 of the 19 stations audited during the first 90-day period of the year 1935. It is noteworthy that servicing had been neglected at those stations in the vicinity of the Cutting crash, namely: Kansas City, Mo.; Knoxville, Mo.; Kirksville, Mo.; and Burlington, Iowa. During the second quarter, including May 6, the date of the Cutting crash, only 2 of the 19 stations audited were serviced in accordance with the prescribed regulations. This would tend to indicate that the district manager had gained the impression regulations regarding servicing and maintenance were no longer to be enforced. It is to be presumed that this lack of maintenance, as prescribed by regulation, contributed to the failure of the aids needed by Bolton as his last reserves in the emergency.

Similar records in the Bureau of Air Commerce show that the new station (MRL type) at Kirksville (Millard) had never been inspected after installation, as it should have been, in accordance with regulations and the rules of common sense.

REDUCED BEACON WATTAGE

There is positive proof that dependence was placed on the beam penetration of the rotating beacons, forgetful of their usefulness as glow lights in a fog. They had been cut, ill advisedly, by orders, from 1,000 watts to 500 watts, without due approval of those who use them. This was done to effect a trifling economy, thereby imparting their usefulness in foggy weather when actual quantity of candlepower counts, not focus.

We doubt very much whether Bolton could have done any better had he been flying but 1 hour, instead of 9 hours and 15 minutes, before he ran into this situation. His manipulation of the plane while doing contact flying in those last few seconds indicates remarkable control of all his faculties, and perfect response of his nervous and muscular reflexes. The very fact that he set his plane down at its high landing speed in such a bad piece of ground without fatally injuring all aboard, is in itself convincing evidence of this.

We deliberately avoid mention of a number of controversial points which have come out, all of them leading up to the time when these three reserves proved to be lacking or useless. To consider further would serve no useful purpose. When the three reserves required at the time of the emergency were out, no more is needed to prove a case of Government negligence, to put it mildly.

OFFICIALS ENTRUSTED WITH THE PROTECTION OF PROPERTY AND LIFE IN AIR TRANSPORTATION

Senate Resolution No. 146, under which this committee is working, prescribes as follows:

"* * * and to investigate fully and thoroughly interstate air commerce, the precautions and safeguards provided therein, both by those engaged in such interstate air transportation and by officials or departments of the United States Government; and to investigate fully and thoroughly the activities of those entrusted by the Government with the protection of property and life by air transportation, and the degree, adequacy, and efficiency of supervision by any agency of Government, including inspection and frequency thereof * * *."

Under the Air Commerce Act of 1926, Public, No. 254, Sixty-ninth Congress, the Department of Commerce is charged with this responsibility. There are other agencies of the Government that have secondary powers, but these are not considered at this time. We confine ourselves to complaints we have found against the Bureau of Air Commerce itself, the agency within the Department of Commerce delegated with this responsibility, and to a survey of the allegations made against the chief of that Bureau, his two assistants, and the Aeronautic Information Section.

I. GENERAL CHARGES AGAINST THE BUREAU ITSELF AND THE COMMITTEE'S FINDINGS

Complaints against the Bureau may be divided into two categories: Organization and administration efficiency in operation.

(a) *Organization*

(1) The general complaint coming from everyone, both in the manufacturing and operating industry and from the public generally, is that the Bureau does not at this time have sufficient prestige or rank within the Department of Commerce to make for efficiency. It is pointed out that with the promulgation of Executive order of June 10, 1933, aeronautics in the Department of Commerce was relegated to the status of a Bureau. Until then it had been the aeronautics branch of the Department of Commerce, as recommended by the Morrow Board and as enacted in the Air Commerce Act of 1926.

The committee finds that such a claim is well-founded. As pointed out elsewhere in this report, it is impractical at this time to establish new agencies in the Government, and the proper place for the three main functions—promotion, regulation, and airway facilities—is within the Department of Commerce. But the work in aeronautics is still in such a state of flux that the activity should not be relegated to the status of a bureau. It should be returned to the dignified position it held as of June 10, 1933.

(2) It is alleged that personnel and financial control is outside the Bureau and in the hands of the Administrative Assistant to the Secretary of Commerce, thereby embarrassing the Director and his two assistants.

We find this to be true. For example, the Assistant Director in charge of Air Regulation, to appoint a man, must consult his own chief and the latter, in turn, must get the approval of the Administrative Assistant. To function smoothly, the Administrative Assistant should accept the recommendations of the Bureau chief and pass them immediately to the Secretary of Commerce for his approval.

(3) It is alleged that personal promotional and political activities cropping up here and there makes for inefficiency.

The committee finds that this is true. New construction and promotion of interesting developments is much more alluring to personnel than routine procedure. Without wishing to suppress in any manner the functions of the Bureau, the committee believes that, as in any good busines, all development and promotional work within the Bureau should be kept apart and entirely separate and distinct from the routine matters of the Bureau. Every automobile concern, for example, in the United States which has allowed its experimental work to be scattered throughout its production plant has failed and gone into bankruptcy. Violation of a sound business principle which demands that all experimentation be kept separate is just as fatal in this Government Bureau as in a private business.

(4) It has been alleged that too much power rests in Washington and that the Bureau should be organized so that its functions are decentralized over the length and breadth of the United States and its Territorial possessions.

To give the local representative of the Director of the Bureau facultative power, locally, to decide all routine matters and act upon them without the approval of Washington would solve this problem. The committee feels that this would make for much greater efficiency. Take, for example, the case of airplane accidents. Minor crashes occurring throughout the country are now inspected locally, but when a major accident occurs a high-ranking delegation proceeds from Washington. Invariably, this procedure results in an unnecessary publicity which does anything but promote and encourage aeronautics, as intended in the Air Commerce Act.

(5) It has been stated that the Bureau does not take advantage of the cooperation offered by many States and has failed to encourage State activities that might develop the functions of the Department of Commerce. The committee believes this is true.

To encourage development of State cooperation, and to assist State officials who might be interested, anxious, and willing to develop this, your committee prepared the bulletin on State Aeronautical Legislation Digest and Uniform State Laws, Bureau of Air Commerce Aeronautics, Bulletin No. 18, referred to elsewhere.

(6) That the Bureau of Air Commerce has no head who will assume full responsibility and that there is too much shifting of responsibility within the Bureau and lack of decision.

The commttee is obliged to find that this is true. It was caused by the fact that at first three men were placed at the head with equal status and when one, subsequently, was made chief, he became "top man" in name only, and did not enjoy the complete loyal cooperation, support, and obedience to which he was entitled. We refer to this again.

(b) *Administrative efficiency*

(1) It has been alleged time and again that the Bureau is not carrying out efficiently its functions, as prescribed in the Air Commerce Act.

The committee believes this to be true, but finds the trouble is largely a question of organization. No legislation is needed to correct this situation, which is purely one of administration. Every man in the Bureau, with the possible exception of the Director and his two assistants, should be on a civil-service status, because the Bureau cannot afford to lose good men who have had long experience in aeronautical matters within the Bureau at the expense of the Government.

(2) It has been alleged that good men were dismissed from the Bureau for political reasons with the advent of the new administration and at the expense of efficiency and safety. The committee definitely finds this to be a fact in the cases of Miller and Bourne, and this subject is gone into in greater detail later.

(3) That the Bureau does not prepare its annual estimate efficiently for presentation before congressional committees. This contention was sustained during the life of this committee in February 1936, when the appropriations for the fiscal year 1937 were being discussed before the House Appropriations Committee. Reading the evidence seems to indicate that the committee gained the impression the Bureau did not know itself what it wanted, what the funds were provided for, or what different items of construction and maintenance would cost.

(4) It has been alleged that the Bureau is inclined to stress one phase of aeronautical development and routine, to the embarrassment of another. The committee does not agree fully with this allegation but feels that there could be considerable improvement by budgeting carefully all activities encountered in the carrying out of the Bureau functions.

(5) It has been alleged that the Bureau does not cooperate with other agencies of the Government. The committee has been unable to establish this as a fact and believes that it is not true.

(6) That there is no merit system in the Bureau which would make for efficiency. When the committee considered the case of Wall, Mount, Miller, and Bourne, not to mention that of Clement, it was constrained to agree that in the last 2 years the man who worked each day sufficiently to get by that day had less chance of being dismissed than the one who, as a member of the Bureau, would energetically work long hours to carry out the functions prescribed in the Air Commerce Act.

II. CHARGES AGAINST THE DIRECTOR OF AIR COMMERCE

As Senate Resolution 146 demands that this committee investigate the individuals most directly concerned with providing safety, we have had to take heed to the different allegations presented from time to time with respect to the higher officials in the Bureau of Air Commerce.

In considering these it has been advisable to divide them into two classifications: Those alleging lack of qualifications, experience, and background and those alleging inefficiency in administration.

(a) *Lack of qualifications, experience, and background*

We believe that the Director of Air Commerce has all the necessary qualifications and experience to justify him holding the office of Director of Air Commerce. Any allegations made in this respect were as to lack of experience, not in matters aeronautical but in business and governmental duties. While he was not empowered to name his assistant directors and was selected at a time when he, with those two, were of equal rank and standing, yet we do find that on his entrance to office, to offset any lack of experience in financial accounting and control within the Bureau, he appointed three men to act more or less as efficiency experts, namely, Harriss, Sangree, and Mount. It may have been that these gentlemen were too efficient in their duties. But the fact remains that only one is active at the present time. We have been informed in reliable sources within the Government departments that he has invariably cooperated to the full with other agencies of the Government so that any allegations as to qualifications may be ignored.

(b) *Inefficiency in administration*

With regard to administrative inefficiency, if, as we have pointed out, the organization of the whole Bureau is such that it is impossible for it to be effective in carrying into effect those objectives of the Air Commerce Act, then it is rather difficult to gage the efficiency of the Director in his work. By looking at it in a broader way, the contention would be well founded that he should have done everything in his power to bring about changes in organization which would make for greater efficiency. We find that he did make several attempts to do this, but with no avail. The assistant directors, particularly the chief of the Air Navigation Division, had too much power and did not cooperate as fully as they might have in taking a broader view of things, having in mind the functions of the whole Bureau and not of their individual responsibility. It was impossible for the Director, therefore, to effect a reorganization, even though he tried. Several organization charts were prepared and amended, but it did not "clean house", as so many people in the industry believed for such a long time was essential.

Here are some of the allegations which have been made as to efficiency and what the committee feels is a fair finding in each respective case.

(1) That he has too many interests and therefore certain duties are neglected.

The director of any bureau must, of necessity, have large and varied interests. In a good organization, it is essential that he be an executive. This means that he must rely upon his subordinates in order that he may have plenty of time to scan the latter's work and check up on how it is coming along, in an attempt to do the job. The Director of Air Commerce cannot be expected to administer the details of his subordinates, but he should be familiar with everything that is going on, even to the last detail, and he should coordinate the activities of all to a common purpose.

We do not find that the Director has too many interests, but we do believe that he was not as familiar as he should have been with what was going on in the different departments. We are inclined to attribute this to the fact that there were too many aspiring heads within the Bureau. This condition is not quite so apparent at the present time. In February of this year, for example, the antipathy—and we cannot call it anything else—which existed between the Air Navigation Division and the Air Regulations Division, undoubtedly due to Colonel Johnson's wise activity, was eliminated to a large degree. In direct proportion as that feeling was eradicated, the safety factor in aeronautics definitely was improved.

(2) That he does not get out into the field enough.

In such a big responsibility, reaching throughout the length and breadth of this great country, it would be well for the Director of Air Commerce to spend most of his time in the field, especially when so much under the present plan is centered in Washington. It is absolutely impossible to make intelligent decisions on the important problems in aviation affecting safety unless one gets out on the air lines, attends most large aviation meets, personally appears before the meetings of State aviation officials and similar organizations, and actually flies, himself, in miscellaneous or nonscheduled flying, even though he does not himself pilot the plane. To do this efficiently would demand that the Director spend at least 50 percent of his time in the field. This may not be true after flying has become crystallized, but in the present stage of flux it is positively essential.

In all fairness, the committee is forced to point out, however, that such work in the field demands loyal lieutenants to act as the Director thinks in the latter's absence. Until July 1, 1935, the Director of Air Navigation Division was not working close enough with the Director himself, and during his appearance before our committee in open hearings April 29, 1936, the Director of the Air Navigation Division did not display the loyalty to the Director of Air Commerce which would permit the latter to leave Washington 50 percent of his time.

(3) It has been charged that he publicized unduly the $700 airplane, and therefore ruined the sale of small planes to the embarrassment of certain manufacturers.

In finding that this is a fact, the committee does not want to hold this against the Director as a very material fault. It is very evident that something must be done to correct the lamentable record for fatalities in miscellaneous flying. This requires a safe vehicle and an inexpensive one. Unless airplanes are safe inherently, accidents will occur in the hands of those who inevitably will own one. Much flying will be done by those who are determined to fly in cheap and obsolete planes. The Director, in engineering a solution of the impassé into which miscellaneous flying operations have become entangled, did err in publicizing the $700 airplane before the vehicle was a reality. But in all fairness to the Director we have had to consider the wave of enthusiasm for inexpensive planes that has been sweeping Europe recently.

We will not consider the question of whether it would be advisable, but we do believe that an airplane or autogiro that will be safe and inexpensive will be constructed to sell for $1,500 within the next 5 years. As we are convinced that it must be an airplane which will lend itself to modern operation methods, we are definite in our statement that the price of the private safe airplane will for the next 3 years be much closer to a figure of $4,000 than the $700 plane which has caused so much anxiety within the industry.

(4) It has been alleged that he was not justified in his safe-plane development.

The committee cannot agree in this contention. It is of the opinion that the work of the Bureau in this direction is worthy of commendation. The development of the autogiro and of the three-wheeled safe planes carried on or encouraged by the Bureau at comparatively low cost to the Government has not been just another attempt. It has been productive of some valuable contributions to the science of safe flying and should be continued.

III. CHARGES AGAINST THE CHIEF OF THE AIR NAVIGATION DIVISION

These are in two classifications: Those alleging lack of qualifications, experience, and background, and more specific allegations.

(a) *Lack of qualifications, experience, and background*

Many persons in Government circles and in the private industry have alleged that the Director of the Air Navigation Division did not have sufficient qualifications on assuming office. A summary of his experience and qualifications submitted by the Bureau to this committee claims for him "United States Army Air Corps, commissioned officer (pilot), 1917–18." Anyone reading this would naturally think he was in the Army in aviation 2 years during the World War. As a matter of fact, on checking up with The Adjutant General of the Army, we find that he was only in the Army 1 year, including the few weeks waiting for reporting and the few months as cadet and second lieutenant, respectively. His chief contribution to aeronautics was a three-volume work covering all phases of the subject, wherein he appears as author of Commercial Aeronautics.

(b) *Specific allegations*

(1) Without considering the complaints against this assistant director which have come from the industry and from personnel within his division, the committee has been embarrassed so many times in its investigation of the Air Navigation Division that it is hardly necessary even to consider those that have come to us, but, rather, to depend on our own contacts.

While there was the appearance of cooperation, there was a continual undercurrent of distrust in the sincerity of the work the committee was doing. It may suffice to say that every attempt made by the committee to point out what might be termed an irregularity was met with defiance or apparently evasive statements. His attitude seemed to be that there "could be no wrong" within the Air Navigation Division. From about the beginning of this year the committee has had no confidence in the efficiency of the Air Navigation Division. It is forced to feel that this situation has contributed more than any one factor to the well-known unsatisfactory condition of the important Bureau of the Government charged with aviation safety.

It may have been the lack of background which caused him to listen to the suggestions made by subordinates and prompted him to carry them over the head of the Director of Air Commerce to higher places. But be that as it may, the fact remains that the relationship of the head of this committee to the Director of Air Navigation Division has been anything but satisfactory. The committee has no difficulty whatsoever in appreciating the discouragement that has existed in the hearts of men within his Division.

(2) That he carried on interoffice politics within the Bureau to the embarrassment of the important safety responsibility he held.

This official spent so much time on interoffice politics that there resulted confusion, lack of confidence, and allegations by his own personnel of unfairness and unfitness.

(3) It has been alleged that he failed to back up his subordinates after having given them difficult assignments, that he would use a subordinate as a cat's-paw, so that if things worked out all right he would get the credit himself, but if the work failed the blame would be on the subordinate.

This was true, in fact, in the case of Jay A. Mount. The problems presented to the committee because of this case might never have come up, to the embarrassment of this committee.

(4) It has been alleged that a questionnaire was sent to all transport pilots in the United States for the purpose of obtaining endorsement of the work of the Air Navigation Division.

While the committee does not put a great deal of weight on questionnaires sent out by a Government official to people more or less under control of Government, a great deal of good did come from the constructive suggestions sent in response. We have compiled these, and the synopsis is in our records. From the press release, given when the Bureau of Air Commerce studied the replies, one gleaned an entirely erroneous impression as to the true situation on air navigation facilities. It is so easy to juggle figures in statistics and have them convey a wrong impression that the whole procedure was brought into question. The newspapers, as a result of the press release, were inclined to pat the Bureau on the back, but we have no doubt that if the excerpts which we have gleaned from the questionnaires and answers had been before the editors at the same time the stories would have been different.

Among the papers referred to us by the Department of Commerce we find a memorandum to the Secretary of Commerce dated March 1, 1935. This memorandum is signed by the Honorable John Dickinson, then an Assistant Secretary of Commerce.

The subject of the memorandum is "Removal or furlough of Thomas Bourne, L. C. Elliott, I. D. Marshall, and G. C. Miller as district managers of the Bureau of Air Commerce at Newark, Fort Worth, Chicago, and Salt Lake City, respectively." These four employees of the Bureau of Air Commerce were indefinitely furloughed without pay by telegrams issued on February 4, in accordance with a vote of the personnel committee on that date. For some reason there seems to have been a change of heart, and on February 11 there was a further order that the employees in question should be temporarily relieved from their duties and instructed to report to Washington.

Apparently the Secretary of Commerce determined to look further into the matter of the separation of these employees from the Service. In any event, the memorandum to which reference has been made quotes Mr. Dickinson as saying:

"In accordance with your oral instructions, I am personally rendering this report. * * *

"Immediately after the issuance of the original telegraphic order of the Bureau of Air Commerce on February 4, certain facts came to my attention which seemed to require that the case should be fully gone into in order to determine whether or not the intent of that order should be carried out. These facts may be summarized under two headings:

"1. That the removals were being made primarily or largely because the men in question had served in the Bureau under the previous administration and in order to make room for new appointees who would owe their position to the present administration; and

"2. That insofar as the removals might be justified on the basis of lack of efficiency or competence on the part of the employees in question, the judgment of competence or incompetence rested upon the reports of, and was connected with, the relation of these men to another hold-over employee of the Bureau, Mr. J. A. Mount, and involved an effort on the part of Mount to secure their removal because they were personally obnoxious to him.

"The committee, while I sat with them, examined Director Vidal, Mr. N. Sangree, Assistant to the Director, and Mr. J. A. Mount, Superintendent of Maintenance, as well as three of the persons affected, namely, Messrs, Bourne, Marshall, and Miller.

"My findings with regard to the two above-mentioned points are as follows:

"1. Irrespective of the reasons which may have actuated the officials of the Bureau of Air Commerce in originally recommending the removals, Assistant Secretary Mitchell, who sat as a member of the committee while the three managers were being examined, asked each and every one of them whether they did not think that the approval of the New Deal by the people of the United States as expressed in the election of President Roosevelt required a clean sweep of Government employees connected with the old deal and whether they did not think that having held their jobs for a number of years it was time for them to get out and let others have a chance at these attractive and lucrative jobs. He put this question repeatedly and stated in no uncertain terms that it was his opinion that it should be answered in the affirmative, and that new people owing their appointment to the new administration should be given the jobs in order that these good things might be spread around.

"There can be little doubt that these questions and expressions by Assistant Secretary Mitchell addressed directly to the affected managers must leave no uncertainty in their minds that the desire to create jobs for others was the determining factor in the mind of the Assistant Secretary in charge of the Bureau, irrespective of the reasons which may have operated upon the Bureau officials themselves."

The charge was made by witnesses before our committee that the efficiency of the Bureau of Air Commerce had been seriously impaired by politics. This charge is confirmed not alone by former Assistant Secretary Dickinson but by the testimony of two of the employees referred to in this memorandum. For instance, on May 28 Mr. Thomas B. Bourne testified: "I then contacted the Assistant Secretary, Mr. Ewing Y. Mitchell, who informed me that I should be willing to step out of the Government service after 9 years and give some of the boys on relief a chance."

Continuing his testimony, Mr. Bourne stated, page 2094 of the hearings: "Later on, in a personnel meeting, Mr. Mitchell told me I was not in accord with the New Deal, and I told him that my interpretation of being in accord with the New Deal was to get supporters for the New Deal rather than to drive people away from it, as he was doing."

In letters to Senator TYDINGS and Senator GOLDSBOROUGH it was alleged that Mr. Bourne was not cooperating fully in the maintenance of the airways. It was alleged that the action was taken purely "for administrative reasons; no charges were preferred against Mr. Bourne."

Mr. Miller, another employee who had been dismissed, was a witness before our committee. He stated that in the summer of 1934 Mr. Martin said of him that he "was the best qualified district manager to take over the responsibility of placing the fifth district on an efficient working basis." On February 4, 1935, a telegram from Martin advised Miller that he was relieved of his present duties and placed on indefinite furlough status. An outstanding statement of Mr. Miller's, found on page 2145 of the record, bears out the fear expressed by former Assistant Secretary Dickinson that removals were being made "to make room for new appointees who would owe their positions to the present administration." The following is Mr. Miller's statement: "Two main questions that stick out in my mind, and probably so because they were considerably shocking, was the question wherein Mr. Mitchell asked, in effect, if I did not think that those who had been associated with the old administration should be let out and replaced by people who were favorable, I think he stated, to the New Deal. The other question was a direct question as to why I had not taken every opportunity to remove mechanicians and other civil-service employees and replace them with new blood, as he expressed it."

When asked to interpret the expression "new blood", as to whether it might mean more efficient personnel, Mr. Miller replied: "That, of course, is entirely a supposition on my part, but my reaction at that time was that he meant people who would be acceptable to himself and the New Deal, as he expressed it."

It might be said in passing that apparently no charges were ever made against Mr. Miller. Whatever they were, they were based on statements made by Mr. Mount. "As a matter of fact", he said, "on every occasion when I demanded that I be furnished with written charges, I was advised there were no charges against me."

Reverting to Secretary Dickinson's memorandum, we find the following on page 4:

"The principal charge brought by Mr. Mount against District Managers Bourne and Marshall was their delay in completing inventories of the supplies in their districts in accordance with the schedules of the new system of property accounts. Their answer was that this delay was largely occasioned by the above-mentioned shift of property which coming simultaneously with the request for the inventory slowed down the latter. Mr. Mount also charged that since July 1934, when the system of keeping records of maintenance was instituted, mechanicians subject to these two managers were shown by the reports not to have been diligent in servicing the aids in their sectors. The managers retorted that the purpose of the check-up was to disclose such negligence on the part of the mechanicians and that they were doing everything in their power to improve the situation.

"The case of Manager Miller presents a somewhat different situation. Mr. Mount stated that Mr. Miller had been entirely cooperative with him in inaugurating the system of property accounts at Forth Worth, Tex., where Mr. Miller was originally manager, and which was the first depot at which the system was introduced. Apparently no claim of inefficiency was made against Mr. Miller prior to September 1 last, when he was transferred to Salt Lake City.

"On the other hand, a question may be raised as to the desirability of keeping Mr. Mount in his present position in view of his temperament and the possibility that because of this a similar situation might arise between him and anyone else who was chosen to fill the position of district manager. There is the added fact that Mr. Mount is at the present time under charges of falsification in connection with his pay account. Still a third question which arises, however, is whether, in view of the very high degree of confidence which has been reposed in Mr. Mount by Director

Vidal, Mr. Mount could be removed altogether from the service, apart from the question of his pay account, without bringing the present administration of the Bureau of Air Commerce into disrepute.

"The consideration last advanced places a serious obstacle in the way of a solution of the difficulty by the dismissal of Mr. Mount. On the other hand, the dismissal of the district managers, which seems to be required if Mr. Mount retains his present position, undoubtedly subjects the Bureau to criticism on substantial grounds for making removals of experienced men on highly questionable grounds. I suggest that for these reasons neither of the above alternatives seems to offer a way out of the difficulty, and that in my opinion there is a practicable third alternative which should be adopted. This would be to transfer Mr. Mount, provided the matter of his pay account is satisfactorily cleared up, to one of the district managerships in the field, where he would be given an opportunity to display what actual administrative ability he may have in a position which would not bring him into conflict with any of the district managers between whom and himself the present situation of personal antagonism has grown up. In the second place, Mr. Mount's present position as superintendent of maintenance might be filled by one of the district managers whose cooperation has not been brought into question, namely, Mr. Polk, of Atlanta, or Mr. A. O. Preil, of Oakland, Calif., or Mr. Elliott, of Fort Worth. In the third place, the remaining district managers might be shifted about between the districts in order to increase their efficiency and sustain the position which the Bureau has taken that their activity has not been all that it should have been.

"I recommend this course on the ground that it will not necessitate any action which would imply that the Bureau had misplaced its confidence in Mr. Mount or, on the other hand, had taken an unwarranted attitude in its implied criticism of the district managers. At the same time it would avoid the necessity of going through with the dismissal of these men, which, in my opinion, would afford a basis for criticism which would be extremely hard to meet.

"The position of district manager is a highly important one, requiring not merely broad aviation experience but business ability and administrative capacity of a kind which is impossible to prove except by experience. These positions are in no way connected in the slightest degree with any policy-forming activity of the Government. They are purely technical and administrative. I believe that for the Department to put itself in the position of sanctioning removals from such positions on other grounds than incompetence or breach of trust would be to take a step backward in the highly important matter of improving the personnel of the Government service. If the Government service in its nonpolitical branches is to prove attractive to young men of ability and training, the policy of the Government with regard to appointments and removals as to such positions must be one which will hold out the prospect that competence and competence alone is sufficient to insure the opportunity to serve. Nothing could be more destructive of such assurance than anything which would promote the belief that a mere change in the political superstructure of the Government would be followed by dismissals based on no better ground than the fact of service during the preceding administration."

The conditions surrounding the removal of I. D. Marshall from the service are not dissimilar to those relating to Thomas Bourne and G. C. Miller. It is apparent to us that these men should not have been removed. Perhaps it is too late to recommend their reinstatement, but, to say the least, if any stigma attaches to them by reason of their detachment from the Government service, they are entitled to be cleared of all criticism.

When it comes to the matter of J. A. Mount, we face a complicated problem. There will always continue the suspicion that he was dismissed because of his frank statement to our committee of the conditions existing in the Bureau of Air Commerce and the navigational aids having to do with safety in aviation. There is no need to enlarge upon this matter. Technically, the Department had reason to act as it did. One of the charges preferred might be explained away; yet if the pound of flesh had to be forfeited, there is legalistic excuse for that action. The members of the committee do feel that their wishes regarding Mount were lightly treated, but it is unnecessary to say anything more on this subject. There can be no doubt that the charges made by him as regards failure of maintenance of the radio beams, the station lights, and other navigational aids, were abundantly proven. It is not necessary to take his testimony alone, because there were many other witnesses who confirmed the charges made by Mr. Mount.

We can hardly understand the unwillingness of those in charge of the Bureau of Air Commerce to frankly concede the many defects in the administration of the important duties of this branch of the Government.

Reasons could be found in the way of lack of appropriations and perhaps lack of sympathy from higher-ups. But we were impressed by a lack of frankness and the unwillingness of those in immediate charge of the work to cooperate with the committee.

We fear that the Secretary of Commerce undertook the impossible when he sought to have successful operation of the Bureau by placing three men with coordinate powers in charge of the Bureau. Certainly there has been grievous lack of cooperation, and in our opinion there are defects so fundamental that they must be remedied before there can be proper administration of this important Bureau.

We question the professional equipment and preparation of Mr. Rex Martin. A man of much larger experience is needed for this position. He must be chosen, not with reference to his political affiliations but strictly because of his professional ability, his known success as an administrator, his possession of tact and qualities of leadership. These qualities are not combined in Mr. Martin. We can say this without any reflection upon his character, his zeal, or his desire to do a good job. We have no doubt that he is far more capable than are the members of this committee. But for a place of great responsibility such as he is filling a larger man is needed.

Concerning Colonel Cone, we have no recommendation to make. He came through the ordeal without criticism.

When we approach the question of what to recommend regarding Mr. Vidal, nominally in charge of the Bureau of Air Commerce, we are at a loss. He is an amiable gentleman. He has a good background. Our fear is that he is too amiable, that he is lacking in iron, positiveness, and the determination to keep the employees under his direction functioning according to schedule.

It is unpleasant for us to be required to reflect in any manner whatever upon individuals. We wish we could be spared this necessity, but we strongly recommend to the Secretary of Commerce that he thoroughly overhaul the Bureau of Air Commerce with a view to improving its administrative officials. Some one person must be given the responsibility in the way of oversight of this Department, its personnel and many activities. It may be difficult to find exactly the right individual for the position; but until there is greater firmness, greater experience with men, larger knowledge of the problems involved, there can be no hope of improvement in the Bureau of Air Commerce.

We shall present our complete report early next year.

ROYAL S. COPELAND, *Chairman.*

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 19, 1936, that committee presented to the President of the United States the following enrolled bills and joint resolutions:

S. 283. An act for the relief of Beatrice I. Manges;

S. 1794. An act to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925;

S. 2047. An act to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes;

S. 2119. An act for the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard, and/or the widows of such of them as may be deceased;

S. 2127. An act to amend section 4471 of the Revised Statutes of the United States, as amended;

S. 2456. An act to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia;

S. 2712. An act to amend section 23 of the Independent Offices Appropriation Act, 1935;

S. 2912. An act to repatriate native-born women who have heretofore lost their citizenship by marriage to an alien, and for other purposes;

S. 3440. An act to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof;

S. 3841. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

S. 4026. An act to amend the National Defense Act of June 3, 1916, as amended;

S. 4464. An act to authorize the coinage of 50-cent pieces in celebration of the opening of the San Francisco-Oakland Bay Bridge;

S. 4512. An act to amend section 641 of the Code of Law for the District of Columbia;

S. 4552. An act to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation;

S. 4568. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia;

S. 4622. An act to amend section 2 of the act entitled "An act granting the consent of Congress to the Alabama State Bridge Corporation to construct, maintain, and operate bridges across the Tennessee, Tombigbee, Warrior, Alabama,

and Coosa Rivers, within the State of Alabama", approved May 26, 1928;

S. 4737. An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes;

S. J. Res. 241. Joint resolution to declare December 26, 1936, a legal holiday in the District of Columbia;

S. J. Res. 272. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937;

S. J. Res. 273. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes;

S. J. Res. 278. Joint resolution to modify and extend the act entitled "An act to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, as amended, and for other purposes;

S. J. Res. 280. Joint resolution to ratify and confirm the appointment of Isaac Gans as a member of the Alcoholic Beverage Control Board of the District of Columbia; and

S. J. Res. 286. Joint resolution fixing the date of meeting of the Seventy-fifth Congress.

ASSISTANCE TO STATES IN PROGRAMS OF EDUCATION

Mr. HARRISON. Mr. President, I ask consent to introduce for reference to the Education and Labor Committee a bill relative to Federal assistance to the States for public education.

The VICE PRESIDENT. Without objection, the bill will be received and referred, as requested by the Senator from Mississippi.

The bill (S. 4793) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public education was read twice by its title and referred to the Committee on Education and Labor.

Mr. HARRISON. Mr. President, I ask unanimous consent to insert in the RECORD a statement in explanation of the bill that I have just introduced.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEDERAL ASSISTANCE TO THE STATES FOR PUBLIC EDUCATION

The time has arrived when the Government of the United States through its Congress must more fully discharge its obligation in the support of schools for the masses of our citizens.

Even before the onslaught of the depression thousands of our rural schools did not have sufficient funds to pay for long enough school terms. Our rural teachers for the most part were the most poorly paid public servants in the Nation. During the depression conditions have become still worse. Over 100,000 schools attended by over 3,000,000 children have been forced into a practical state of bankruptcy. School terms have been shortened until in whole States the average is not more than 6 months per year. High schools have been closed and reopened on a tuition basis, thus barring the poor. During the depression school districts have increased their indebtedness by nearly $1,000,000,000 in order to keep going and to provide for increasing enrollments. Farmer's taxes on real estate, a large part of which goes to support schools have in a vast majority of the school districts of the Nation reached the maximum consistent with justice and good business. The Federal Government must more fully discharge its obligation toward its children everywhere.

FEDERAL CONTRIBUTIONS TO EDUCATION

From the earliest days of the Republic the Federal Government has made financial contributions, directly or indirectly, to the States for the establishment and maintenance of public educational institutions on all levels. From the Revolution to the Civil War the Federal Government endowed higher and common schools with lands and made grants of surplus tax moneys.

Following the Civil War, land grants to new States were continued and the policy of direct money grants begun. The Morrill-Nelson Act (1862 and 1890), appropriating funds for land-grant colleges and universities; the Hatch Act (1887), appropriating money for the establishment of agricultural experiment stations in connection with land-grant colleges; the Smith-Lever Act (1914) and the Capper Ketchum Act (1928), providing for agricultural extension work through land-grant colleges; and the Smith-Hughes Act (1917) and subsequent similar acts for vocational education in agriculture, trades and industries, and home economics all illustrate a fundamental interest of the Federal Government in the fostering of public education.

PUBLIC EDUCATION A MATTER OF FIRST IMPORTANCE

That public education is a matter of first concern for the Federal Government, as well as for States and communities, is evidenced by the fact that ours is a representative form of government founded upon the democratic principle that final power and authority rests upon the will of the people. Being founded upon the authority of the ballot, the Government, in order to perpetuate and protect its ideals, purposes, and institutions, must see to it that each individual citizen is given full and free opportunity to acquire the knowledge, attitude, and will to exercise intelligently, honestly, and effectively the privilege of suffrage. That public education is a necessary function of government founded upon the principles of democracy has been well recognized by statesmen from the early days of the Republic:

"In a country like this, where every man may reap his own harvest, which, by proper attention, will afford him much more than is necessary for his own consumption, if there cannot be money found for education, there is something amiss in the ruling political power."—George Washington.

"If a nation expects to be ignorant and free in a state of civilization, it expects what never was and never will be. There is no safe deposit (for the functions of government) but with the people themselves; nor can they be safe with them without information."—Thomas Jefferson.

"Education, to accomplish the ends of good government, should be universally diffused. Open the doors of the schoolhouse to all the children in the land. Let no man have the excuse of poverty for not educating their offspring. Place the means of education within his reach, and if he remain in ignorance, be it his own reproach. * * * On the diffusion of education among the people rests the preservation and perpetuation of our free institutions."—Daniel Webster.

"Popular education is necessary for the preservation of those conditions of freedom, political and social, which are indispensable to free individual development. And * * * no instrumentality less universal in its power and authority than government can secure popular education. * * * Without popular education, moreover, no government which rests upon popular action can long endure. The people must be schooled in the knowledge, and, if possible, in the virtues, upon which the maintenance and success of free institutions depend."—Woodrow Wilson.

If, according to the Declaration of Independence, one of the inalienable rights of man is the right to life, liberty, and the pursuit of happiness, it must necessarily follow that the right to be educated is an inalienable one. No man has liberty nor can pursue happiness who is permitted by his country to grow up in the thraldom of ignorance. The opportunity to have one's abilities, aptitudes, and capacities developed to their fullest potentialities is necessary to the pursuit of happiness and is, therefore, the inalienable right of every American child.

The preamble to the Constitution of the United States declares that the Constitution is ordained and established "in order to form a more perfect union, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity." It is an obvious fact to enlightened people everywhere that none of these blessings is possible unless each generation of citizens is educated. Hence the schools are our most fundamental public institutions and are a matter of first concern for our Government.

MOBILITY OF POPULATION COMPELS FEDERAL INTEREST

The interest of the Federal Government in the schools of the people is further reflected in the great mobility of our population. There is an increasing amount of movement of people from one State to another. In 1930, one out of each five native-born persons in the United States was living in a State other than that in which he was born. The percentage of persons living in a State other than that of birth has increased each decade since 1900 and has remained fairly constant since 1870. The percentage of interstate migration ranges from 7.8 in Maine to 57.5 in Wyoming.[1] In fact, some of the States that now have the best supported systems of public education have the highest percentages of citizens born in other States. For example, in California more than two and one-half million of her four and one-half million American-born population first saw the light of day in other states.[2] Thus it happens that each of the States has a vital interest in what kind of educational facilities are offered in each of the other States, and education becomes a national problem.

MORE CHILDREN AND LESS WEALTH IN SOME STATES COMPELS FEDERAL INTEREST

The facts concerning the distribution of the Nation's population of educable age also make it to the interest of the Federal Government to take steps to guarantee a fair distribution of educational opportunity. Among the States there are great differences in the number of children as compared to the number of adults. In one State the number of persons 5 to 20 years old is only 25 percent of the total population, while in another State the number is 41 percent. In these same States, if we consider the number of children of elementary and high-school age as compared to the

[1] Data for 1900–1920 are from Fourteenth Census of the United States, 1920, Population, vol. II, table 13, p. 620. Data for 1930 adapted from Fifteenth Census of the United States, 1930 (press release, Mar. 21, 1932) and from Population Bulletin (second series), United States Summary, table 32, p. 24.

[2] Eells, Walter Crosby, Nations Schools, vol. 13, no. 22, May 1934.

number of persons of productive age, 21 to 65 years old, we find that in the first State there is only one child to 3.4 adults, while in the second State there is one child to 1.4 adults.[3] The State with the relatively small number of children has three times as great per-capita wealth and per-capita income as the State with the relatively large number of children.[4] There is small wonder then that the first State spends nearly five times as much per pupil for schools as the second State.[5] If, in the first State, the number of children were more than doubled, and the wealth and income reduced by two-thirds, the two States would then be in comparable position with respect to the education of their children.

For the Federal Government, in the face of these facts, to stand aloof on the theory that children can have equality of scholastic opportunity if the States will take proper action can result only in continued injustice to millions of the Nation's children and future citizens.

Under present conditions the most money for schools is being spent in States and communities that have the fewest children, and on children who in turn will have the fewest children.[6] The pursuit of this policy is detrimental to the national welfare and an injustice to the children of the country. Only the Nation, as a taxing and spending unit, can change this undesirable condition.

SOME STATES RICH, SOME POOR

If the Federal Government could be sure that equitable effort by States and local units of government would protect the inalienable rights of all children by the provision of adequate educational opportunities, it may be that the matter of supporting schools could be left entirely to the States and their communities. It is now a well-established fact that equitable effort on the part of the several States and their local subdivisions will not and cannot provide adequate schools for all the Nation's children.

It is so well known in all our States that the communities and local governmental units differ widely in their ability to pay taxes that larger dependence on State support and decreased dependence on local support of schools has become a necessity and an actuality in a large majority of the 48 States. Since 1930 the proportion of State support as compared to local support of schools has increased by more than one-third.[7]

The same economic conditions that have made increased State support of education necessary have made inevitable Federal participation in the financial support of our schools. The concentration of wealth and its ownership, the increased corporate form of ownership, and increasing economic interdependence of States and regions of the Nation have resulted in insurmountable differences in the ability of States to raise revenue for the support of schools. All of the best-known measures of wealth, income, and spending ability of the several States lead inevitably to the conclusion that the richest State is from six to eight times as rich per capita as the poorest and is more than that many times as able to pay taxes for the support of schools and other necessary governmental services.[8]

Recently studies have been made showing that if the second model tax plan recommended by the National Tax Association were put into effect in each of the 48 States and each State spent for public schools the average amount spent per pupil in the Nation as a whole, the richest State would find it necessary to spend only 16.5 percent of its tax resources for schools, while the poorest would have to spend 96.5 percent, leaving practically nothing for all other governmental services. There are 12 States that would have to spend more than 50 percent of their tax resources for schools while there are 11 States that would have to spend less than 25 percent for that purpose.[9]

RICH OPPORTUNITY, POOR OPPORTUNITY

The differences in the economic ability of the States to support public schools are directly reflected by the differences in educational opportunity offered in the respective States. The average length of school terms in the richest State is more than 9 months per year, as compared with only 6.5 months in the poorest State. Differences in the expenditures per pupil, salaries per teacher, and value of school property per pupil are about 5 to 1 in favor of the richer States.[10]

STATE'S EFFORTS VERSUS STATE'S ABILITY

It is frequently said by persons who do not believe that the Federal Government should assist the States in the support of public education that the States can support adequate schools if they want to and if they will make the necessary effort. The truth of that statement will be determined by what is defined as adequate and upon what effort is to be construed as reasonable. The determination of these standards is, I think, a relative matter to be judged in terms of what States usually do about them.

In order to show what the States are doing on the average and to show to what extent the public schools of States are determined by their economic ability, I am placing in the RECORD two tables referred to as exhibits A and B.

All the known facts as to the ability of the States to pay taxes, the effort they make to support schools, and the amount they spend for schools show that the adequacy of the schools of a State is largely determined by the economic ability of that State to pay taxes and not by the effort made to pay for schools. For example, the State of South Carolina, according to the latest researches, ranks forty-sixth among the States in economic ability per capita to raise public revenues, forty-fourth in the expenditures per pupil for schools, but ranks eighteenth in the percentage of tax resources devoted to schools. My own State of Mississippi ranks seventh in her effort to support schools, but in spite of that fact ranks forty-sixth in expenditures because she ranks forty-eighth in economic ability.[11] On the other hand some of the States that make the highest expenditures per pupil, because of great wealth, do so with the least effort. The facts presented are an irrefutable argument against the contention that adequate support of public schools is a matter of State willingness.

The need for Federal assistance in the support of public education is therefore fundamentally based upon economic necessity.

FEDERAL STIMULATION OR FEDERAL SUPPORT

As has been said previously, the Federal Government has from its beginning been continuously aiding the States in the support of educational institutions. A large part of the direct money grants to the States has been based on the principle of stimulating the States to undertake new kinds of educational work, as, for example, vocational education. These grants have been made on condition that States and localities match dollar for dollar the Federal appropriations. For the purpose of getting new and needed types of education started such policy is good and effective. What the States need today, however, is not stimulation to further effort, but funds to pay for educational opportunities needed and wanted by our people. The time has arrived for the Federal Government to assume its fair share of the cost of all education in all the States and to guarantee sufficient funds to support the kinds of education it has so effectively stimulated. What is now needed is the guarantee of an acceptable standard of educational opportunity for all the children of all the people.

STATE AND LOCAL CONTROL

It is inherent in the development of the system of public education in this country that it should be subject to State and local control. Public schools grew up as local institutions. From the beginning they have been close to the people and administered by local boards of education usually elected by vote of the people. Upon the founding of the Union the control of the public-school system was left as a prerogative of the States, and every State constitution accordingly has declared the maintenance of public schools to be a primary function of the State. The States in turn have delegated broad powers to local units of government in the establishment, support, and control of public schools. Thus local control of the public schools is a part of the American tradition and an indigenous part of our system of democratic government. It should remain so.

Let it be remembered, however, that it is a well-accepted principle of American Government that the Federal Government should and legally can assist the States financially in carrying on services and functions of government that essentially belong to the States. Internal improvements and grants for educational purposes already cited are examples in point.

It does not necessarily follow that control must follow the dollar. It is certain that the Congress of the United States will not undertake to control the public schools while at the same time appropriating funds for their support. Control being a matter of policy to be determined by legislation, it is not thinkable that Members of the Congress elected by the people would usurp the management of an institution so close to the homes and lives of the people as our public schools. The assertion that they would is an insult to the intelligence and integrity of the elected representatives of the people and a lack of faith in the potent influence of the ballot. I feel perfectly safe in the assertion that not one in a hundred Members of the Senate or House of Representatives of the present Congress would advocate or vote for any measure calling for Federal control of our schools. The fabricated bogeyman of Federal control is but a flimsy excuse for failure to admit squarely the economic and social justice of Federal assistance to the States for public education.

PRINCIPLES AND PROVISIONS OF BILL

I have introduced a bill to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public education. This same bill has been introduced in the House by Congressman BROOKS FLETCHER, of Ohio, a Member of the House Committee on Education.

It provides for an initial appropriation of $100,000,000 and an increase of $50,000,000 annually until a maximum of $300,000,000

[3] Dawson, Howard A., Some Problems in the Financing of Education in the States, University of Pennsylvania Bulletin, School of Education, Twenty-second Annual Schoolmen's week Proceedings, 1935, Philadelphia, Pa., p. 104. (States referred to are California and South Carolina.)

[4] Ibid., p. 105.

[5] See exhibit A.

[6] Osborn, Frederick, Significance of Differential Reproduction For American Educational Policy. Social Forces, vol. 14, no. 1, October 1935 (reprint), p. 28.

[7] U. S. Office of Education. Planographed tabulation, March 1936.

[8] See exhibit B.

[9] See exhibit B, column 8.

[10] See exhibit B, columns 12 to 17, inclusive.

[11] See exhibit A.

is reached. It is thought that such gradual increase in funds will give ample time for the States to make sound plans for the expansion and improvement of their schools and will be a wiser course than the immediate appropriation of the full sum needed.[12]

There are certain provisions in this bill to which I wish to direct attention:

1. It provides for appropriations to the States to be used by them for schools. The manner in which the funds received shall be used for the maintenance of a program of public education is left wholly to the respective State legislatures.

2. All control, administration, and supervision of schools and educational programs is reserved strictly to the States and forbidden to all Federal officers and agencies. (See sec. 11.)

3. The basis of apportionment of funds to the States and Territories is the number of persons 5 to 20 years old in each State and Territory.

This method of apportionment is based upon the principle that the Federal Government should provide for the support of schools in all the States somewhat in proportion to the Federal interest in the education of the entire population. Admitting that the Federal interest is, at this time, not subject to accurate measurement, it can be safely asserted that the amount provided in this bill does not exceed the Federal Government's fair share of the cost of educating the citizens of the Nation.

EXHIBIT A.—*Economic ability of the States to pay taxes, and educational opportunity offered*

States	Tax-paying ability per capita	Current expenditures for public schools per pupil enrolled	Rank on tax-paying ability	Rank on opportunity as shown in column 3
(1)	(2)	(3)	(4)	(5)
Continental United States	$50.80	$74.22		
Alabama	19.81	27.37	47	45
Arizona	52.79	91.29	26	12
Arkansas	23.88	24.08	45	48
California	56.09	119.98	22	2
Colorado	55.82	92.84	23	10
Connecticut	71.15	96.82	5	7
Delaware	57.41	89.91	19	13
Florida	35.61	44.78	36	37
Georgia	24.80	25.27	44	47
Idaho	53.94	69.90	24	29
Illinois	59.01	89.85	17	14
Indiana	53.09	78.78	25	20
Iowa	77.24	78.39	2	22
Kansas	62.62	73.79	14	27
Kentucky	24.83	32.04	43	42
Louisiana	$28.62	$40.88	41	39
Maine	51.01	62.54	31	32
Maryland	49.96	74.52	32	26
Massachusetts	66.45	97.25	7	6
Michigan	48.35	93.95	33	9
Minnesota	62.73	83.60	11.5	17
Mississippi	18.39	28.18	48	44
Missouri	52.68	65.09	27	31
Montana	67.87	92.79	6	11
Nebraska	71.66	72.37	4	28
Nevada	109.33	116.54	1	4
New Hampshire	58.62	87.98	18	15
New Jersey	62.73	118.92	11.5	3
New Mexico	35.10	58.03	37	34
New York	64.92	133.60	10	1
North Carolina	25.75	33.17	42	41
North Dakota	62.65	78.29	13	23
Ohio	57.16	85.54	20	16
Oklahoma	31.90	41.56	39	38
Oregon	65.49	78.03	8	24
Pennsylvania	59.91	78.76	15	21
Rhode Island	59.52	94.00	16	8
South Carolina	23.60	25.59	46	40
South Dakota	73.65	81.26	3	19
Tennessee	29.89	31.69	40	43
Texas	34.39	51.44	38	36
Utah	51.11	62.20	29	33
Vermont	43.90	69.18	34	30
Virginia	38.27	35.38	35	40
Washington	65.26	81.79	9	18
West Virginia	52.59	57.03	28	35
Wisconsin	51.10	77.57	30	25
Wyoming	56.17	97.46	21	5

NOTE.—Data derived from Chism, Leslie L., The Economic Ability of the States to Finance Public Schools, Contributions to Education, no. 669, New York: Teachers College, Columbia University, 1936, p. 124, table 27, column 2; and population estimates of the Bureau of the Census. Taxpaying ability is based on the application to each State of the second model-tax plan of the National Tax Association as shown in Second Report on a Plan of a Model System of State and Local Taxation, 1933. Statistics of State School Systems, bulletin, 1933, no. 2, Washington, D. C.: Office of Education, Department of the Interior, p. 91, table 28, column 3. Data include interest but not capital outlay.

EXHIBIT B.—*Certain data reflecting the economic ability, effort, and educational opportunity in the States*

States	Economic ability								Effort						Opportunity			
	Wealth per capita [1]	Rank in column 2	Income per capita [2]	Rank in column 4	Retail sales per capita [3]	Rank in column 6	Percentage of taxpaying ability required for schools [4]	Rank in column 8 (inverted) [5]	Total States and local taxes per capita [6]	Rank in column 10	Current expenditures for schools per pupil enrolled [7]	Rank in column 12	Average salary per teacher, principal, and supervisor [8]	Rank in column 15	Value of school property per child enrolled [9]	Rank in column 17	Length of school term in days [10]	Rank in column 19
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Continental United States	$2,014		$409		$209.33		31.13		$50.94		$74.22		$1,417		$250		171.2	
Alabama	888	48	181	45	94.47	48	80.4	47	18.34	49	27.37	46	710	45	89	46	146.5	45
Arizona	2,402	17	402	18	174.48	32	35.0	29.5	56.96	15	91.29	13	1,605	9	188	32	170.8	29
Arkansas	1,097	44	170	47	96.52	47	65.0	43	18.36	48	24.08	49	593	49	90	45	137.8	47
California	2,083	30	580	4	320.05	2	27.5	15	71.05	4	119.98	2	2,189	4	391	3.5	178.7	15
Colorado	2,431	15	377	20	227.85	16	35.0	29.5	51.97	27	92.84	11	1,386	20	255	23	178.2	18
Connecticut	2,606	12	549	5	265.11	8	21.1	3.5	64.99	7	96.82	8	1,970	5	359	5	180.6	9
Delaware	2,075	31	722	2	243.31	11	24.8	10.5	65.15	6	89.91	14	1,631	7	311	11	184.0	4
District of Columbia	2,723	10	674	3	482.66	1			60.71	11	104.01	5	2,340	2	416	2	179.7	11
Florida	1,322	39	294	31	196.16	27	44.6	34	45.97	31	44.78	38	867	40	198	31	167.5	34
Georgia	1,055	47	189	43.5	121.02	43	67.5	44	23.50	47	25.27	48	690	46	74	49	137.4	48
Idaho	2,745	9	335	27	195.49	28	42.5	33	55.02	17	69.90	30	1,166	27	185	33	168.3	32
Illinois	2,275	23	537	8	227.32	18	24.1	8	52.43	24	89.85	15	1,598	11	337	8	188.3	1
Indiana	2,140	27	336	26	175.70	31	33.7	27	52.32	26	78.78	21	1,497	16	271	18	157.8	41

[1] National Industrial Conference Board, Conference Board Bulletin, May 20, 1933. The national total is distributed among the States on the basis of the percent of 1930, National wealth allotted to each State in table 4, p. 96, of the Conference Board Bulletin, Feb. 20, 1932. Per-capita figures are derived by use of total population figures reported by the Bureau of the Census.

[2] Sales Management, Apr. 20, 1934.

[3] Bureau of the Census, Department of Commerce, Washington, D. C., 1933.

[4] Ashby, Lyle W., The Efforts of the States To Support Education. Research Bulletin of the National Education Association, vol. XIV, no. 3, May 1936, p. 150. Taxpaying ability is based on taxes that could be raised in each State through the application on the second model tax plan of the National Tax Association. Funds required to support schools are based on the national average per pupil. The percentages here are those found by dividing the cost of a program of education in each State equal to the national average by the total taxpaying ability in that State.

[5] The ranks in this column are based on the smallest percentage being assigned rank 1, and the largest rank 48.

[6] Cost of Government, 1923-34, National Industrial Conference Board, pp. 28-29, tables 11 and 12.

[7] Statistics of State School Systems, Bul., 1933, no. 2, Office of Education, Department of the Interior, Washington, D. C., table 28.

[8] Ibid., table 18

[9] Ibid., table 15

[10] Ibid., table 3

[12] See exhibit C for distribution to each State and Territory.

EXHIBIT B.—*Certain data reflecting the economic ability, effort, and educational opportunity in the States*—Continued

States	Economic ability								Effort						Opportunity			
	Wealth per capita	Rank in column 2	Income per capita	Rank in column 4	Retail sales per capita	Rank in column 6	Percentage of taxpaying ability required for schools	Rank in column 8 (inverted)	Total States and local taxes per capita	Rank in column 10	Current expenditures for schools per pupil enrolled	Rank in column 12	Average salary per teacher, principal, and supervisor	Rank in column 15	Value of school property per child enrolled	Rank in column 17	Length of school term in days	Rank in column 19
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Iowa	$3,314	4	$266	35	$193.85	29	24.3	9	$60.97	9	$78.39	23	$1,096	30.5	$222	28.5	176.2	20
Kansas	2,594	13	312	30	174.38	33	34.6	28	50.93	28	73.79	28	1,123	28	274	16.5	172.0	27
Kentucky	1,074	46	218	42	116.65	44	60.2	42	25.40	44	32.64	43	835	42	101	43	155.4	43
Louisiana	1,278	42	239	38	125.62	42	50.6	37	34.09	38	40.88	40	895	39	124	40	156.1	42
Maine	1,988	37	354	24	230.74	15	31.3	21	53.13	21	62.54	33	952	34	206	30	178.5	17
Maryland	1,925	33	436	14	232.30	14	26.4	12	46.48	30	74.52	27	1,523	14	222	28.5	186.9	2
Massachusetts	2,414	16	533	9	285.97	5	21.1	3.5	71.78	3	97.25	7	1,845	6	338	7	180.0	10
Michigan	1,864	34	470	11	220.97	19	31.5	22	59.83	13	93.95	10	1,522	15	348	6	186.6	3
Minnesota	2,613	11	334	28	227.77	17	28.0	16	57.42	14	83.60	18	1,305	21	285	15	179.3	14
Mississippi	853	49	157	48	71.16	49	96.5	48	24.12	45	28.18	45	655	48	75	48	132.9	49
Missouri	2,163	26	355	23	208.56	24	29.6	18	37.30	35	65.09	32	1,230	25	232	27	178.6	16
Montana	3,266	5	384	19	206.47	25	31.2	20	54.51	18	92.79	12	1,184	26	274	16.5	173.0	26
Nebraska	3,013	6	286	33	200.57	26	30.9	19	42.39	33	72.37	29	1,051	33	259	22	175.0	23
Nevada	4,590	1	540	7	307.50	4	16.5	1	82.02	1	116.54	4	1,483	17	312	10	175.9	21.5
New Hampshire	2,333	20	358	22	236.41	12	21.4	6	64.68	8	87.98	16	1,258	22	260	21	177.8	19
New Jersey	2,303	21	543	6	250.16	9	21.5	7	69.83	5	118.92	3	2,192	3	391	3.5	183.1	5
New Mexico	1,583	37	260	37	127.56	40	57.5	40	32.16	39	58.03	35	1,096	30.5	105	42	170.7	30
New York	2,299	22	742	1	318.24	3	20.9	2	81.83	2	133.60	1	2,494	1	438	1	181.8	7
North Carolina	1,140	43	172	46	114.50	45	73.7	45	28.38	42	33.17	42	799	44	128	39	154.4	44
North Dakota	2,804	8	231	40	158.63	35	37.3	31	41.82	34	78.29	24	900	38	233	26	166.1	35
Ohio	2,198	25	434	15	213.19	21	27.0	13	54.13	20	85.54	17	1,573	12	296	12	174.8	24
Oklahoma	1,294	40	274	34	143.15	38	59.4	41	29.71	41	41.56	39	1,102	29	135	38	171.2	28
Oregon	2,816	7	411	17	234.85	13	32.8	24	60.23	12	78.03	25	1,439	18	262	20	161.2	38
Pennsylvania	2,356	19	446	13	209.11	23	24.8	10.5	49.41	29	78.76	22	1,630	8	288	14	181.2	8
Rhode Island	2,209	24	481	10	269.09	6	21.2	5	52.85	22	94.00	9	1,599	10	320	9	182.0	6
South Carolina	1,091	45	143	49	106.40	46	75.6	46	23.85	46	25.59	47	668	47	87	47	144.3	46
South Dakota	3,344	3	230	41	152.99	36	29.3	17	52.64	23	81.26	20	944	35	171	35	169.3	31
Tennessee	1,281	41	189	43.5	126.50	41	53.9	39	25.87	43	31.69	44	826	43	99	44	159.7	39
Texas	1,324	38	288	32	164.64	34	52.3	38	34.51	37	51.44	37	912	37	165	37	159.5	40
Utah	2,386	18	328	29	187.06	30	46.3	36	43.48	32	62.20	34	1,239	24	244	25	164.4	36
Vermont	1,836	35	348	25	216.90	20	33.4	26	52.39	25	69.18	31	931	36	181	34	174.6	25
Virginia	1,597	36	237	39	147.82	37	44.7	36	30.72	40	35.38	41	859	41	118	41	168.2	33
Washington	2,569	14	458	12	266.09	7	27.3	14	54.24	19	81.79	19	1,553	13	250	24	179.5	13
West Virginia	2,135	28	264	36	141.11	39	33.2	25	37.26	36	57.03	36	1,085	32	167	36	164.3	37
Wisconsin	2,108	29	373	21	210.62	22	31.8	23	60.84	10	77.57	26	1,388	19	289	13	179.6	12
Wyoming	3,443	2	423	16	248.27	10	39.6	32	55.23	16	97.46	6	1,250	23	270	19	175.9	21.5

EXHIBIT C.—*Allotments to the States under terms of S. 4793 and population 5 to 20 years old*
(Basis of distribution, per capita 5 to 20 years old)

States and Territories	Population, 5 to 20 years, inclusive	Allotment, first year	Allotment, second year	Allotment, third year	Allotment, fourth year	Allotment, fifth year and thereafter
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total	39,212,425	$100,000,000	$150,000,000	$200,000,000	$250,000,000	$300,000,000
Alabama	983,965	2,509,319	3,763,978	5,018,638	6,273,297	7,527,957
Arizona	141,371	360,526	540,789	721,052	901,315	1,081,578
Arkansas	677,542	1,727,876	2,591,814	3,455,752	4,319,690	5,183,628
California	1,407,496	3,589,413	5,384,119	7,178,826	8,973,532	10,768,239
Colorado	316,598	807,392	1,211,088	1,614,784	2,018,480	2,422,176
Connecticut	488,222	1,245,070	1,867,605	2,490,140	3,112,675	3,735,210
Delaware	70,305	179,293	268,940	358,586	448,233	537,879
District of Columbia	113,100	288,429	432,644	576,858	721,073	865,287
Florida	460,181	1,173,559	1,760,339	2,347,118	2,933,898	3,520,677
Georgia	1,093,535	2,788,746	4,183,119	5,577,492	6,971,865	8,366,238
Idaho	152,448	388,775	583,163	777,550	971,938	1,166,325
Illinois	2,173,060	5,541,764	8,312,646	11,083,528	13,854,410	16,625,292
Indiana	950,454	2,423,859	3,635,788	4,847,718	6,059,647	7,271,577
Iowa	744,533	1,898,717	2,848,075	3,797,434	4,746,792	5,696,151
Kansas	579,681	1,478,310	2,217,465	2,956,620	3,695,775	4,434,930
Kentucky	899,289	2,293,378	3,440,067	4,586,756	5,733,445	6,880,134
Louisiana	736,203	1,877,474	2,816,211	3,754,948	4,693,685	5,632,422
Maine	235,261	599,965	899,948	1,199,930	1,499,913	1,799,895
Maryland	489,969	1,249,525	1,874,288	2,499,050	3,123,813	3,748,575
Massachusetts	1,213,487	3,094,649	4,641,973	6,189,298	7,736,622	9,283,947
Michigan	1,439,475	3,670,966	5,506,449	7,341,932	9,177,415	11,012,898
Minnesota	794,969	2,027,340	3,041,010	4,054,680	5,068,350	6,082,020
Mississippi	743,979	1,897,304	2,845,956	3,794,608	4,743,260	5,691,912
Missouri	1,053,848	2,687,536	4,031,304	5,375,072	6,718,840	8,062,608
Montana	169,732	432,853	649,280	865,706	1,082,133	1,298,559
Nebraska	435,176	1,109,791	1,664,687	2,219,582	2,774,478	3,329,373
Nevada	23,141	59,014	88,521	118,028	147,535	177,042
New Hampshire	131,888	336,342	504,513	672,684	840,855	1,009,026
New Jersey	1,199,554	3,059,117	4,588,675	6,118,234	7,647,792	9,177,351
New Mexico	152,508	388,928	538,392	777,856	972,320	1,166,784
New York	3,455,921	8,813,332	13,219,998	17,626,664	22,033,330	26,439,996
North Carolina	1,237,001	3,154,615	4,731,922	6,309,230	7,886,537	9,463,845
North Dakota	246,937	629,742	944,613	1,259,484	1,574,355	1,889,226
Ohio	1,941,282	4,950,681	7,426,021	9,901,362	12,376,702	14,852,043
Oklahoma	844,372	2,153,328	3,229,992	4,306,656	5,383,320	6,459,984
Oregon	263,553	673,116	1,008,174	1,344,232	1,680,290	2,016,348
Pennsylvania	3,078,728	7,851,409	11,777,113	15,702,818	19,628,522	23,554,227
Rhode Island	206,676	527,068	790,602	1,054,136	1,317,670	1,581,204
South Carolina	714,305	1,821,629	2,732,443	3,643,258	4,554,072	5,464,887
South Dakota	235,717	601,128	901,692	1,202,256	1,502,820	1,803,384

EXHIBIT C.—*Allotments to the States under terms of S. 4793 and population 5 to 20 years old*—Continued

States and Territories (1)	Population, 5 to 20 years, inclusive (2)	Allotment, first year (3)	Allotment, second year (4)	Allotment, third year (5)	Allotment, fourth year (6)	Allotment, fifth year and thereafter (7)
Tennessee	916,594	$2,337,509	$3,506,263	$4,675,018	$5,843,772	$7,012,527
Texas	1,992,667	5,081,723	7,622,584	10,163,446	12,704,307	15,245,169
Utah	184,088	469,463	704,195	938,926	1,173,658	1,408,389
Vermont	105,951	270,198	405,297	540,396	675,495	810,594
Virginia	863,820	2,202,924	3,304,386	4,405,848	5,507,310	6,608,772
Washington	438,375	1,117,949	1,676,924	2,235,898	2,794,873	3,353,847
West Virginia	621,131	1,584,016	2,376,024	3,168,032	3,960,040	4,752,048
Wisconsin	898,828	2,292,202	3,438,303	4,584,404	5,730,505	6,876,606
Wyoming	70,116	178,811	268,217	357,622	447,028	536,433
OUTLYING POSSESSIONS						
Alaska	16,848	42,966	64,449	85,932	107,415	128,898
American Samoa	3,925	10,010	15,015	20,020	25,025	30,030
Canal Zone	11,908	30,368	45,552	60,736	75,920	91,104
Guam	6,925	17,660	26,490	35,320	44,150	52,980
Hawaii	127,354	324,780	487,170	649,560	811,950	974,340
Puerto Rico	651,395	1,661,195	2,491,793	3,322,390	4,152,988	4,983,585
Virgin Islands	7,038	17,948	26,922	35,896	44,870	53,844

PROPOSED FEDERAL MONETARY AUTHORITY

Mr. BORAH. Mr. President, I ask unanimous consent to have printed in the RECORD a proposed bill to establish a Federal monetary authority and dealing with the subject of control of the value of the currency under the Constitution of the United States. This bill represents the views of a number of persons who have given much time and study to the subject, and some of the farm leaders are also interested in the subject.

There being no objection, the proposed bill was ordered to be printed in the RECORD, as follows:

A bill to establish a Federal Monetary Authority, in order to maintain a stable value for the dollar and to prevent the injustices and economic disturbances caused by inflation and deflation, to establish thereby a dollar which a generation hence will have the same purchasing and debt-paying power as that to be attained under the provisions of this act in the near future, and to control the value of the currency as required by the Constitution of the United States under section 8, article 5

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. It is hereby declared to be the policy of the United States to restore as promptly as possible and maintain the normal purchasing power of the dollar, which shall, for the purposes of this act, be the average purchasing power of the dollar for basic commodities during the years 1924, 1925, 1926, 1927, and 1928, the average of the years being par, or 100.

POWERS OF THE FEDERAL MONETARY AUTHORITY

SEC. 2. (a) The Federal Monetary Authority established hereinafter in this act shall have power—

(1) To issue currency certificates in such amounts as the Authority from time to time finds necessary to carry out its powers. Such currency certificates shall be legal tender at face value for all debts, public and private, and shall be in such denominations, not less than $1, and in such size and form as the Authority may prescribe. All other authority of law to issue or reissue currency, except subsidiary coins, silver certificates and circulating notes of the national-banking associations, shall cease on the sixtieth day after this act goes into effect; and the authority to issue or reissue circulating notes of national-banking associations shall cease 2 years after the date of approval of this act. At the expiration of this 2-year period, circulating notes of national-banking associations shall be redeemed by them. For this purpose the Federal Monetary Authority shall supply its currency certificates for use in redeeming their outstanding notes receiving in exchange such eligible assets as may be available.

(2) To buy or sell gold bullion, bars, and coin in the free gold market at home or abroad whenever, in the judgment of the Authority, the price of gold in the free gold market is such as to make it desirable either to augment or reduce the gold reserve held by the Federal Monetary Authority. No such sale of gold bars shall be of an amount of gold less than $5,000 in value. All forms of lawful money heretofore redeemable in gold shall hereafter be redeemable only in circulating currency issued by the Authority. The Federal Monetary Authority may redeem in gold, at the current selling price fixed by it, its circulating currency, but only if such gold is necessary for use in the settlement of net debit balances in the international trade of the United States arising from ordinary commercial and financial transactions and for no other purpose. The decisions of the Federal Monetary Authority as to whether or not such net debit balance exists shall be absolute and final. For the purposes of this paragraph the Authority shall maintain a supply of gold bars of such weight and fineness as it may determine. All gold in the custody of the Authority shall be converted into such bars, which shall bear the stamp of the United States.

After the date of approval of this act no gold shall be coined, except for foreign countries, in accordance with the act of January 29, 1874 (U. S. C., title 31, sec. 367), and no gold bullion, bars, or coin or silver bullion or bars shall be exchanged or deposited with, or purchased, paid out, or delivered by the Government, except through the Authority as herein authorized.

(3) The Monetary Authority is hereby authorized and directed to purchase silver bullion, bars, and foreign coin at the prevailing market price, but not in excess of $1.29 an ounce, to sell such silver to the Secretary of the Treasury for coinage in such amounts as the Secretary of the Treasury deems necessary; and to sell silver bars at the prevailing market price. The aggregate of such purchases of silver bullion and bars shall be at least 1,000,000,000 ounces within 5 years, except that no purchase of silver bullion shall be made by the Authority at any time if at such time its aggregate holdings of silver exceed in value 25 percent of the value of the gold held by the Authority.

(4) To rediscount for any Federal Reserve bank, at rates to be established from time to time by the Authority, any notes, drafts, bills of exchange, or acceptances, bearing the endorsement of such Federal Reserve bank, and heretofore eligible as collateral security for Federal Reserve notes.

(5) To purchase and sell any interest-bearing obligation of the United States with a maturity from date of purchase not in excess of 12 months.

(6) To purchase and sell in the open market bankers' acceptances and bills of exchange bearing the endorsements of two or more domestic banks and eligible for rediscount by Federal Reserve banks.

(7) To purchase and sell foreign exchange.

(8) Hereafter to exercise the powers vested in the Secretary of the Treasury by section 11, paragraph 26 (n) of the Federal Reserve Act, as amended.

(b) The Authority shall not receive current funds for deposit, exchange, or collection other than for its own account.

FEDERAL RESERVE AND TREASURY GOLD

SEC. 3. All gold coin, bars, and bullion now or hereafter held in the Treasury shall be held in custody for the Authority and delivered upon order of the Authority.

THE FEDERAL MONETARY AUTHORITY

SEC. 4 (a). There is hereby established an independent agency of the Government to be known as the Federal Monetary Authority. The powers and duties vested in or imposed upon the Authority by this act or other law shall be exercised or performed by the executive officers of the Federal Monetary Authority at the direction of a board of seven directors to be appointed by the President of the United States, by and with the advice and consent of the Senate. These directors shall be charged with responsibility for managing the dollar equitably with reference to the interests of agriculture, industry, commerce, finance, and labor with a view to maintaining a stable dollar with unvarying buying power in relation to a cross section of principal basic commodities.

(b) The President shall designate one of the directors as chairman of the Board; who shall be the chief executive officer of the Authority. The chairman of the Board shall receive compensation at the same rate as is now or may hereafter be provided by law for the Chief Justice of the Supreme Court of the United States, and the other directors shall receive compensation at the same rate as is now or may hereafter be provided by law for Associate Justices of such Court. The directors shall hold office during good behavior. A director shall be removable from office by concurrent resolution of both Houses for failure to carry out the mandates imposed by the provisions of this act. A director may otherwise be removed only upon impeachment and conviction by the Senate under the Constitution of the United States for misbehavior in office, treason, bribery, or other high crimes or misdemeanors. The directors, other than the chairman, shall have precedence according to the dates of their commissions, or, in case of directors

whose commissions bear the same date, according to seniority of age. In case of a vacancy in the office of the chairman, or of his inability to perform the duties of his office, the other director who is first in precedence shall perform such duties until such disability is removed or another chairman is appointed and duly qualified. Five directors of the Board shall constitute a quorum.

(c) The Monetary Authority shall render to the Congress, not less than once in each year, a report upon its operations and calculations. At such times as the President, or the Congress by concurrent resolution, may determine, the President shall cause an audit and report to be made to him of the operations of the Authority. Such audit shall be made available for inspection by representatives of the Banking and Currency Committees of the Senate and of the House of Representatives. The President shall make public such audit and report if such action, in the opinion of the Monetary Authority, is consistent with the public interest.

(d) The net profits derived from the operations of the Authority, after deductions for such reserves as the Authority deems necessary, shall from time to time be transferred to the Treasury upon direction of the President.

DECLARATION OF POLICY

SEC. 5. (a) The United States Bureau of Labor Statistics is hereby directed to cooperate in such manner as may be called for by the Federal Monetary Authority in calculating and maintaining currently a suitable index of not less than 40 principal basic commodity prices weighted according to their importance in the economy of the United States. Periodical reports of calculations and of the methods of calculation shall be made once a month.

It shall be the duty of the Federal Monetary Authority to maintain the dollar substantially constant at par or 100 in purchasing power in relation to this index of prices of basic commodities.

(b) The powers of the Authority shall be exercised to such extent and in such manner as, in the judgment of the Authority, will best effectuate the declared policy.

EFFECTIVE DATE

SEC. 6. This act shall take effect July 1, 1936, or sooner by proclamation of the President.

SHORT TITLE

SEC. 7. This act may be cited as the "Monetary Authority Act for 1936."

LOUD-SPEAKING SYSTEM IN THE SENATE CHAMBER

Mr. BILBO submitted the following resolution (S. Res. 326), which was ordered to lie on the table:

Whereas it is evident to every Member of the Senate, as well as to all visitors to the Senate galleries, that the acoustic properties of the Senate Chamber are very poor and unsatisfactory; and

Whereas it is the ardent wish and desire of every Member of the Senate, as well as visitors to the galleries, to hear and understand every statement and speech made by Members of the Senate; and

Whereas the recent developments of loud-speaking instruments are so thoroughly improved and perfected that they can be installed upon the top or side of each Senator's desk without obstruction and inconvenience, making it possible for every Senator to be heard in all parts of the Senate Chamber and galleries as well when speaking from his desk; and

Whereas it is necessary for Senators in the rear of the Senate Chamber to leave their seats and occupy, or attempt to occupy the seats of other Senators at the front and near the President's chair if they hear or understand anything that is said and done, and in doing this it is not only embarrassing to the intruder, or trespasser, but it is exceedingly annoying to the older Members of the Senate who, by right of seniority, occupy these seats of advantage; and

Whereas if it were possible for each and every Member of the Senate to hear everything that is said and done on the floor of the Senate, it would bring about a more satisfactory and expeditious transaction of the business of the Senate; and

Whereas the Senate Rules Committee has the power, right, and authority to direct the installation of a loud-speaking system in the Senate: Now, therefore, be it

Resolved, That the Rules Committee be respectfully requested and urged to give favorable consideration to the proposition of directing the Sergeant at Arms to install a loud-speaking system in the Senate Chamber before the convening of the first session of the Seventy-fifth Congress.

STATEMENT ON THE WORLD POWER CONFERENCE BY SENATOR GUFFEY

Mr. GUFFEY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement by me on the Third World Power Conference.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON THE WORLD POWER CONFERENCE

As Congress will adjourn shortly, I take this opportunity to report on what has been done in preparation for the Third World Power Conference to be held in the city of Washington, September 7–12. You will remember that last February the Congress authorized the Government to extend an invitation and appropriated $75,000 for the expenses of the World Power Conference, and an official invitation in accordance with this legislation was issued by the President.

As I am now informed, the response to this invitation guarantees a notably successful conference. Definite acceptances have been received from 39 nations, including all the great industrial powers. This assures us that at the Third World Power Conference—the first to be held in this country—some 50 nations will be represented, about 700 delegates will come from foreign nations, and total attendance will be around 3,000.

Perhaps the most significant feature of this conference is the cooperation between representatives of government and private industry. The utility and electric industries are contributing to the support of the conference. Their representatives are taking an extremely active part in the work of the conference committees and in the preparation of conference program papers.

This active cooperation has been evident to all who have come into contact with the preparations for the World Power Conference.

You may want to ask: Who is running this World Power Conference? Well, in the first place, the officers of the conference are:

Honorary president, President Franklin D. Roosevelt; honorary vice president, Secretary of the Interior Harold L. Ickes; chairman, William F. Durand, the distinguished scientist and consulting engineer, now resident in California, whose services have so often been requisitioned by the Government; the director of the conference, Mr. O. C. Merrill, consulting engineer and former executive secretary of the Federal Power Commission.

Active direction of the conference and all preliminary planning are in the hands of a working executive committee of 19, composed of Morris L. Cooke (chairman), C. W. Appleton, James C. Bonbright, Floyd L. Carlisle, Frank D. Comerford, Gano Dunn, Robert H. Fernald, A. C. Fieldner, Daniel C. Green, David E. Lilienthal, William McClellan, Frank R. McNinch, Maj. Gen. Edward M. Markham, O. C. Merrill, I. E. Moultrop, T. W. Norcross, Richard Southgate, C. E. Stephens, and Joel David Wolfsohn.

In other words, this committee is practically evenly divided between representatives of the public and of private industry. From the beginning all regular meetings of the committee have been well attended and its members have been in frequent consultation on questions of conference policy. Everybody is hard at work, and they are getting results.

How about the World Power Conference program? Who is responsible for it? Let me tell you very briefly: The first World Power Conference was held in London in 1924, taking up all phases of power, both technical and economic. The Berlin Conference in 1930 and some of the regional conferences in between ran largely into technical discussions. So it was decided by the permanent organization of the World Power Conference to concentrate on economic issues pertaining to power production and distribution at the next conference. After the decision to meet in this country a draft was made of a program, listing 18 papers under the general heading of The National Power Economy. This was submitted last October and November to 47 individuals, including the entire executive committee, which had by this time been chosen. A few slight changes were suggested and made. This program was unanimously approved on November 19 at a meeting of the executive committee, at which 16 of the 19 members were present. The program was distributed in final printed form on December 12 and met with general commendation.

The World Power Conference has developed an efficient organization. A small staff is now working in offices in the Interior Building. This includes writers, translators, editors, and secretaries handling necessary publicity and the conference papers.

Several publications designed to stimulate attendance at the conference have been issued, in most cases in English, French, German, and Spanish. Other bulletins on specific phases of conference activities are in preparation.

In order to arouse more interest in the conference and to explain plans of the American committee, three envoys were sent to foreign countries. Dr. Roscoe R. Hill, Chief of the Classification Division of the National Archives, visited every South American capital. Dr. Charles K. Ludewig, of the Pan American Union, went to Mexico and Central America. Dr. Harlow S. Person visited 13 countries and 18 cities in Europe.

I might explain that each participating country in the World Power Conference has been asked to submit one or more papers dealing with each of the 18 heads into which discussion of the general topic is divided. Up to date, I am told, there have been received for editing and printing 200 program papers from 22 countries.

I have pointed out that the Washington program is largely economic—and for excellent reasons. But the desire of engineers from abroad to become acquainted with the latest engineering practice in this country will be amply satisfied. The sessions of the second congress on large dams, held concurrently with the Third World Power Conference, are strictly technical. Moreover, a series of World Power Conference technical study tours have been planned under the sponsorship of the engineering societies of the United States and the trade associations of industries concerned with power.

These will take the foreign delegates through plants, laboratories, power projects, etc., in or near New York, Pittsburgh, Schenectady, Niagara Falls, Cleveland, Detroit, Chicago, Zanesville, and into the Tennessee Valley, with one tour taking delegates to the important power projects on the Pacific coast. Delegates may take these tours either before or after the conference. Prospective delegates from abroad have shown great interest in

these tours, which engineers and scientists look upon as a valuable new departure in connection with a conference of this sort. Besides the inspection trips on the tours, there will be round-table discussions based on the study of the most significant examples of modern practice of power engineering both here and abroad.

Meetings of the conference will be held in Constitution Hall and Government auditoriums. The convention headquarters will be in the Mayflower Hotel. At the conference sessions the language problem will be solved by the simultaneous transmission from the platform of utterances in four languages—English, French, Spanish, and German—by means of a telephone apparatus.

Exhibits at the conference showing the latest developments of power will include displays from Government power agencies, electrical manufacturers, and utilities. Space in the National Museum and the Mayflower Hotel will be used. The Rural Electrification Administration will show an electrified farm a few miles from Washington.

So there will be plenty to see as well as to hear at the World Power Conference.

But let me return to the program for a minute. The list of American writers on the conference program, as made public, contains many notable names—such representatives of government as Isador Lubin, Judson C. Dickerman, Robert E. Healy, Arthur Morgan, H. H. Bennett, Basil Manly, J. D. Ross; of the utilities as Floyd L. Carlisle of Consolidated Edison, John E. Zimmerman of United Gas Improvement, James F. Fogarty of North American, Harrison G. Roby of the Byllesby organization, W. S. Finlay of West Penn Electric, and Norman R. Gibson of Niagara-Hudson. Government agencies are cooperating with private agencies in the preparation of these papers.

In every case where a session subject involves a sharp difference of opinion each point of view will be presented.

Thus the conference will provide a forum where all sides of controversial questions involving power may be presented fully and freely without recourse to politics or personalities.

This is, indeed, one of the primary functions of the Third World Power Conference. It will put the power economy questions which agitate so many countries on a broad international basis. It will afford opportunity for comparing experience in the various attempts to solve these problems. It will give engineers and technicians a rare chance on the study tours to study operation and construction under varying conditions. Thus the Third World Power Conference will aid in the technical progress of power production and distribution. And it will also help us to understand those problems upon whose solution depends the full realization of the industrial, economic, and social benefits of the power age.

Some members of the congress are members of the American committee of the World Power Conference; others have been chosen as delegates from their States. And all are invited to become members of the conference, or at least to arrange their plans for the summer so as to attend some of the sessions in Washington the first week in September. In fact all American citizens interested in any of the technical or economic problems of power will be welcome.

CONDITION OF AGRICULTURE

Mr. HARRISON. Mr. President, as agriculture prospers, so prospers the Nation. When the hand of spoliation grips the throat of agriculture, those engaged in every other business are adversely affected.

During the last year of the Hoover administration, agriculture dropped to depths of economic despair and reached the most critical point in our history. For 12 years, agriculture leaders had been pointing out to those in authority that the rules of our economic game were so framed that farmers simply could not win. They pleaded for a change in those rules, so that the farmers might be given an equal chance with those engaged in other industry. Those of us who were then in authority and whose hearts were attuned to the farmers' progress and welfare, week by week charged the ramparts of special privilege and sought to carve a legislative pathway, that those engaged in agriculture might find their way out of the economic wilderness through which they had groped so long. But our pleas were steadfastly ignored, and our efforts were repulsed. There were sops; there were gestures; but nothing effective was done to remove the handicaps under which the farmers labored.

In those 12 years the American farmers' share in the national income had declined in startling fashion. It went from 20½ percent in 1919 to 7½ percent in 1932. The power of the agricultural population to buy factory goods and commercial, financial, and professional services was almost nullified. The result was disastrous for the whole Nation. Trade dropped off; bank deposits declined; the merchant was faced with insolvency; transportation on the railroads became negative; men and women by the millions were thrown out of employment on the farm, in the factory, and in commercial institutions. Business became paralyzed. With unerring certainty the reasons were traceable to the deplorable conditions in agriculture.

My own State of Mississippi did not escape the consequences of this unfair treatment of agriculture. How could it, when about 65 percent of its population live on farms and virtually two-thirds of its area is in cultivation? Mississippi, in fact, furnishes a startling example of what was happening to the agricultural industry of the whole Nation.

During the 4-year period from 1924 to 1928 the gross income of Mississippi farmers from crop and livestock production averaged $268,000,000 a year. In the last year of the Hoover administration, 1932, it tumbled to $97,000,000.

This loss of farm purchasing power struck at all trade and all industry in my State. Misery and hardship prevailed throughout when agricultural, commercial, and industrial activity came to a standstill in the years immediately before Franklin D. Roosevelt was inducted into office.

That was the picture of the 12 years before 1933, but since that year there has been a complete transformation in agriculture. President Roosevelt entered the White House in March of that year. Under his leadership the Federal Government has launched measure after measure for the restoration of farm purchasing power, and bill after bill has been passed intended to cure agriculture of its ills and give health and strength and vigor to its economic life and place it upon an equal footing with that of other industries.

A few months ago Chester C. Davis, then Administrator of the Agricultural Adjustment Act, and now the farmers' representative on the Federal Reserve Board, addressing a group in New York City, said in part:

> My task is to inquire into the extent to which the Agricultural Adjustment Act has contributed to national recovery, as well as to farm recovery. * * * While total retail trade for the United States was still shrinking, being only $25,000,000,000 in 1933, as compared with $25,600,000,000 in 1932, rural retail sales rose from $3,900,000,000 in 1932 to $4,700,000,000 in 1933. In 1934 rural retail sales advanced further, to an estimated $5,800,000,000, while total retail trade rose to $28,500,000,000. According to preliminary estimates, rural retail trade for 1935 will increase to $6,900,000,000 and total retail trade to $30,700,000,000. There is no question that, in point of time, a measure of industrial recovery has followed farm recovery; nor that increased rural buying has been an important part of the general improvement.

Let me return to my own State for another example, an example of what has happened among my own people, engaged in agriculture since 1933. Their cash receipts, from the sale of their principal farm products, increased from $70,000,000 in 1932 to $132,000,000 in 1935. The farmers in my State who cooperated in the cotton-, corn-, and hog-adjustment programs for that year received in rental and benefit payments, under the Agricultural Adjustment Act, $15,500,000. Mississippi farmers received 87 percent more for their principal products in 1935 than they had received during the last year of the Hoover administration.

A further explanation of their increased prices lies in the important increases in prices of farm products between the last year of the Hoover administration and since Mr. Roosevelt and the Democratic Party has had control of the Government, increases that occurred with the removal of most of the burdensome surpluses which had been forcing farm prices down, and the establishment of a better balance between production and market requirements, while Government loans to producers, secured by commodities themselves, enabled farmers to take advantage of rising prices and to hold their products for a favorable market, instead of being compelled to dump them on a glutted market at harvest time, and take what they could get for them.

I would not minimize the beneficial effect to the farmers of my State in the form of adjusted payments. It was not a negligible factor in increasing farm income. For many farmers the benefit payment was a most important part of the cash receipts, and these payments, added to the profits from cotton options in connection with the 1933 cotton program, and with the price-adjustment payments made in 1935 to assure producers of 12 cents a pound for their cotton,

totaled $48,000,000 that was distributed in Mississippi in less than 32 months.

The following table tells the story of the price rises in important farm products of my State between the last Hoover year and 1935:

Annual average prices received by Mississippi farmers, 1932 and 1935, for commodities enumerated

Commodity	Unit	1932	1935 (preliminary)
		Cents	*Cents*
Corn	Bushel	54.0	80.0
Oats	Bushel	33.0	63.0
Cotton:			
Lint	Pound	6.82	11.30
Seed	Ton	1,219.0	3,370.0
Hogs	Hundredweight	385.0	690.0
Beef cattle	Hundredweight	235.0	335.0
Veal calves	Hundredweight	345.0	460.0
Chickens	Pound	11.0	13.8
Butterfat	Pound	14.0	25.0
Eggs	Dozen	12.2	20.1
Potatoes	Bushel	72.0	90.0
Sweetpotatoes	Bushel	53.0	75.0

Not a farm product the price of which, due to the efforts of the Roosevelt administration, has not been increased from 50 percent to 100 percent. Take cotton as an example. It stands out boldly. In 1932 the farm value of cotton lint and cottonseed had fallen to forty-six and one-half million dollars from a figure of one hundred and ninety-two and one-half million dollars in 1929.

The first crop-adjustment program launched under the Agricultural Adjustment Act was the one for cotton in 1933, the first year of the Roosevelt administration. That year the value of the cotton crop rose to $69,000,000. In 1934 it rose to $89,000,000, and in 1935 to more than $90,000,000. Adding the cotton rental and benefit payments, profits on cotton options and price-adjustment payments in connection with the 1935 crop, gives a total for that year to the cotton farmers of Mississippi of one hundred and seven and one-half million dollars. This is an increase of 134 percent over the last year of the Hoover administration of farm value of lint and seed.

Anyone can appreciate how important and beneficial the program was to my State when more than 90 percent of the farmers of Mississippi raise cotton.

As a matter of information, here is a table that shows by counties in the State of Mississippi the distribution of rental and benefit payments and profits from cotton options:

Rental and benefit payments and profits on cotton options made in connection with the cotton and corn-hog programs from the beginning of those programs through Feb. 29, 1936, for the State of Mississippi, by counties

County	Cotton	Profits on cotton option	Corn-hogs	Total
Adams	$141,809.47	$28,285.02		$170,094.49
Alcorn	298,703.99	48,201.98	$726.23	347,632.20
Amite	312,784.24	55,880.14		368,664.38
Attala	312,113.93	70,214.77		382,328.70
Benton	167,863.22	39,848.14		207,711.36
Bolivar	2,944,473.26	626,457.36		3,570,930.62
Calhoun	215,384.25	44,937.00	5,038.39	265,359.64
Carroll	261,192.46	34,563.18		295,755.64
Chickasaw	266,867.25	54,851.79	4,098.65	325,817.69
Choctaw	119,517.30	26,222.50		145,739.80
Claiborne	152,944.56	29,746.98	11,284.20	193,975.74
Clarke	162,209.05	38,085.21		200,294.26
Clay	185,848.24	55,160.10	9,153.05	250,161.39
Coahoma	1,708,691.25	502,163.56		2,210,854.81
Copiah	169,102.47	43,630.23		212,732.70
Covington	331,431.98	55,982.55		387,414.53
De Soto	633,513.14	165,318.77		798,831.91
Forrest	62,622.67	8,992.64		71,615.31
Franklin	127,324.29	11,989.05		139,313.34
George	50,733.14	12,551.09		63,284.23
Greene	37,387.17	8,844.87		46,232.04
Grenada	197,114.58	41,209.12	4,352.17	242,675.87
Hancock	77.00			77.00
Harrison	240.30			240.30
Hinds	643,871.61	158,307.08	4,665.73	806,844.42
Holmes	840,593.68	171,092.61		1,011,686.29
Humphreys	839,701.78	160,263.25		999,965.03
Issaquena	210,397.40	58,115.96		268,513.36
Itawamba	247,839.52	32,630.03		280,469.55
Jackson	1,254.06	226.42		1,480.48

Rental and benefit payments and profits on cotton options made in connection with the cotton and corn-hog programs from the beginning of those programs through Feb. 29, 1936, for the State of Mississippi, by counties—Continued

County	Cotton	Profits on cotton option	Corn-hogs	Total
Jasper	$273,102.81	$77,099.86		$350,202.67
Jefferson	166,995.54	44,512.91	$1,880.07	213,388.52
Jefferson Davis	360,044.11	90,367.47		450,411.58
Jones	352,773.01	81,113.72		433,886.73
Kemper	283,888.52	79,383.66		363,272.18
Lafayette	250,573.70	69,956.68	1,598.16	322,128.54
Lamar	100,351.11	18,572.73		118,923.84
Lauderdale	249,167.72	47,186.93	4,674.15	301,028.80
Lawrence	250,786.22	59,195.79		309,982.01
Leake	333,036.78	60,409.19	233.21	393,679.18
Lee	545,955.15	89,638.95	890.25	636,484.35
Leflore	1,492,580.83	315,045.25		1,807,626.08
Lincoln	284,619.27	91,140.46	358.99	376,118.72
Lowndes	290,288.10	65,524.00	2,028.45	357,840.55
Madison	732,255.02	217,964.75		950,219.77
Marion	316,754.66	44,874.19		361,628.85
Marshall	469,539.05	141,692.55		611,231.60
Monroe	484,473.57	104,693.24	23,294.15	612,460.96
Montgomery	184,854.53	40,030.34	189.61	225,074.48
Neshoba	474,960.83	75,326.99	4,130.55	554,418.37
Newton	396,526.23	82,952.74		479,478.97
Noxubee	333,973.71	88,641.07		422,614.78
Oktibbeha	119,792.30	29,495.28		149,287.58
Panola	590,558.88	130,126.39	58.20	720,743.47
Pearl River	15,707.08	2,912.63		18,619.71
Perry	49,806.25	13,873.03		63,679.28
Pike	235,484.33	61,175.01		296,659.34
Pontotoc	375,676.25	82,079.40		457,755.65
Prentiss	319,814.64	55,521.88	90.00	375,426.52
Quitman	890,377.74	194,943.94		1,085,321.68
Rankin	218,202.33	39,905.29	780.49	258,888.11
Scott	297,230.91	66,370.30		363,601.21
Sharkey	606,373.80	140,466.02	701.31	747,541.13
Simpson	316,531.10	72,758.93	275.33	389,565.36
Smith	307,315.04	58,259.66	66.21	365,640.91
Stone	6,961.89	1,217.32		8,179.21
Sunflower	2,591,371.76	547,901.45		3,139,272.21
Tallahatchie	948,244.82	203,410.13		1,151,654.95
Tate	388,755.62	97,691.76		486,447.38
Tippah	359,327.85	62,789.67	166.90	422,284.42
Tishomingo	219,596.43	49,021.90	2,988.25	271,606.58
Tunica	773,152.43	225,452.35		998,604.78
Union	348,101.64	89,046.86		437,148.50
Walthall	371,515.04	52,418.75		423,933.79
Warren	141,665.01	32,340.33	864.09	174,869.43
Washington	1,747,892.94	478,285.86		2,226,178.80
Wayne	154,202.80	41,295.68		195,498.48
Webster	187,502.05	37,987.18		225,489.23
Wilkinson	114,244.64	24,178.65		138,423.29
Winston	260,291.62	57,351.21	10,849.85	328,492.68
Yalobusha	175,445.12	38,102.36	2,390.13	215,937.61
Yazoo	892,591.49	231,217.13	2,415.78	1,126,224.40
Total	34,294,840.53	7,786,691.18	100,242.55	42,181,774.26

I do not believe there can be found a more appreciative and patriotic lot of farmers in the country than in my State of Mississippi. They welcomed the agricultural adjustment; they voted for the cotton program under the Bankhead Act, submitted to them by the Agriculture Department, under the provisions of the act itself, by an overwhelming vote of 9 to 1.

This indicates the fine cooperative spirit and sentiment of the cotton farmer of Mississippi. They felt the tragic blow, and gave full expression to their feelings when the highest Court of our land held the Agricultural Adjustment Act unconstitutional. I do not know when I will receive so many earnest appeals and sincere solicitations as I did following that decision in letters by the thousands that came to me from the farmers of Mississippi, pleading for me and my colleagues in the Congress, the President and his associates, to find a substitute that might be workable and sustain them in their efforts to control production and maintain reasonable prices. And it is gratifying to me to receive such fine and grateful expressions from the farmers of every part of my State for the enactment at this session of Congress of the Soil Conservation Act. They know by that act, even though these benefit and rental payments intended to curtail production cannot longer be collected out of the processing tax, that they will receive, under the terms of the law and out of the Federal Treasury direct, those benefit payments for soil conservation and protection.

But these acts are only a part of the work of the Roosevelt administration in behalf of agriculture. Congress has made available to the Agricultural Adjustment Administration some

$50,000,000 to assist in the eradication of cattle diseases. The money is being spent in furthering and stimulating a campaign long under way for this purpose, in which the Federal Government and the States have cooperated. Under it some 1,231,500 Mississippi cattle have been tested for tuberculosis and about 50,230 for Bang's disease. Three hundred and twenty-seven thousand dollars have been allotted to and expended in Mississippi for the eradication of tuberculosis, and already for the eradication of Bang's disease nearly half of the $300,000 allotted to Mississippi has been expended.

Milk is an important source of farm income in Mississippi. Milk producers in that State have been deriving an average annual income of about $7,000,000, and the importance of the measures undertaken to safeguard the health of cattle herds and make them more efficiently productive can hardly be overestimated. The health of the people who consume milk cannot be measured in dollars and cents.

Year before last the screw-worm menace that kills cattle, sheep, and swine became prevalent in southern Mississippi. Federal funds were immediately granted and every effort extended, through experts' advice and other means, to assist the counties to fight and eradicate this dreaded menace.

The burden of Mississippi farmers has been measurably lightened by the activities of the Farm Credit Administration and the Resettlement Administration. During the Roosevelt administration the following number and amount of loans have been made by agencies under the supervision of the Farm Credit Administration:

	Number	Amount
Federal land banks	1,645	$5,229,500
Land-bank commissioners	11,205	10,029,475
Production Credit Association	24,204	11,221,621
Emergency crop loans	51,291	2,758,727
Total	88,345	29,239,323

By scaling down indebtedness and by reducing interest and extending maturity dates the Federal land banks and land-bank commissioners have enabled large numbers of farmers to retain possession of their farms, while the Production Credit Association and emergency crop loans have permitted an even greater number to purchase the seed, livestock, and equipment they needed to continue their farming operations. The emergency crop loans have not averaged a large amount in Mississippi. The number made was less than 60,000, and the average was only $54; but these small loans have been a godsend to many worthy small Mississippi farmers who, by means of them, have been able to stay off the relief rolls. These hard-working people did not want charity. They needed enough credit to continue planting and working. It is most gratifying to the Representatives of Mississippi in Washington that Mississippi farmers rank at the top in paying back these loans to the Government.

I shall always take pride in the fact that when this depression overtook us I employed my every effort and influence in trying to give some relief to the Federal land banks through appropriations out of the Federal Treasury that the unfortunate people in my State and elsewhere who were unable to meet their installment payments might be given every reasonable continuance that their farms might be saved to them. No doubt there are thousands of most deserving men and women who have lost their farms through foreclosure, not because of any fault on their part but because of the extraordinary economic conditions confronting the country, making it impossible for them to meet their obligations. I have no doubt that many mistakes have been made and errors committed in some of these foreclosures. My every sympathy goes out to those unfortunate people; but I do know that those of us here in sympathy with them have made every plea and performed every act, from making appropriations out of the Federal Treasury to writing letters to the heads of governmental agencies, in the hope that some way might be found to give them relief and assistance.

The Resettlement Administration allotted $3,570,000 for loans to 15,000 Mississippi farm families, and on May 12 of this year $2,684,489 had already been advanced on 14,500 loans.

Up until May this year more than 12,000 grants to 7,380 different families in Mississippi had been made through the Resettlement Administration in Mississippi, and I am told that this amount will be increased perceptibly before the end of the fiscal year. Five hundred and seventy-nine farmers have had their debts reduced through the Resettlement Administration.

In addition to the rural rehabilitation program, which directly affects the greatest number of persons, the Resettlement Administration is carrying on in Mississippi two other programs. Liberal appropriations have been made for that purpose. One of them, the land-use program, returns to public ownership and develops for public uses agricultural lands which cannot support the farmers now living on them. The other, the resettlement program, offers to farmers, from submarginal lands—to successful rehabilitation clients, to those who have been tenants, sharecroppers, or dispossessed owners, and to newly married young people of agricultural background who are without other resources—the opportunity to settle upon good agricultural land and thus to become again self-supporting and independent members of their communities. In such conditions as now confront us, as a social and economic advancement, why should not aid and assistance be given to those unfortunate individuals whose sole possession consists of a large family, in many cases, and lands unsuitable for economic production of crops or the unhealthful conditions of which threaten the length of human life? And so, for the first time in history, this Government—in Mississippi as well as elsewhere—has offered to these unfortunate individuals aid and assistance in the purchase of their land and the opportunity to buy elsewhere, so that fruit may be gathered from their labors and hope and encouragement take root in their breasts.

Who can find fault with a governmental policy that seeks to give to the ambitious young man and young woman, whose whole background has been reflected in agriculture and whose every fiber of their being is attuned to the spirit of agriculture, an opportunity to join hands and provide a home and lay the foundation of real citizenship?

The Resettlement Administration has already obligated to purchase in Mississippi 112,000 acres of submarginal land at a cost of $676,000. Two projects have been approved in the northern section of the State embodying lands in the counties of Winston, Noxubee, Oktibbeha, Choctaw, Chickasaw, and Pontotoc. Funds are now available for the acquisition and development for public use of the lands embodied in these projects.

The Federal Government has planned 12 rural resettlement projects in the State. It is now purchasing land and doing construction work on six active projects that together will cost $900,000 and benefit more than 250 families. Four of these projects are already established. The McComb City homesteads in Pike County; the Magnolia homesteads in Lauderdale County; the Tupelo homesteads in Lee County; the Hattiesburg homesteads in Forrest County. The other two projects are the Richton homesteads, in Perry County, which seeks to take care of more than 50 families, and the Mississippi tenant security project, covering all or part of 10 counties, for more than 100 families.

Farm improvement in Mississippi under the Roosevelt administration includes the State's share in the national reforestation program, designed primarily to preserve our natural resources and indirectly to help prevent floods. The Federal Government has already spent or obligated over $3,000,000 on the De Soto National Forest of Mississippi, and the total cost of this project when completed is expected to exceed $5,000,000. This forest reserve was created out of submarginal land which the farmer could not use profitably.

Thousands of trees best suited to the Mississippi climate have been planted, and many other measures have been taken to protect and improve the forests of the State.

Under the reforestation program, when the sale of timber, grazing rights, or other assets results in a profit to the Federal Government, 25 percent of the gross returns are to be turned over to the county in which the land is situated for school and road improvements.

Recently the activities of the National Forestry Commission were broadened and additional funds allocated for the purchase of lands. At this session of Congress we added $2,500,000 more for that purpose. Mississippi has received greater benefits under this program than has any other State in the Union. More than 1,000,000 acres are to be acquired under the program.

Assisting in this great program of reforestation and the fighting of soil erosion and its resulting floods, the Civilian Conservation Corps has played an important part in Mississippi. The number of young men working in Mississippi under this program increased from 4,400 in the spring of 1933 to over 12,200 in the summer of 1935. Altogether more than 20,000 young men have been enrolled in the Civilian Conservation Corps of our State.

In addition to the important material accomplishments of the Civilian Conservation Corps, the remarkable educational program of this organization has been of great value to the unemployed youth of our country. Not only do they receive food and shelter and clothing while being paid for their work, but as a result of their training these young men will be better prepared to meet the problems of life. The educational program includes vocational training and practical academic courses made available to young men who otherwise would not be able to continue their education. This well-rounded program provides for the mental and spiritual development of youth as well as for physical welfare, while at the same time preserving the natural resources of Mississippi.

An allocation was made by the Works Progress Administration for the construction of a starch plant at Laurel. This experimental project, already meeting with success, means much to the farmers of the southern part of the State, by creating an important market for their sweet potatoes, from which the starch is made. This starch was recently tested and used by the Bureau of Printing and Engraving and found entirely satisfactory as an adhesive for postage stamps and for similar uses. That Bureau alone uses 1,000,000 pounds of starch a year, and the importance of this development is therefore readily realized by Mississippi farmers.

New automobile registrations in Mississippi increased 250 percent, going from 7,368 in 1932 to 25,799 in 1935. The rise in automobile purchases meant, among other things, an increased gasoline consumption. Consumption of gasoline in Mississippi went from 107,623,000 gallons in 1932 to approximately 147,335,000 gallons in 1935.

The number of commercial failures in Mississippi, according to a reliable trade organization, declined from 330 in 1932 to 156 in 1933, and to but 66 in 1935. In other words, failures of the type mentioned in Mississippi were last year only 20 percent of what they had been 3 years earlier.

The indexes of increased economic activity that I have given are but a minor part of the flood of evidence that all of us have witnessed.

The new agricultural conservation program, authorized by the Soil Conservation and Domestic Allotment Act, is now in full swing in Mississippi. Our farmers are cooperating magnificently in it. Soil erosion in Mississippi has already caused untold damage, while overcropping and the failure to rotate crops properly have also taken their toll in valuable soil fertility. The Soil Conservation Service finds that gullying, in different degrees of severity, has affected more than 14,000,000 acres of Mississippi farm lands, and sheet erosion has damaged more than 19,000,000 acres. It is appalling to note in the report of that service that only 10,480,833 acres, or 34.5 percent, of the Mississippi land, exclusive of large cities, have suffered little or no erosion. These figures relate only to erosion and do not take into account the serious losses in soil fertility; nor do they consider the damage caused by floods and other disasters directly or indirectly related to land abuse.

In 1934 the Soil Conservation Service created an important soil-erosion project on the watershed of Okatibbee Creek, in Lauderdale and Kemper Counties, Miss., along with small areas in Newton and Neshoba Counties, involving about 155,000 acres. The project has been a cooperative one participated in by farmers and agricultural specialists and the business men of the State. Those who are familiar with it know how much it has benefited not only growers in that region but in other parts of the State by convincing them of the necessity for and the feasibilty of practical soil protection.

The A. A. A. crop-adjustment programs, of course, were concerned with wise land use. The cotton contract for 1934–35, for instance, specified use of the rented acres only for soil-improving crops, erosion-preventing crops, food crops for consumption by the producers on his farm. Of the nearly 36,000,000 acres shifted from soil-depleting crops in the 1934 crop year in the United States it has been estimated that about one-third was put in pasture or meadow crops, and one-third in emergency forage crops and crops that supplied food and feed for home use, while the remaining one-third was fallowed to conserve moisture and control weeds, planted to farm woodlots, or left idle. The acreage left idle was very small. A marked trend toward increased pasturage of all kinds is already apparent in Mississippi. According to the Bureau of the Census, the acreage devoted to pasturage increased 22½ percent from 1929 to 1934. At the same time, the acreage devoted to all hay and sorghums for forage more than doubled.

The new agricultural conservation program attacks the problem of soil erosion and soil depletion more directly than the crop-control programs, and there can be no doubt that it will prove one of the most constructive plans ever undertaken by any national administration since the beginning of the Republic. The benefit payments granted to farmers who have adopted the good soil practices will compensate them in part for the expenditures involved.

At the same time, the important shifts from soil-depleting crops, such as cotton, which are export surplus crops, to soil-conserving crops, such as alfalfa or clover, have been made in the efforts of Mississippi farmers to improve their land. Such shifts should have a most beneficial effect in preventing surpluses and balancing supply with demand for the farm commodities on which Mississippi farmers depend for their livelihood.

Since reference has been made to cotton, I want to take a moment to call attention to the encouraging cotton report just published by the Bureau of Agricultural Economics of the Department of Agriculture. According to this report, cotton consumption in this country during the 9 months ended April 1936 totaled 4,649,000 bales, or almost 12 percent more than it was in the corresponding period of the 1934–35 season, while exports in the August 1, 1935–April 30, 1936, period were 5,167,000 bales, or about 33 percent greater than they were in the same 9 months of the 1934–35 season. Continuing, the report states that if the present rate of world consumption is maintained, the world carry-over of American cotton on July 31 of this year will be only about 7,300,000 bales, or the smallest carry-over since 1930. Lest I sound as though all danger of a collapse in cotton prices has been definitely removed, I must point out that a carry-over of 7,300,000 bales would still be 1,250,000 bales greater than the average world carry-over of American cotton during the 10 years 1923–32.

The facts and figures I have cited show the scope and the degree of the amazing change that has taken place in the country as a whole, with Mississippi as a typical example, since President Roosevelt took the helm of the ship of

state and steered it away from the rocks and shoals that threatened it with disaster. During that period we have seen despairing farmers, businessmen, manufacturers, laborers transformed into persons who not only hope but know that our America can be saved if all those who are striving to make it a better place in which to live are given a fair chance to earn the good things that make life worth while.

In every administrative move for improving the condition of the farmer and assisting agriculture either through legislation or otherwise, I have given my full and wholehearted cooperation and support. If I am prouder of one part of my legislative record than any other since I have been a Member of the American Congress, it is my effort to make the burdens of the farmers of my State lighter, their opportunities greater, and a stronger economic position for them and those engaged in agriculture throughout the country.

If there be one class above all others who will stand like embattled warriors, giving this administration and those who have cooperated with it their sustaining support, it is this great army of men and women engaged in agriculture in America.

UNION PARTY PLATFORM

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the RECORD the Union Party platform—the new third party.

Mr. KING. Mr. President, who are the candidates of that party? [Laughter.]

Mr. BARKLEY. Where did the party hold its convention?

Mr. KING. I am not so much interested in the platform as I am in the candidates.

Mr. FRAZIER. Representative LEMKE, of North Dakota, is their candidate for President, and, as I understand, a Mr. O'Brien, from Massachusetts, is candidate for Vice President.

Mr. KING. I congratulate North Dakota.

There being no objection, the platform was ordered to be printed in the RECORD, as follows:

First. America shall be self-contained and self-sustained—no foreign entanglements, be they political, economic, financial, or military.

Second. Congress and Congress alone shall coin and issue the currency and regulate the value of all the money and credit in the United States through a central bank of issue.

Third. Immediately following the establishment of the central bank of issue Congress shall provide for the retirement of all tax-exempt, interest-bearing bonds and certificates of indebtedness of the Federal Government and shall refinance all the present agricultural mortgage indebtedness for the farmer and all the home-mortgage indebtedness for the city owner by the use of its money and credit which it now gives to the private bankers.

Fourth. Congress shall legislate that there will be an assurance of a living annual wage for all laborers capable of working and willing to work.

Fifth. Congress shall legislate that there will be an assurance of production at a profit for the farmer.

Sixth. Congress shall legislate that there will be assurance of reasonable and decent security for the aged, who, through no fault of their own, have been victimized and exploited by an unjust economic system which has so concentrated wealth in the hands of a few that it has impoverished great masses of our people.

Seventh. Congress shall legislate that American agricultural, industrial, and commercial markets will be protected from manipulation of foreign moneys and from all raw material and processed goods produced abroad at less than a living wage.

Eighth. Congress shall establish an adequate and perfect defense for our country from foreign aggression either by air, by land, or by sea, but with the understanding that our naval, air, and military forces must not be used under any consideration in foreign fields or in foreign waters either alone or in conjunction with any foreign power. If there must be conscription, there shall be a conscription of wealth as well as a conscription of men.

Ninth. Congress shall so legislate that all Federal offices and positions of every nature shall be distributed through civil-service qualifications and not through a system of party spoils and corrupt patronage.

Tenth. Congress shall restore representative government to the people of the United States to preserve the sovereignty of the individual States of the United States by the ruthless eradication of bureaucracies.

Eleventh. Congress shall organize and institute Federal works for the conservation of public lands, waters, and forests, thereby creating billions of dollars of wealth, millions of jobs at the prevailing wage, and thousands of homes.

Twelfth. Congress shall protect small industry and private enterprise by controlling and decentralizing the economic domination of monopolies to the end that these small industries and enterprises may not only survive and prosper but that they may be multiplied.

Thirteenth. Congress shall protect private property from confiscation through unnecessary taxation with the understanding that the human rights of the masses take precedence over the financial rights of the classes.

Fourteenth. Congress shall set a limitation upon the net income of any individual in any one year and a limitation of the amount that such an individual may receive as a gift or as an inheritance, which limitation shall be executed through taxation.

Fifteenth. Congress shall reestablish conditions so that the youths of the Nation, as they emerge from schools and colleges, will have the opportunity to earn a decent living while in the process of perfecting and establishing themselves in a trade or profession.

EXPORT TRADE AND AMERICAN FARM PROBLEM—ADDRESSES BY CHESTER C. DAVIS

Mr. MURPHY. Mr. President, I ask unanimous consent to have printed in the RECORD two speeches by Mr. Chester C. Davis, A. A. A. Administrator, one having been delivered at Des Moines, Iowa, on the subject of International Trade and the American Farm Problem, and the other at St. Paul, Minn., on the subject Unshackling Our Export Trade.

There being no objection, the speeches were ordered to be printed in the RECORD, as follows:

INTERNATIONAL TRADE AND THE AMERICAN FARM PROBLEM

It is a real pleasure to meet again with some of the men who have been and are now on the firing line in charge of the farm programs under the agricultural adjustment and related acts. The moves toward decentralization to the States, counties, and communities, both of responsibility and administration, which we had been working for in connection with the old Triple A program, seems to be advancing splendidly under the new.

Since I returned less than a week ago from 2 months in Europe, I am sure you know a great deal more than I do about the progress that is being recorded under the Soil Conservation Act. I want to learn more about it while I am out in the field on this trip. Of one thing, however, I am wholly confident—that any program which is rooted in strong local and county associations of farmers will not go very far wrong, and that any program which lacks that firm foundation in the soil is likely to have something the matter with it.

This section of the country has played an important part in developing the agricultural policy of the United States.

I remember this State of Iowa, and this city of Des Moines, as one of the historic battlegrounds in the long fight for equality for agriculture. My mind goes back to one period in that fight, from 1923 to 1928.

In those days we were exporting farm products in large volume. But that alone did not solve the farmers' problems. There were two reasons.

In the first place, the price our farmers got for their exportable surplus production of certain problem crops automatically pegged the price for all they sold in the home market as well.

In the second place, we were exporting in that volume only because we were lending the money to our foreign customers with which to pay for those exports. It amounted to sending a shipload of wheat and lard to Europe, and sending in the same boat the money with which to pay for it—and then standing on the pier and cheering because we had an export market.

We were actually giving our farm products away to whatever extent the foreign nations did not repay the loans—and you know how much that was. To that extent it wasn't really a foreign market; it was foreign relief work at the expense of American investors and taxpayers.

In other words, much of our export market from 1922 to 1929 was artificially supported in a way that could not long continue.

When we stopped lending money, that false foundation finally gave way, and a rapid sequence of events followed. The lost export market caused supplies to pile up at home. The unsold supplies drove prices down to desperation levels. Yet the individual farmer continued to produce unsalable supplies because he was forced by these low prices to strive for maximum production to meet his high fixed charges.

The result was the economic stomach ache that was felt 'round the world.

In our fight at that time for equality for agriculture, in a Nation which was committed to the protective tariff and which had raised the tariff wall in 1922 under the Fordney-McCumber Act, we were asking that the tariff be made effective for American farmers, for the producers of our export crops. The idea was to maintain back of the tariff wall a domestic price that would be independent of the world price for the surplus, and then to arrange for the sale of our surplus products at the world price. Remember that although artificially supported, a foreign market for most of our surpluses did exist in those days.

The farmers of the West, South, and North, with the aid of business interests which recognized not only the justice of the

farmers' fight for equality but the ultimate and permanent benefit to business as well, twice secured the passage of a bill embodying those principles from a sympathetic Congress.

It was vetoed twice by an unsympathetic President.

In the meantime a new world situation was developing, a different problem calling for different treatment.

By 1929 it was perfectly clear to many of us that this particular system of farm relief we had been advocating would not fit the new world conditions. Two entirely new factors had entered into the scene.

One was that we had finally stopped lending billions abroad. That knocked the props out from under our artificial export market.

The other was that Europe was not only back into its prewar production stride, but was pushing forward into new highs, spurred on to still greater production by the desire for self-sufficiency in the face of a possible war.

Our former customers abroad established new devices to bar out imports, or to control their volume exactly where they wished. Our Government had shut its eyes to these facts. It had led the world in lifting tariffs toward exclusion; and at the same time, with its left hand knowing not what its right hand did, it had demanded debt payments—and optimistically planned for continued and expanded exports beside! It talked optimism when it should have faced facts.

I want to say right here that in 1929 I reached the conclusion that the old methods of farm relief embodied in the McNary-Haugen bills, for which we had been fighting, simply would not work in the new set of world conditions that confronted the Nation then. I made my position clear right then to my associates. I told them that I had trotted my last heat in that race. A new policy was needed to square with the existing facts.

One man in the Government in the early twenties who gave all the force of his great official and personal power to the farmers' fight was that great citizen of Iowa, the then Secretary of Agriculture, Henry C. Wallace.

This State, and this city, gave the Nation another great Secretary of Agriculture in the person of his son, Henry A. Wallace. He had picked up the fight where his father had dropped it. But Henry A. Wallace, too, had reached the conclusion that the old tenets of the farm fight were not applicable to the new day. He was one of the many who realized that the new conditions demanded a different treatment.

Some men are so made that they can readily change the plans of their march toward an objective when the lay of the land has changed so fundamentally that the original path is blocked, especially if they see that a somewhat different route will bring them quickly to the same objective. And some men, equally sincere in their devotion to agriculture, are so made that they do not readily change the plans of their march.

And the lay of the land had changed fundamentally. After the war we were no longer a debtor nation, but had become the greatest creditor nation in modern history. Export outlets are still of enormous importance to us, because our farm productive plant was built and geared to that end. We must work and plan for them. But the point I want to make is that we must move for them with a clear forward perspective and understanding of the conditions we are up against.

Our domestic farm program, if it is to work satisfactorily for the farmers in the Nation, must be based on the realistic understanding of the facts of world trade as they exist. It was for the purpose of getting as clear a picture as I could of the conditions among our former customers abroad that I have just now spent 2 months in Europe, where I talked with farmers and Prime Ministers and import and export traders, with Secretaries of Agriculture and farm-organization leaders, with economists and businessmen, and even with dictators.

On my return I find four propositions, all of vital importance to agriculture, that have been or are being discussed seriously, though how widely I am not in position to say. Let me state those four propositions:

First, that if this Nation will only adopt the so-called two-price system, which includes subsidizing the sale of our surpluses abroad, it can find export outlets for its agricultural products, no matter what their volume may be.

Second, that we as a nation should move further in the direction of national self-sufficiency by adopting a policy of exclusion, of isolation, and of higher tariffs, and by imitating the import control devices that are now prevalent in Europe.

The third proposition has been discussed in the past and it might arise again. It assails any farm program that assists farmers to adjust production to demand on the ground that it is based on economics of scarcity.

Fourth, that the present Government program which seeks through reciprocal-trade agreements to obtain a general lessening of international barriers in the interest of freer and larger trade should be abandoned, and a system of strictly bilateral trade treaties with other nations should be substituted in its stead.

I am glad you have given me the opportunity to discuss these four propositions here today.

Now, let us look for a minute at the first of these propositions—that the "two-price system" would regain our world markets. This means, of course, unlimited production with the surplus sold abroad at whatever prices will move it, the difference between domestic and world prices being made up to exporters by Government subsidy. The removal of surplus is expected to produce high domestic prices, and these high prices are to be protected by the policy of exclusion of imports. That is the principle.

I am not going to discuss it fully here, because I am convinced the farmers themselves realize that it cannot recapture world markets in the old volume under conditions that exist today. I do not see how the forces which opposed the two-price plan can seriously consider endorsing it as the program for agriculture now. The leaders then in power fought it all through the long struggle from 1923 to 1928, at a time when it had a chance to work. Now that the export market on which it fully depends is so largely closed, I do not see how those who opposed it then can completely reverse themselves.

I realize that export subsidies may be useful at times to meet special conditions with special crops. But dependence on that principle as a major part of our farm program can only lead us back into disaster. I am convinced that the double-jointed policy of exclusion and subsidized exports advocated by some is utterly contradictory and unworkable. Other nations can exclude too. If we should load the *Normandie* or the *Queen Mary* with subsidized wheat or lard and head it for Europe at full speed, the nations there would meet it at the dock with restrictions amounting to embargoes already in effect.

Unless we buy proportionately as we expand our sales, we cannot "jimmy" increased exports into the European market, no matter how much we subsidize, or apply other high-pressure systems to induce them to take more of our goods. The executives of any important nation can, under present powers and without waiting for legislative action, move instantly to checkmate any advantage we might seek to gain in export volume through subsidies.

The second of these propositions, as it is being discussed today, really seems to be advanced as part and parcel of the first, the two-price system. I refer to the policy of exclusion, of national isolation supported by higher tariffs or quotas, or import licenses. I am convinced that a national policy of exclusion can only be disastrous for our farmers. It is necessary to remember that continued big-scale production by our farmers depends on foreign outlets—and also that the greatest handicap to our sales abroad of lard and cotton and tobacco and fruit is the lack of dollar exchange in foreign countries which can be applied to the purchase of our goods. Let me review just one illustration of how this was impressed upon me time and time again in the European countries I visited.

Dr. Schacht, the German Minister of Economics, told me definitely that Germany, in order to buy our lard and cotton and other products, must be able to sell us goods or to complete an arrangement with a third country by which German goods will move to satisfy her purchase obligations. Dr. Posse, of the German Ministry of Economics, also told me that Germany was forced to buy lard and cotton, much against her will, from countries where she could pay with goods, instead of from us, because she does not have the necessary dollar exchange to trade with us. Germany used to buy 20 percent of all our farm exports; in 1935 she took less than 7 percent. That is a good customer on the way out of the door. Further exclusion would reduce German purchases still more, of course.

But what would happen if we did lose our export market for cotton, for example, as we inevitably must if this Nation is committed to a policy of self-sufficiency, of isolation, and exclusion?

Let me remind this Corn Belt audience of two simple facts about the Cotton Belt and ask one question. Then I will suggest an answer.

The two facts are: 1. About half of our national cotton crop is exported every year. 2. About 58 percent of our total farm population live in the cotton States, and they receive only 38 percent of the total national farm income, in spite of their being fortunate enough to have an export outlet for half their crop.

My question is: What would happen to that 58 percent of our farm population if our cotton exports were sacrificed in the race for isolation?

I said I would suggest an answer. It is not a pleasant one. The direct result would be sharp reduction of an income always pitifully low, of half our farm population. This would strike quickly and terribly into the industrial and the rest of the agricultural fabric of the Nation.

The ghost of that lost market would appear in various forms to haunt the exclusionists who unwittingly brought it on us in the name of "protecting the American standard of living."

That ghost would stalk across the land in the form of a crippled national farm buying power, resulting in closed factories, idle carriers, and increased unemployment. Land forced out of cotton without compensating benefits in the 16 cotton States would be turned into competition with crops grown elsewhere until the adjustment and distress had spread into every State of the Union.

People talk a great deal about the desirability of becoming self-sufficient in sugar production in the United States. I pick that as an illustration because self-sufficiency in sugar would have definite repercussions on corn-hog farming here in Iowa.

During the first 12 months after the Cuban trade treaty went into effect in September 1934, opening the doors a little wider for the entrance of Cuban sugar into the United States, our lard exports to Cuba nearly doubled, with an increase of 16,000,000 pounds. This increase alone represents a demand for the corn-hog production from 80,000 average Iowa corn acres, or the equivalent of the entire average sugar-beet acreage of your neighboring Corn Belt State of Nebraska, which is also one of the principal sugar-beet States.

We must not jeopardize our really valuable export markets because some people view with alarm a sprinkle of imports that have come in over the top of the tariff wall during the last 2 years. Suppose we should decide to shut out all farm imports through prohibitive tariffs amounting to embargo. Don't think that agriculture would not have to pay a price. Every time the farmer sits around the table in a tariff-bargaining game, well-organized corporate industries come away with the blue and red chips and leave the farmer with a few of the white ones. As we move our tariffs up toward the exclusion point, our exports automatically fall. We must not delude ourselves that we can play that game and at the same time develop exports, too.

I have been amazed at the agitation that has been stirred up over the agricultural imports in 1934 and 1935. I do not need to repeat figures to show how much the drought was responsible for those imports. They have already been laid before you. I do want to say, however, that if low agricultural imports are an index of farm prosperity, then what was the matter with agriculture in the United States in 1932 and 1933 when our farm imports were the lowest in 40 years? Is it the conditions of 1932 which we want again? In spite of the drought, the value of our agricultural imports for 1934 and 1935 was much less than the average for the last 10 years and less than the average for the last 20 years.

Secretary Wallace in a recent speech at Lincoln, Nebr., gave the country a thorough, and I think unanswerable, discussion of the question of agricultural imports. I hope most of you have read it or will read it. There is just one point I want to repeat from that speech. If the farmers demand a policy of exclusion in the agricultural field, they must be prepared to go along when nonagricultural industries demand it, and in this way assist in committing the Nation to a policy that will effectively strangle our hope for a revived foreign market.

Now, the third of the farm propositions which I mentioned a moment ago has to do with the criticism of the agricultural programs under the A. A. A. on the ground that they—I quote from the critics—"are based upon the economics of scarcity." We heard much of that criticism last year and it may be revived. I want to leave a few observations with you in case it bobs up again.

I think I speak what is in the minds of the farmers of this country when I say that they are strong for the economics of plenty, but they want it practiced clear across the board in the business life of the Nation as well as by the farmers. Why should the farmer be asked to stand alone among the producers of the Nation, operating to the limit of his plant's capacity and throwing his output on the market for what it will bring and then turn around to buy what he needs from industries that really understand the economics of scarcity and know how to apply it because they have practiced it so long?

Let's take a specific illustration that comes close home to the farmer: Manufacturers of farm implements in 1929 employed 41,663 wage earners in 293 establishments. In 1933 they employed only 11,140 wage earners in 170 establishments. What did they do about their prices? Well, that is interesting, too. The farm-implement industry cut its prices from an index of 98 in 1929 to an index of 90 in 1932, a price cut of less than 10 percent. Contrast that with your $10 hogs in June 1929 and your $2.50 hogs in June 1932.

The farm-implement industry in practicing the economics of scarcity produced only $30,000,000 worth of goods in 1933, as compared to $277,000,000 worth in 1929, a curtailment of 90 percent in value due chiefly to volume. That is an enormous reduction of production, a thorough acceptance of the economics of scarcity.

To be sure, the income of the farm-implement companies shrank during that period as well as their profits. The combined net deficit for the International Harvester Co. and Deere & Co. in 1932 exceeded $13,000,000, as compared with net profits of $52,000,000 in 1929. Perhaps that was sufficient justification for cutting production; I am not commenting on that. But you Iowa farmers know what kind of deficits you had during those years too.

I cannot understand the way of the man's mind who ruthlessly practices in his own business the very principle of production control which shocks him so when the farmers get into it on a much more moderate scale. I would like for this Iowa audience and the Nation to remember the fact that nonagricultural industry brought its 1932 production down to less than half of the 1929 volume, for the 5 years following 1929—while agriculture in 1932 provided the country with as much farm production as it did in 1929.

In the economic conditions faced by farmers here and abroad, the point is continually driven home to me that agriculture is a national problem affected by forces which are international. This is recognized by the nations of Europe which quickly feel and adjust themselves to changes in their export markets. In 1931, Denmark and Holland lost part of their export market for pork because England reduced imports of ham and bacon. Whereas, under the same circumstances, the United States waited 2½ years to act, the governments of Denmark and Holland, two of the most liberal and democratic countries in Europe, grasped the problem at once and within a year introduced production control in order to protect their farmers from the consequences. They had no supreme court to question their programs once they had been adopted by the representatives of the people. Their farmers are better off and realize that they are better off than they would have been without control. I do not mean to say they are contented. No farmers anywhere like to cut acreage, but the farmers of those countries are thrifty and they would rather adjust their production than to commit economic suicide by producing for a market which no longer exists.

The fourth and last of the subjects I mentioned a moment ago which are being discussed in the country today is the present vigorous effort of our Government to restore our foreign trade on a sound and on a natural basis.

Foreign commerce to flourish and continue must be built on a foundation of 2-way trade and mutual benefit—not a forced 1-way trade and a 1-way benefit. Our Government has been for some time promoting a system of reciprocal-trade agreements designed to accomplish a better balance of trade throughout the world and to free commerce by reducing or eliminating the trade barriers which penalize the world today. These agreements are not strictly bilateral, but are generalized throughout the world, through the judicious use of the most-favored-nation principle. This generalization of benefits is mutual, of course, with the other party to the agreement giving us the general benefit of trade concessions it has made or may subsequently make to other nations.

I expect to discuss this subject at greater length at a meeting similar to this at St. Paul day after tomorrow. In general, the choice seems to be one between our present reciprocal policy, and one which requires strict governmental control over imports and exports similar to those now operating in Europe, to be set up in the United States. During recent weeks I had a fair opportunity to observe how far government control of imports and exports leads in the direction of government monopolies, and the licensing and regimentation of business, internal as well as external. Unless I am completely mistaken in the attitude of American citizens, that certainly is not the path they would choose to follow.

I think that for best results, talk, like trade, should flow in both directions. I have opened up far too many subjects in this talk today to be able to discuss any one of them fully and satisfactorily, and I realize that many topics in which you are keenly interested have not been touched on at all, but perhaps the best thing in any speech is its end and I am approaching mine now.

The problem of agriculture is broader than the farm. It affects the Nation vitally. It faces us with a double challenge and calls for a double effort.

We must recognize that we need to restore our foreign trade, and that foreign commerce to flourish on a permanent basis must be on a sound foundation of two-way trade and mutual benefit. That principle cannot be dodged. We must bend every effort to secure that freer commerce, to bring peace out of the economic war that afflicts the world today.

Then we must recognize, realistically, that we do not have that desired condition yet and in the meantime—in the all-important meantime—we must meet the economic exigencies that do exist whether we like them or not. Until they are corrected we must live with them. Until our foreign outlets are restored we must help the American farmer to cooperate with his neighbor in a concerted effort to shift his farming operations with an eye to the effective foreign and domestic market.

UNSHACKLING OUR EXPORT TRADE

The place of foreign trade in our American farm problem is an important one. Increase the foreign trade in our farm products and our agricultural problem would fade accordingly; decrease our foreign trade and our agriculture would fade accordingly. On the satisfactory solution of our foreign-trade problem depends much of the future of American agriculture.

I returned just last week from 2 months in some of those European countries which stand on the other side of the counter from us in most of our trade relations, as buyers of what we sell and as sellers of what we buy. I wish that I might have found some magic or legerdemain to solve the whole problem quickly and painlessly. I am convinced that there is no such easy way out.

I stated my belief day before yesterday in Des Moines that under existing conditions merely the large-scale use of farm export subsidies, the two-price system, could not solve our farm problem. For one thing, a subsidy program which does not include an effective method of production control carries the seeds of its own destruction. The export market we had just before 1929, which, in my opinion, could have made the plan work then, is now much diminished because of the increased self-sufficiency of European nations in production of foodstuffs and because we have stopped lending Europe money to buy goods as we did then. I am confident also that foreign countries would defeat such a program through offsetting measures; they all have executive authority to erect trade barriers overnight to protect their own producers from outside cutthroat competition.

As you know, the purpose of all export subsidy proposals is to sell surpluses abroad so that the price on the remainder of the crop will rise to the top of the tariff wall. With men in this audience, I fought for years to make the tariff effective for agriculture on our domestic consumption. Now, largely as a result of the 1934 drought, the tariff has become fully effective on wheat, livestock, and livestock products, so that farm prices are high enough to attract some imports into this country over the

top of our tariff wall. This is a sign that for once our tariffs are reflected in raising our domestic farm prices.

If in the present changed conditions in the world the big-scale use of export subsidies, without production control, would work to get our world markets back, I would be the first to say so. You know that I worked with you for years for enactment of the McNary-Haugen bill, which was an export-subsidy proposition. Plenty of nations in the world are using export-subsidy methods. I talked with many men in Europe who are operating them. But I became convinced in 1929 that the time had passed when our farmers could rely upon them as the single great mainstay of an effective agricultural program.

An important obstacle to foreign sales of farm products is that as a nation we want to sell all and buy nothing—and that won't work. Trade is exchange of goods. It has to move both ways. If it does not, there is no trade.

We need a sense of proportion in sizing up the obstacles in the way of attaining agricultural prosperity and in choosing the best methods to overcome those obstacles. Looking at the problem deliberately, two considerations seem to stand out as vital. They are:

First, we must shape our course so as to regain and to maintain our export markets for farm products without sacrificing farm income on domestic consumption in so doing.

Second, we must retain a rate of agricultural production that will satisfy the needs of the home market, plus the export markets we can get, without breaking down our domestic farm-price structure by producing quantities in excess of what the market will take at fair prices.

I am afraid that in anxiety over matters that are relatively minor, such as imports, we sometimes lose sight of the supreme importance of these two things.

World conditions have changed so that the old method of letting things drift will neither get back our export trade nor help farmers hold their production at levels that will yield a fair income from what the home market will take. Hence, I believe farmers everywhere will look forward to cooperation beginning in 1938 in making essential adjustments of production through use of these State-Federal programs which will become available at that time.

The two-price system has to be revised sharply in order to work for American farmers under present world conditions. It will injure farmers far more than help them to try to force unlimited quantities of farm products on the world market in its present state. This would only invite retaliations and close up some of the export outlets that still remain to us. The only way the two-price system can serve producers of major farm crops now is to use it skillfully in conjunction with production control, so that domestic farm prices can be maintained while quantities of farm exports which the world really wants, and will take without protest, can move readily in world trade at the going world price.

Here in the great spring-wheat market of the Northwest, I would like to illustrate specifically what I mean. The international wheat advisory committee gave me estimates that the world trade in wheat for the year 1935–36 will be 480,000,000 bushels, compared with the yearly average of 770,000,000 bushels for the period from 1922 to 1927, inclusive. This is a loss of nearly 300,000,000 bushels. Now, I think it is clear that we might, with production control and a fair quota of exports, work the two-price system for American wheat producers. But to take the lid off completely and expect to export any wheat surplus we produced, no matter how big, would wreck our actual wheat market, first abroad and then at home. So I say we want to move forward, not backward, and regain our markets abroad while maintaining our prices at home.

Laying that proposition aside for a moment, I wish you would turn with me to examine the reasons for my conviction that the policy of national self-sufficiency, of exclusion, and isolation would, if adopted, lead to disaster for the farmers and for the Nation.

If, in pursuance of this exclusionist policy, the farmers get hothouses reared over them, it will only be had by raising hothouses over other industries which are more powerful and much more adept than the farmers in tariff trading. The immediate result will be less American buying, and the later result will be, inevitably, less export sales. This would hit hardest at cotton, tobacco, wheat, lard, and fruits, because they are normally our largest export farm commodities. It would cost the American public unreasonable prices. It would use in the production of new crops only a small fraction of the acreage which has been and should be devoted to production of crops for export.

That policy would simply carry to further extremes the folly of the Smoot-Hawley Tariff Act which contributed, perhaps, the most important impetus to the world movement in the direction of import restrictions and trade barriers that have throttled international commerce—so vital to the prosperity of our American agriculture. If that exclusionist policy embodied in the Smoot-Hawley Tariff Act was the salvation for our farmers and for the country, then why the crisis of 1932–33?

In order to develop the effect of this exclusionist or isolation policy on our exports, let me reduce it to the simplest possible illustration which shows that if we are going to continue to export goods we must take goods in return. Let us imagine a world which has been reduced to six men who have a limited supply of gold to use as a medium of exchange. One of them produces and consumes more than any of the others. He decides to quit buying from the others, but to keep on producing at a rate that requires the others to buy from him, unless his surplus production is to pile up and overwhelm him. If others buy from him, they must send him gold and eventually he will have it all. That forces the others to adopt the same principle, and trade among them breaks down.

Apply that principle to the United States. And remember that in some commodities our export is enormously important. We consume at home less than half of our cotton production, for instance—and 58 percent of our total farm population live in the Cotton Belt. More than 75 percent of some types of our tobacco is dependent upon export. Much of our land production depends on export. Sacrifice the market of these great groups of producers, and sacrifice their income and buying power accordingly, and the repercussions on the agriculture and industry of the whole Nation are enormous.

That is why I mention cotton and tobacco here in Minnesota. If the cotton and tobacco regions are forced to such a drastic adjustment of acreage, their labor and land will be devoted to something else. Those regions have dairying possibilities, which a forced change would develop to the menace of the dairy industry in this and other States. If driven to it, those regions can develop indefinitely the production of various feeds for hogs. Eventually the surplus acres will shift to competition with the North and West, and distress will be equalized throughout agricultural America.

One other reminder on the subject of exclusion, or isolation. Europe is away ahead of us in devices to control imports, and to channelize trade to the countries with which they can actually trade, or to countries whose exchange they can secure readily through triangular or multiangular trade. Those countries can hold clear out of the trade picture any nation that tries to get away with exclusion. And while I am not a prophet, my guess is that they would.

Now, of course I have been talking about practically pure exclusion. Many who belong to this same general school of thought hold that we can get back for our farmers their old export markets and protect them against foreign competition by a system of Government selected imports and exports. They tell us that we should copy Europe's methods and ourselves establish rigid control of imports and exports and embark on a system of bilateral trade balancing.

Let us see how that has been working out in Europe. During my conversations in 11 European countries in April and May, with our own official representatives and our businessmen abroad, and with the leaders of foreign governments and trade, I was told that these European countries do not like the system in which they are enmeshed, but they can't let go of the bear's tail. With few exceptions they expressed hope for the return of freer trade, now shackled with their restrictions and quotas and strictly bilateral balances. The exceptions are those nations that feel themselves forced to develop their home or empire production as protection against the menace of possible war.

From our standpoint there are two serious defects in the bilateral-barter-quota system. The first is that it multiplies controls and forces regimentation, the most drastic regimentation not only of the import and export business but of agricultural, manufacturing, and trade in general.

The most complex and drastic controls of both imports and exports characterize the whole system—and yet, strangely enough, it is advocated by some here who criticize as regimentation the effort of 3,000,000 of our farmers who, with the aid of the Government, sought to manage their production so as to lessen the shock of lost export markets. These critics have argued for the European method of direct barter and selective imports, with all the attendant regimentation, as a means to get rid of the cooperative effort of our farmers.

The European controls are amazing in their extent and authority. They include strict and unbeatable quotas; government monopolies in which all trade is centralized by law; licenses for every step of business operation; barter trades between nations with government allocation of business among private firms; compulsory production control; subsidies for production; licenses covering every individual transaction and the necessity of permission before exchange can be used for the buying of goods from abroad. In some countries an individual trader can export only if the government monopoly or bureau will give him permission. I hope we never have to adopt such a system here.

The second objection is that it doesn't increase trade. The system has helped to strangle and decrease international commerce, to impede the flow and reduce the output of goods and hence decrease employment, to lower living standards for both farmers and laborers, and to breed continual fear that the trade war in which it engages them will be followed by military war.

They are sick of it, as I mentioned before. The German people are by no means as ardently devoted to self-sufficiency as they were a few years, or even a few months, ago. The French have already spent two and one-half billion francs trying to get rid of their surplus production of wheat which they developed within the last few years and the problem is still with them. The domestic price in recent months has been about $1.62 per bushel compared with a world price of about half that.

In nearly every country the leaders with whom I talked said that the only reason they adopted the exclusion and barter system

was that they had been forced to it by the trade policies of others. Much of the blame is laid at the door of our own Smoot-Hawley tariff.

Of course, I realize that the unfavorable consequences of this policy in Europe do not necessarily mean it would be disastrous for us. But an examination shows that, on account of our present trade-balance position, if we would submit our trade relations to a barter basis with European nations we would be worse off than we are. That is, if we would balance our imports and exports with each country, our exports would fall off, simply because they are now larger than our imports. And our farmers would be hit the hardest.

That "favorable balance" as we used to call it, has existed for many years. Our exports to the United Kingdom, France, and Germany are usually twice as large as our imports. Only Czechoslovakia, of all the 11 countries I visited, sells us more than we sell her. If we sit down, country by county, to balance our trade with those nations, I do not see how we could fail to get the worst of it. Every country which now buys more from us than we buy from it, will try to force us to even up our account. The result will be, we lose instead of gain in export trade.

I returned from Europe convinced that American farmers and the Nation will seriously endanger the ground they have gained since 1932 if they allow themselves to be swept into adoption by this country of the European system of exclusion and barter.

This leads to consideration, as it relates particularly to farm products, of the course now being followed by this Government in striving to reopen the world markets through the negotiation of a series of reciprocal-trade agreements.

Instead of import exclusion or strict bilateral trade balancing, with their byproducts of international ill will, tariff retaliation, reduced trade, and regimentation, our Government is promoting reciprocal-trade agreements through judicious use of the most-favored-nation principle to generalize concessions among the countries of the world. Generalization is not confined to our own concessions; it is mutual. That point is sometimes misunderstood or misrepresented. The countries which enter into reciprocal agreements with us agree to give us the advantages and concessions which they have given or may give to others. This policy leads to better balance of trade and to freer commerce throughout the world by reducing or eliminating international barriers under which trade now suffers. In order to make sure that this country's tariff concessions do not result in importation of quantities so great as to work serious injury to important domestic groups, import or tariff quotas are provided when there is indication that they may be needed. When a tariff quota is exhausted further imports come in at the regular rate of duty.

The United States now has concluded 14 of these agreements. I was in France on the day the terms of the American-French agreement were made public. Both the American and French business and Government leaders were pleased with the accomplishment, which historically was a great one. It was the first general trade agreement between the United States and France in over 100 years. The Director of Commercial Accords in the French Government, who had much to do with negotiating the agreement, says that the United States will benefit in larger measure than France under the agreement, but that unquestionably both nations are going to be helped.

Eight of these agreements have been in effect long enough to give us some idea of how they are working. Our agricultural exports to these eight countries during the first quarter of 1936 increased 15 percent above our farm exports for the same quarter last year compared with an increase of only 5 percent to the countries with which we have no trade agreement. It is, of course, too early to measure accurately the long-time effects of these agreements, but I want to drive this one point home in your attention and memory: The tariff concessions we are making under these agreements do not extend further than to bring the rates upon the products covered by the agreement down from the Smoot-Hawley rates to those under the Fordney-McCumber Act. Many concessions do not even go that far.

Many well-meaning people, some of them, I regret to say, in positions of responsibility to agriculture, have attacked the trade-agreement policy of the Government on the ground that it modifies our tariff rates, in some particulars cutting them below rates fixed in the Smoot-Hawley Act. I submit that these men are taking on themselves the role of defenders of that vicious bill, which history has already repudiated.

Opponents of the trade-agreement program also claim that the use of the most-favored-nation principle gives away trade advantages greater than those we get in return and that through generalizing our concessions we open the gates to a flood of imports from the rest of the world. But our concessions are usually on commodities of which the country signing the agreement is the principal source. Hence the granting of these same concessions to other countries has a much smaller effect on our imports than has been represented.

I repeat that if those countries with which we have agreements or reciprocal most-favored-nation relations make further agreements with other countries and further reduce their tariffs or other import restrictions the United States gets the benefit of these reductions.

Soon after completion of the trade agreement with Belgium, that country decided to eliminate an import tax amounting to one-half franc per kilo—about 4 cents per pound—on lard. The tax was of course eliminated on imports from the United States. On a barter arrangement, our corn and hog farmers would not have received this automatic concession.

Sweden negotiated an agreement with Spain soon after the conclusion of the trade agreement with the United States. In our agreement with Sweden we were not able to induce that country to give us any assurance in regard to the imports of oranges for the reason that we have been in the past a very small source of supply. But Spain was able to get Sweden to agree to continue oranges on the free list and consequently, by virtue of the most-favored-nation clause in our agreement with Sweden, oranges from the United States are guaranteed freedom from import duties upon importation into Sweden.

Similarly, Sweden completed an agreement with South Africa reducing its duties on apples and pears during the months of May and June. Exports of apples and pears from the United States to Sweden during these months automatically secure the benefit of lower duties.

I appreciate that some farmers here in the Northwest have been worried about the possible effects of the Canadian agreement, particularly with reference to cattle and to cheese. At an earlier time there was some fear about other products, such as cream. As you know, cream, among other products dealt with in the treaty, is protected by a tariff quota. However, Canadian exporters, far from using up the quota, have apparently found the American market so unattractive to cream that only 7,000 gallons, a drop in the cream vat, came in during the first 3 months the agreement was in effect.

It is true that there has been an increase in imports of live cattle and of cheese since the agreement went into effect, and farmers in the Northwest who are close to the border naturally want to know what the facts are.

The increase in Canadian imports for the first quarter of 1936 over the first quarter last year was 34,000 head. This compares with a total inspected domestic slaughter of 3,200,000 head of cattle and calves for the same period, or about 1 percent, which is an amount so small as to have no measurable effect on price. About half the Canadian imports are of the stocker and feeder type, purchased chiefly by farmers. While imports were increasing from February and March through April of this year, the prices on stocker and feeder cattle in St. Paul were actually rising, from $6.60 to $7 a hundred pounds, and this increase was somewhat greater than the increase that was taking place at Kansas City and Chicago.

While Canadian cattle imports showed a marked increase under the agreement, total cattle imports for the first quarter of 1936 were only 5,000 head, or 5 percent, over imports for the same period last year. This increase is so minute when compared to domestic slaughter as to have had no influence on the general cattle price situation.

A different situation exists with respect to cheese imports. Canadian imports, under the agreement, increased strikingly in the early months of this year. But the total imports of cheese showed only a slight upward trend over the same period last year; that is, from 16,300,000 pounds to 16,900,000, or less than 4 percent. However, over 3,000,000 pounds of these imports in the present year were from Canada, while the Canadian figure for the same period last year was only 350,000 pounds.

Imports of cheese from Canada in April dropped to less than 400,000 pounds, or about 75 percent under the March figure. There is every reason to believe that the normal trend of cheese imports under the Canadian agreement will be much lower than the trend of the first quarter of this year, when export enthusiasm in Canada had run a little too high.

Time is passing, and I want now to return to general phases of our foreign trade.

If total absence of imports is what our farmers really want, they came closest to it in 1932, when wheat prices were at their lowest level since the days of Queen Elizabeth, other farm prices were at the bottom, and agriculture was on the rocks.

Both imports and exports normally increase with rising prosperity and revival of trade. Any increase in world prosperity and in the prosperity of this country will be accompanied in the future as in the past by substantial increases of both exports and imports. Whether prosperity causes the increases or the increases cause prosperity, no one can say, but the two go hand and glove.

At the very outset of my remarks I said that the place of foreign trade in our American farm problem is one of great importance.

Now, in the light of the discussion that followed, I want to sum up on the one hand the things that in the present world situation seem to me to be the greatest dangers to American farmers and those which, on the other hand, seem to offer our agriculture the greatest hope of further progress.

To my way of thinking, American agriculture would be gravely endangered if it should be forced or induced to give up the ground it has gained since 1932. For agriculture to become the cat's-paw of the rock-ribbed industrial protectionists, plunging into a hysterical exclusionist drive to bar out all imports, would destroy our export markets and injure ourselves. To try to force unlimited quantities of farm exports onto limited world markets

by using a two-price system without any production control would be another way to hurt ourselves. To junk our reciprocal trade agreement program and go to a bilateral barter system would be a third way to damage ourselves. The advances made by agriculture in the past 3 years should not be sacrificed by these methods or any other mistaken methods that may be proposed.

The future of American agriculture should be bright if we adhere to policies which are based upon the principle that world markets and domestic markets are related parts of a whole. If farmers hold fast to measures which protect their prices at home, and which are designed to regain and maintain their markets abroad, then they can continue their march toward recovery.

METHOD OF PRESIDENTIAL ELECTIONS—CONSTITUTIONAL AMENDMENT

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD an article written by Mr. William C. Lee, member of the Proportional Representation League.

The article suggests an amendment to the Constitution of the United States providing a different way for electing the President from the one which is now used. As these suggestions are always of general public interest, I feel justified in making this request.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Hon. CLARENCE F. LEA, Representative in Congress from the First District of California, has a project which, to a person not rigidly habituated to things as they are, seems a very good proposition. He points to the well-known fact that when we have an election of the President of the United States, each State goes as a unit. Each candidate gets all or nothing. Mr. LEA thinks the electoral votes of each State ought to be divided amongst the respective candidates in proportion to the votes at the polls.

In Mr. LEA's State of California, there were 847,902 votes for Hoover and 1,324,157 for Roosevelt, or 8 Republicans for every 12 Democrats, yet the total number of the State's electoral votes had to go for Mr. Roosevelt, just as though everyone in California had been for him.

In the previous election, 1928, there were only twice as many votes for Mr. Hoover as for Governor Smith; yet all the electoral votes of California were counted for Hoover, when one-third of the people had officially stated, by their ballots, that they wanted someone else.

Counting all the votes of a State for any candidate who receives only a large part of them, Mr. LEA asserts, is most unjust.

How has this come about? It is because the Constitution of the United States says that the choice of Presidential electors in each State shall be regulated by the legislature. No one else can do anything about it.

The men who run for the office of Presidential elector are not legally bound to vote for their party's candidate. That they will do so is only an understanding. The Constitution tells them to use their judgment.

But in these days when there are such fierce differences and fundamental controversies about social organization, when so many people want to change our governmental set-up, and when so many others are disloyally trying to nullify the present Constitution in its most important part (the Bill of Rights), it is easy to see that conditions may arise when electors may feel themselves to be released by the unforeseen conditions and no longer morally bound to vote as they had expected to vote when they ran for the office of elector. They may feel under moral obligation to do what they think is necessary for the welfare of the country, discharging their duties as electors in accordance with the Constitution instead of in accordance with custom.

When this happens there is going to be trouble. And it will happen, too. Suppose the candidate thus elected does not have a majority of the popular vote, either.

In 1876 the feeling ran high when Mr. Tilden, who received the most votes, was held not to be elected after all. But at that time the country had just got through with a civil war, and the issues were not so vital. Next time an unfairly defeated party may not take it lying down.

If a man drives an automobile for 5 miles over mountain roads covered with glassy ice without mishap, does that show it is safe for him to drive 10 miles farther? If he has actually skidded once, shall we consider him a smart man or a fool if he goes right on? Americans think they are smart, but generally they do not have the good sense to prevent accidents until after one has occurred. Our car took a skid in 1876, and some people think serious harm did result then. We are liable to skid right over the edge next time.

The present block-vote system is injurious because it fails to spread the election campaign, with its benefits of enlightenment, all over the country. Nearly all the hot contest is carried on in the few States that are doubtful. Those that are sure one way or the other simply look on and talk about it. What is the use of bothering with them? We know in advance how they will go. Some people do not vote from conviction but only from habit.

The present way places an undue strain of excitement and temptation to corruption on those States in which the principal parties are equally divided, and in which therefore each party exerts itself to win the grand prize of all the votes from those States.

The block system prevents the selection of Presidential candidates, as a rule, from any except a few pivotal States. This goes against the feelings of the other States and narrows the range of choice of able men for the great office.

Congressman LEA has submitted an amendment to the Constitution under which the office of Presidential elector will be abolished. All voters at the polls will vote directly for Presidential and Vice-Presidential candidates. Each State will have the same number of electoral votes as now, but these electoral votes will be divided amongst the candidates in proportion to the votes at the polls. Suppose there are 10 electoral votes from some State. One candidate might receive 4.63 electoral votes; another, 4.27; and a minor candidate might receive 1.10; whereas under the present system all 10 votes would go to the largest minority. These fractional votes then will be added up with the similar votes from other States and the candidate receiving a plurality of all the electoral votes will be considered elected.

Thus every voter has a real voice in the election.

People all over the country ought to become informed about this extremely important reform. They should discuss it during the Presidential campaign and write to their Members of Congress in both Houses demanding action.

They might also ask for copies of the speeches, hearings, and reports that have been made on this proposition. The House Committee on Election of President, Vice President, and Representatives in Congress has reported favorably on it, in two Congresses.

Mr. LEA has pointed out that if New York and Nevada both are equally divided between the two main parties, except that New York has 5,000 majority for one side and Nevada has 5,000 majority for the other side, there will be exactly the same number of citizens in the two States favoring either of the two candidates, but the one who has his extra 5,000 in New York will carry 47 electoral votes, while the one who has his 5,000 majority in Nevada will carry only 3 electoral votes. It looks like a big victory. It is no discredit to either State that it has the number of electoral votes that it does have, or that its people divide as they do; but it is outrageous that the election should be carried by such legalized ballot-box stuffing as that.

SECURITIES ISSUED AND SOLD BY PUBLIC UTILITY HOLDING AND OPERATING COMPANIES

Mr. WHEELER. Mr. President, I ask unanimous consent to have printed in the RECORD a manuscript entitled "New Securities Issued and Sold by Public Utility Holding and Operating Companies", for the printing of which I have obtained an estimate.

There being no objection, the manuscript was ordered to be printed in the RECORD, as follows:

RE: NEW SECURITIES ISSUED AND SOLD BY PUBLIC UTILITY HOLDING AND OPERATING COMPANIES DURING THE YEAR 1935 AND 5 MONTHS ENDED MAY 30, 1936, 17 MONTHS' PERIOD

The very complete and detailed data compiled on the accompanying sheets show that public utility holding and operating companies—electric light, power, and gas—issued and sold during the year 1935 new securities to the amount of, at par value	$1,076,412,080
And during the first 5 months of 1936, i. e., to May 31, they issued and sold new securities to the amount of, at par value	644,124,900
Total amount issued and sold for the 17 months ended May 31, 1936	1,720,536,980
New securities "registered" in May with the Securities and Exchange Commission for early sale	144,643,000
Grand total	1,865,179,980

The entire amount, $1,076,412,080, of new securities put out during the year 1935 were issued and sold after the introduction into Congress of the Wheeler-Rayburn bill. Of this latter amount, $533,260,000, par value, or close to 50 percent of the total, were issued and sold between the time the bill was introduced and its enactment into law.

It was during this period that the opponents of the bill—led and influenced largely by the "Committee of Public Utility Executives"—were declaring the bill to be a "destructive" measure and predicting that its passage would practically be ruinous to the electric light and power industry. Evidently investment houses, investors, both private and institutional, did not believe or agree with these statements and predictions, because of the fact that after the passage and approval by the President of the act and for the remainder of the year, they purchased $543,152,080, par value or over 50 percent of the $1,076,412,080 new securities issued and sold by public utility holding and operating companies during the year 1935. It should further be noted that the annual interest rate on $1,032,634,080, or 95.9 percent of the total new

securities sold, ranged from 3½ percent to 4½ percent, the average interest rate amounting to but 3.86 percent. And of this $1,032,634,080 of new securities, $915,634,500, or 88.7 percent, the interest rate is only 3½ percent to 4 percent.

Even when money is plentiful, capital demands a rate of interest or return in keeping with the known or indicated risk involved.

The interest rates as above set forth and applying as they do to over 88.7 percent of the new securities in one instance and to 95.9 percent in another instance clearly indicates that capital and investors saw, in these new public-utility securities, no more than the usual risk connected with any high-grade security.

The enormous amount of new securities, namely $1,865,179,980 as shown above not only speaks for itself as a definite and well-defined contradiction to the oft-repeated and unwarranted assertion that the Wheeler-Rayburn bill, if passed, would stifle utility financing, but as a further contradiction to this and similar misleading statements we present the fact that the public-utility companies which issued and sold these new securities are located in 27 different States; the latter ranging from Maine on the North, to Louisiana in the South, and from the Atlantic Coast States in the East to California on the Pacific coast, including, of course, many States in the interior; and as the properties or systems of a number of the issuing companies extend into adjoining States, it is evident that close to 35 States are represented, as it were, in this large amount of new financing.

The broad and varied geographical field thus covered or included in the new securities and companies putting out same in the past 17 months, conclusively shows that the electric light and power industry, either as a Nation-wide or localized business, has not been destroyed, injured, or impaired.

In connection with and appropriate to the above it might be well to give here some data as to the life or maturities of these new security issues aggregating $1,856,951,980.

The securities consist of bonds, debentures, notes, preferred and common stocks. The two latter are of course, without maturity; the notes and debentures are of short-time serial maturity and the life of the bonds ranges from 14 years to 35 years the average life or maturity being about 26 years with 25 percent of the total number of issues being 25-year maturity and 41 percent of the total having a 30-year maturity.

The most of these were for refunding purposes. In the majority, of cases companies "calling" for redemption, at prices ranging from 102 to 105, outstanding security issues bearing annual interest charges ranging from 5 percent to 6½ percent.

The result will be a tremendous yearly saving in "fixed charges." This yearly saving must and will prove of material benefit to the stockholders of the refinanced company, and more particularly to the common-stock holders, in that considerable of the earnings heretofore used for payment of bond-interest charges will be available for dividends or larger dividends on the common stock.

In addition to the gain to investors in the latter, through thus receiving larger dividends, they will benefit through the increased value thereby accruing to their stock—it naturally will be worth more and command higher prices—and the greater stability also given to it; all of which will also accrue to and similarly benefit the preferred stock. So that the equity holders, the investors in the company's junior securities are assured either increased income, or more regular income, plus larger market value for their holdings.

Yet opponents of the bill, especially public-utility officials, both orally, in communications, and through printed statements to the Senate and House Interstate Commerce Committees, which held lengthy hearings on the bill, repeatedly and unqualifiedly asserted that the bill, if passed, would cause immense losses to the equity holders, if not practically wipe out their investments in this respect.

In connection with the above, please remember that for the 17 months ended May 31, 1936, there was actually marketed $1,720,536,980 of new securities, with $144,643,000 "registered" for early sale; or a total of $1,865,179,980 put out by public-utility companies in that period.

The average annual interest rate on same being 3.86 percent and as low as 3 percent, as against interest rates on the bonds called for redemption ranging from 5 percent to 6½ percent. The large yearly saving in "fixed charges" will amount to hundreds of thousands of dollars.

The average maturity (life) of these new securities is 26 years; and as the large annual saving above shown will be effective for this long period of 26 years, the total saving becomes enormous and the benefit to the equity holders simply immense; yet the Public Utility Act of 1935 is a "destructive" measure and a ruinous one to public utilities—electric light, power, and gas—and especially to investors in junior securities of same; that is, according to statements, assertions, and representations made by members and associates of the committee of public-utility executives—also known as the Gadsden committee—in their efforts and fight to defeat and prevent the passage of the Wheeler-Rayburn bill.

The facts set forth in this article and as shown on the accompanying sheets are sufficient proof that this committee indulged in—to put it mildly—continued misrepresentation also in unwarranted and misleading predictions as to the future disastrous effect of the bill upon utility holding and operating companies.

And it is particularly pertinent to note that of the 62 public-utility companies which marketed the new securities covered by this article, that 27 companies were either subsidiaries of member companies of the Gadsden committee, or were member companies themselves—please get this straight, that over a large majority of the membership of this committee issued and sold new security issues and at lower interest rates than their then outstanding bonds and securities were carrying; notwithstanding their unqualified claims that the passage of the Wheeler-Rayburn bill would prevent this very thing—these 27 companies comprising 43.5 percent of the total number marketing the new securities.

In the year 1935, 28 or 50 percent of the 56 issues sold were of this committee group; they selling in that year 1935, $686,620,080 par value, or 63.8 percent in amount of the new securities sold.

During the first 5 months of 1936, this committee group marketed $300,454,900 par value, or 45.1 percent of the total put out.

Of the seven companies which registered new securities with the S. E. C. in May, for early sale, three are of this committee group, the securities amounting to $77,493,000 par value, or 53.6 percent of the total amount registered for marketing.

This is a record of actualities, of the issuance and sale of bonds, debentures, and stocks by members of a committee and its associates organized to oppose and to defeat the passage of the Wheeler-Rayburn bill and who indulged in every form of misrepresentation and direful predictions to that end.

List of companies that contributed to the Committee of Public Utility Executives

(The Gadsden committee)

Holding companies:		
American Gas & Electric Co		$7,890
American Water Works & Electric Co., Inc		5,000
Columbia Gas & Electric Corporation		5,000
Commonwealth & Southern Corporation		13,140
Electric Bond & Share Co	$8,957	
American & Foreign Power Co., Inc	1,370	
American Power & Light Co	3,913	
Electric Power & Light Co	2,543	
National Power & Light Co	1,957	
Power Securities Corporation	195	
United Gas Corporation	1,174	
Lehigh Power Securities Corporation	1,956	
Total contributed by Electric Bond & Share Co. and its intermediate holding companies		22,065
New England Power Association		5,865
Niagara-Hudson Power Corporation		7,920
The North American Co	$13,125	
Illinois Power & Light Co	5,000	
Total contributed by North American Co. and its intermediate holding company		18,125
Pacific Lighting Corporation		5,000
Penn-Southern Power Co		1,410
Standard Gas & Electric Co		14,010
Stone & Webster, Inc		5,145
United Gas Improvement Co		10,755
United Light & Power Co		5,610
Total contributed by holding companies		126,935
Operating or independent companies:		
Consolidated Gas, Electric Light & Power Co. of Baltimore		3,000
The Detroit Edison Co		6,630
Pacific Gas & Electric Co. (operating and holding company)		5,000
Public Service Electric & Gas Co., New Jersey		10,500
		25,130
Total contributed by holding companies		126,935
Total contributed by operating or independent companies		25,130
Total contributed by all companies		152,065
Additional amount requested by the committee		50,000
Total amount available to the committee		172,065
Amount paid two attorney firms by the Edison Electric Institute		150,000
Total used by the committee and associates against the Wheeler-Rayburn bill		322,065

(Based on data furnished to the Senate Lobby Investigation Committee by Mr. P. H. Gadsden.)

List of public utility holding and operating companies (electric light, power, and gas) that issued and sold new securities during the year 1935, and essential data relative to the securities

Annual interest rate (per-cent)	Name of company and securities	Amount sold, par value	Date of filing, 1935	Approximate date of sale, 1935	Date of maturity	Parent or holding company
5½	Wisconsin Public Service Corporation,[1] Milwaukee, Wis., first-lien and refunding-mortgage bonds, series C.	$7,000,000	Jan. 24	Mar. 22	1959	The Standard Gas & Electric Co.[1 2]
4	Pacific Gas & Electric Co.,[1] San Francisco, Calif., first- and refunding-mortgage bonds, series G.	45,000,000	Mar. 8	Mar. 28	1964	Pacific Gas & Electric Co.[1] (an operating and holding company).
3¾	Southern California Edison Co., Ltd., Los Angeles, Calif.; refunding-mortgage gold bonds.	73,000,000	Mar. 30	Apr. 22	1960	Independent company.
4¼	Androscoggin Electric Corporation, Augusta, Maine, first-mortgage sinking-fund bonds.	4,000,000	Apr. 11	May 7	1955	New England Public Service Co.
4	San Diego Consolidated Gas & Electric Co.,[1] San Diego, Calif., first-mortgage bonds.	15,500,000	May 9	May 29	1965	The Standard Gas & Electric Co.[1 2]
3¾	Commonwealth Edison Co., Chicago, Ill., first-mortgage bonds, series H.	29,500,000	May 17	June 6	1960	Commonwealth Edison Co. (an operating and holding company).
5½	Southern Utah Power Co., Cedar City, Utah, first-mortgage sinking-fund bonds.	500,000	May 25	June 28	1960	North American Gas & Electric Co.
3½	Central Hudson Gas & Electric Corporation, Poughkeepsie, N. Y., first- and refunding-mortgage bonds.	9,765,000	June 4	July 1	1965	Central Hudson Gas & Electric Corporation.[3]
4	Pacific Gas & Electric Co.,[1] San Francisco, Calif., first- and refunding-mortgage bonds, series G.	30,000,000	June 5	June 26	1964	Pacific Gas & Electric Co.[1] (an operating and holding company).
3¾	Consumers Power Co., Jackson, Mich., first-lien and unifying-mortgage bonds, series of 1935.	18,594,000	June 7	June 28	1965	Commonwealth & Southern Corporation.[1]
3½	Edison Electric Illuminating Co. of Boston, Boston, Mass., first-mortgage sinking-fund bonds, series A.	53,000,000	June 11	July 19	1965	Independent company.
3¾	Southern California Edison Co., Ltd., Los Angeles, Calif., refunding-mortgage gold bonds, series B.	35,000,000	June 12	July 1	1960	Do.
3¾	Cleveland Electric Illinuminating Co., Cleveland, Ohio, general-mortgage bonds.	40,000,000	June 25	July 15	1965	The North American Co.[1]
4½	Public Service Co. of Northern Illinois, Chicago, Ill., first-lien and refunding-mortgage bonds, series I.	16,000,000	June 28	July 23	1960	Public Service Co. of Northern Illinois[4] (an operating and holding company).
3½	Duquesne Light Co., Pittsburgh, Pa., first-mortgage refunding bonds.	70,000,000	June 28	July 18	1965	The Standard Gas & Electric Co.[1 2]
3½	Consolidated Gas Electric Light & Power Co. of Baltimore, Baltimore, Md., first- and refunding-mortgage bonds, series M.	7,326,000	Private sale	July 1935	1965	Independent company.
5½	North Central Gas Co., Casper Wyo., serial refunding bonds.	750,000	June 28	Aug. 1	1941–52	The Northern Utilities Co.
4	Southern California Gas Co., Los Angeles, Calif., first-mortgage and refunding bonds.	15,000,000	July 9	July 29	1965	The Pacific Lighting Corporation.[1]
3½	Public Service Electric & Gas Co., Newark, N. J., first- and refunding-mortgage bonds.[1]	50,000,000	Private sale	July 30	1965	The Public Service Corporation of New Jersey.
4¼	Iowa Electric Light & Power Co., Cedar Rapids, Iowa, first mortgage, series D.	3,000,000	do	July–August	1955	Independent company.[5]
3¾	Public Service Co. of New Hampshire, Manchester, N. H., first-mortgage bonds, series C.	5,400,000	Aug. 2	Aug. 26	1960	The New England Public Service Co.
4	Coast Counties Gas & Electric Co., San Francisco, Calif., first-mortgage bonds, series B.	3,000,000	Aug. 8	Aug. 28	1965	The Pacific Public Service Corporation.
3½	Central Hudson Gas & Electric Corporation, Poughkeepsie, N. Y., first-lien and refunding-mortgage bonds.	1,000,000	Aug. 10	Sept. 3	1965	Central Hudson Gas & Electric Corporation.[3]
5	Savannah Electric & Power Co., Savannah, Ga., first- and refunding-mortgage gold bonds, series F.	4,500,000	Aug. 16	Aug. 23	1955	Stone & Webster, Inc.[1]
4	Bangor Hydro-Electric Co., Bangor, Maine, first-lien and refunding-mortgage bonds.	425,000	Private sale	Aug. 17	1954	Independent company.
	Southern California Edison Co., Ltd., Los Angeles, Calif.:					
4	First- and refunding mortgage gold bonds	30,000,000	Aug. 23	Sept. 17	1960	Do.
2½–3¾	Serial debentures	27,500,000	do	do	1936, 1940, 1945	Do.
	Atlanta Gas Light Co., Atlanta, Ga.:					
4½	Gas mortgage bonds	5,000,000	Aug. 27	Oct. 2	1955	Central Public Utilities Corporation.
6	Preferred stock, cumulative	1,300,000	do	do		
3½	Consumers Power Co., Jackson, Mich., first-lien and unifying-mortgage bonds, series of 1935.	19,172,000	Aug. 31	Sept. 23	1965	Commonwealth & Southern Corporation.[1]
4	Detroit Edison Co.,[1] Detroit, Mich., general and refunding mortgage bonds, series F.	49,000,000	Sept. 5	Sept. 26	1965	Independent company.
4	Pacific Gas & Electric Co.,[1] San Francisco, Calif., first- and refunding-mortgage bonds, series G.	20,000,000	do	Sept. 25	1964	Pacific Gas & Electric Co.[1] (an operating and holding company).
5	Worcester Gas Light Co., Worcester, Mass., first-mortgage bonds, series A.	1,000,000	Sept. 13	Oct. 22	1965	Associated Gas & Electric System.
4½	Pacific Lighting Corporation,[1] Los Angeles, Calif., sinking-fund debentures.	10,000,000	Sept. 18	Oct. 8	1945	Independent (holding company).
4	Central Maine Power Co., Augusta, Maine, first- and general-mortgage bonds, series G.	15,600,000	Sept. 20	Nov. 14	1960	New England Public Service Co.
3½	Dayton Power & Light Co., Dayton, Ohio, first-lien and refunding-mortgage bonds.	20,000,000	Sept. 21	Oct. 14	1960	Columbia Gas & Electric Corporation.[1]
3¾	Connecticut Power Co., Hartford, Conn., first-lien and general-mortgage bonds, series A.	2,500,000	Sept. 26	Nov. 26	1965	Independent company.
4	Virginia Electric & Power Co., Richmond, Va., first- and refunding-mortgage bonds, series A.	37,500,000	Oct. 22	Oct. 22	1955	Stone & Webster, Inc.[1]
	Cleveland Electric Illuminating Co., Cleveland, Ohio, preferred stock, cumulative, $4.50 series, 254,995.8 shares.	25,499,580	Oct. 9	Oct. 31		The North American Co.[1]
4	Blackstone Valley Gas & Electric Corporation, Pawtucket, R. I., mortgage and collateral-trust bonds, series C.	7,300,000	Oct. 10	Oct. 30	1965	Stone & Webster, Inc.[1]
4	Columbus Railway Power & Light Co., Columbus, Ohio, first-mortgage and collateral-trust bonds.	26,000,000	do	do	1965	United Light & Power Co.[1]
5½	North Central Gas Co., Casper, Wyo., first-mortgage sinking-fund bonds.	1,000,000	Oct. 15	Nov. 14	1955	The Northern Utilities Co.
5½	Iowa Southern Utilities, Centerville, Iowa, first- and refunding-mortgage bonds, series of 1935.	5,000 000	Oct. 28	Nov. 21	1950	Independent company.
4	Los Angeles Gas & Electric Co., Los Angeles, Calif., first- and general-mortgage bonds.	40,000,000	Oct. 29	Nov. 19	1970	Pacific Lighting Corporation.[1]
	Monongahela West Penn Public Service Co., Fairmont, W. Va.:					
4½	First- and general-mortgage bonds	22,000,000	Oct. 20	Nov. 4	1960	American Waterworks & Electric Co., Inc.[1]
6	Debentures	7,500,000	do	do	1965	Do.

[1] Was a member of and cash contributor to the Committee of Public Utility Executives. This committee was organized to and did vigorously oppose the passage of the Wheeler-Rayburn bill.

[2] Standard Gas & Electric Co. controlled by the Standard Power & Light Corporation.

[3] Niagara-Hudson Power Corporation owns 30 percent of the voting-trust certificates for common stock of the Central Hudson Gas & Electric Corporation. Niagara-Hudson Power Corporation was a member of and a cash contributor to the Committee of Public Utility Executives.

[4] Public Service Co. of Northern Illinois is affiliated with the Commonwealth Edison Co. through the Commonwealth Subsidiary Corporation.

[5] This issue was registered with the Securities and Exchange Commission Mar. 30, 1936.

Sources of information: Registration statements filed by the companies listed with the S. E. C.; prospectuses of the various companies; Moody's Public Utilities; Moody's and Poor's cumulative indexes.

List of public utility holding and operating companies (electric light, power, and gas) that issued and sold new securities during the year 1935, and essential data relative to the securities—Continued

Annual interest rate (percent)	Name of company and securities	Amount sold, par value	Date of filing, 1935	Approximate date of sale, 1935	Date of maturity	Parent or holding company
4	Ohio Edison Co., Akron, Ohio, first- and consolidated-mortgage bonds, series of 1935.	$43,963,500	Oct. 30	Nov. 20	1965	The Commonwealth & Southern Corporation.[1]
	Southwestern Gas & Electric Co., Shreveport, La.:					
4	First-mortgage bonds, series D	16,060,000	do	Dec. 20	1960	The Middle West Corporation.
4	Serial debentures, series A	4,500,000	do		1936–45	Do.
3¾	Public Service Co. of New Hampshire, Manchester, N. H., first-mortgage bonds, series D.	10,379,000	Nov. 1	Nov. 22	1960	The New England Public Service Co.
4½	Kansas Power & Light Co., Topeka, Kans., first-mortgage bonds.	30,000,000	do	Nov. 21	1965	The North American Co.[1]
3½	New York & Queens Electric Light & Power Co., Long Island City, N. Y., first- and consolidated-mortgage bonds, series of 1935.	25,000,000	Nov. 5	Nov. 25	1965	Consolidated Edison Co. of New York.
4	Metropolitan Edison Co., Reading, Pa., first-mortgage bonds, series G.	11,710,000	Nov. 7	Nov. 27	1965	Associated Gas & Electric System.
	Edison Electric Illuminating Co. of Boston, Boston, Mass., capital stock (subscription), 82,289 shares.	8,228,900	Nov. 14	Dec. 27		Independent company.
4½	Lockhart Power Co., Lockhart, S. C., first-mortgage sinking-fund bonds.	1,500,000	Nov. 20	Dec. 10	1955	Monarch Mills, Inc.
3½	Public Service Electric & Gas Co.,[1] Newark, N. J., first- and refunding-mortgage bonds.	15,000,000	Nov. 23	Dec. 11	1965	Public Service Corporation of New Jersey.
	Total	1,076,412,980				

[1] Was a member of and cash contributor to the Committee of Public Utility Executives. This committee was organized to and did vigorously oppose the passage of the Wheeler-Rayburn bill.

List of public utility holding and operating companies (electric light, power, and gas) that issued and sold new securities during the first 5 months of 1936, and essential data relative to the securities

Annual interest rate (percent)	Name of company and securities	Amount sold (par value)	Date of filing, 1935–36	Approximate date of sale, 1936	Date of maturity	Parent or holding company
4	Cape & Vineyard Electric Co., Falmouth, Mass., first-mortgage bonds, series A.	$750,000	Nov. 14, 1935	Feb. 7	1965	The Associated Gas & Electric System.
3½	West Penn Power Co., Pittsburgh, Pa., first-mortgage bonds, series F.	27,000,000	Dec. 26, 1935	Jan. 15	1966	The American Water Works & Electric Co., Inc.[1]
4½	Lowell Gas Light Co., Lowell, Mass., first-mortgage bonds, series A.	950,000	do	Feb. 18	1966	The American Commonwealth Power Associates.
	Wisconsin Electric Power Co., Milwaukee, Wis.:					
4	First-mortgage bonds, series B	7,500,000	Private sale[2]	Jan. 7	1941–55	The North American Co.[1]
1½–3½	Serial notes	2,500,000			1936–40	
	Public Service Co. of Oklahoma, Tulsa, Okla.:					
4	First-mortgage bonds, series A	16,000,000	Jan. 28, 1936	Feb. 18	1966	The Middle West Corporation.
4	Serial debentures	2,000,000			1937–46	
3¾	Connecticut River Power Co., Littleton, N. H., first-mortgage sinking-fund bonds, series A.	20,300,000	do	do	1961	The New England Power Association.[1]
	Duke Power Co., Charlotte, N. C.:					
3½	First-mortgage bonds	30,000,000	Private sale[2]	Feb. 26	1967	Independent Co.
4	Notes	9,000,000			1946	
3½	New York Edison Co., New York, N. Y., first-lien and refunding-mortgage bonds, series D.	55,000,000	Feb. 7, 1936	Feb. 27	1965	The Consolidated Edison Co. of New York.
3½	Central Illinois Light Co., Peoria, Ill., first- and consolidated-mortgage bonds.	7,178,500	Feb. 25, 1936	Mar. 16	1966	The Commonwealth & Southern Corporation.[1]
5	East Missouri Power Co., Louisiana, Mo., first-mortgage bonds, series A.	250,000	Private sale[2]	Mar. 19	1956	The Middle West Corporation.
3½	Lewiston Gas Light Co., Lewiston, Maine, first- and refunding-mortgage bonds.	380,000	do[2]	March	1956	Independent Company.
3½	Consumers Power Co., Jackson, Mich., first-mortgage bonds.	55,830,000	Feb. 28	Mar. 19	1970	The Commonwealth & Southern Corporation.[1]
3¾	Pacific Gas & Electric Co.,[1] San Francisco, Calif., first- and refunding-mortgage bonds, series H.	90,000,000	Mar. 3	Mar. 24	1961	The Pacific Gas & Electric Co., an operating and holding company.
	Iowa Electric Co., Cedar Rapids, Iowa:					
4	First-mortgage bonds, series A	3,750,000	Mar. 5	Mar. 31	1961	Independent Company.[3]
4	Serial notes	1,040,000			1936–46	
4	Eastern Gas & Fuel Associates, Boston, Mass., first-mortgage and collateral-trust bonds, series A.	75,000,000	do	Mar. 26	1953	Independent Company.
	Iowa Electric Light & Power Co., Cedar Rapids, Iowa:					
4	First-mortgage bonds, series E	3,600,000	Mar. 6	Mar. 27	1955	Do.
3	Serial notes	1,250,000	do	do	1936–41	Do.
4	California-Oregon Power Co., Medford, Oreg., first-mortgage bonds.	13,500,000	Mar. 17	Apr. 6	1966	The Standard Gas & Electric Co.[4]
	Consolidated Edison Co. of New York, New York, N. Y.:					
3¼	Debentures	35,000,000	Mar. 20	Apr. 9	1946	Independent Company (a holding and operating company).
3½	Do	35,000,000	do	do	1956	Do.
3½	Wisconsin Gas & Electric Co., Milwaukee, Wis., first-mortgage bonds.	10,500,000	Mar. 30	Apr. 20	1966	The North American Co.[1]
4	Minneapolis Gas Light Co., Minneapolis, Minn., first-mortgage bonds.	11,000,000	Mar. 31	May 19	1950	The American Gas & Power Co.
3¾	Pacific Gas & Electric Co.,[1] San Francisco, Calif., first- and refunding-mortgage bonds, series H.	30,000,000	Apr. 7	Apr. 28	1961	The Pacific Gas & Electric Co.[1] (an operating and holding company.)
5	Central Illinois Light Co., Peoria, Ill., cumulative preferred stock, 111,464 shares.	11,146,400	Apr. 9	Apr. 29		The Commonwealth & Southern Corporation.[1]
3¾	Rockland Light & Power Co., Nyack, N. Y., first- and refunding-mortgage bonds, series B.	5,700,000	Private sale[2]	May 7	1961	Independent Company.
3½	Public Service Electric & Gas Co.,[1] Newark, N. J., first- and refunding-mortgage bonds.	25,000,000	Private sale[2]	May 17	1963	The Public Service Corporation of New Jersey.

[1] Was a member of and cash contributor to the Committee of Public Utility Executives. This committee was organized to and did vigorously oppose the passage of the Wheeler-Rayburn bill.

[2] By "private sale" is meant that the issuing company sold the new securities direct to institutional investors, such as life-insurance companies, savings banks, and similar large investors.

[3] An affiliate of the Iowa Electric Light & Power Co.

[4] A subsidiary of the Standard Power & Light Corporation.

Sources of information: Registration statements filed by the companies listed with the S. E. C.; prospectuses of the various companies; Moody's and Poor's Cumulative Indexes.

List of public utility holding and operating companies (electric light, power, and gas) that issued and sold new securities during the first 5 months of 1936, and essential data relative to the securities—Continued

Annual interest rate (per-cent)	Name of company and securities	Amount sold (par value)	Date of filing, 1935-36	Approximate date of sale, 1936	Date of maturity	Parent or holding company
3¼	Brooklyn Edison Co., New York, N. Y., consolidated-mortgage bonds.	$55,000,000	May 5	May 25	1971	The Consolidated Edison Co. of New York.
4	Long Island Lighting Co., New York, N. Y., first- and refunding-mortgage bonds.	3,000,000	Private sale [2]	May	1961	Independent company.
4	Peoples Gas Light & Coke Co., Chicago, Ill., first- and refunding-mortgage bonds, series D.	22,000,000	May 7	May 27	1961	Do.
	Total	666,124,900				

[2] By "private sale" is meant that the issuing company sold the new securities direct to institutional investors, such as life-insurance companies, savings banks, and similar large investors.

List of public utility holding and operating companies (electric light, power, and gas) that have registered new securities for early sale, as of May 30, 1936

Annual interest rate (per-cent)	Name of company and securities	Amount to be sold (par value)	Date of filing	Date of maturity	Parent or holding company
4	New York State Electric & Gas Corporation, Ithaca, N. Y., first-mortgage bonds.	$17,500,000	Dec. 31, 1935	1955	Associated Gas & Electric System.
4	Central Maine Power Co., Augusta, Maine, first- and general-mortgage bonds, series H.	9,000,000	Mar. 19, 1936	1966	New England Public Service Co.
4½	Dayton Power & Light Co., Dayton, Ohio, preferred stock, cumulative, 100,000 shares.	10,000,000	Apr. 30, 1936		Columbia Gas & Electric Corporation.
	Montana-Dakota Utilities Co., Minneapolis, Minn.:				
4½	First-mortgage sinking-fund bonds, series A	12,500,000	May 5, 1936	1956	Minnesota Northern Power Co.
(2)	Serial debentures	2,450,000	do	1937-43	Do.
4	Wisconsin Public Service Co., Milwaukee, Wis.: First-mortgage bonds.	25,000,000	May 15	1961	Standard Gas & Electric Co.[1 3]
	Wisconsin Power & Light Co., Madison, Wis.:				
4	First-mortgage bonds, series A	32,000,000	May 25	1966	Middle West Corporation.
4	Serial debentures	3,700,000	do	1937-46	Do.
3½	Niagara Falls Power Co., Niagara Falls, N. Y., first- and refunding-mortgage bonds.	32,493,000	May 30	1966	Niagara Hudson Power Corporation.[1]
	Total	144,643,000			

[1] Was a member of and cash contributor to the Committee of Public Utility Executives. This committee was organized to and did vigorously oppose the passage of the Wheeler-Rayburn bill.
[2] Not yet fixed.
[3] Standard Gas & Electric Co. is controlled by the Standard Power & Light Corporation.

TEXAS DAY CELEBRATION—ADDRESS BY MARSHALL R. DIGGS

Mr. CONNALLY. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by Hon. Marshall R. Diggs, executive assistant to the Comptroller of the Currency, at the Texas Day celebration of the San Diego Exposition, May 24, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is a great pleasure to represent our Vice President and to bring his greetings to you former Texans and all Californians who so greatly honored him in 1932. He was most anxious to be with you today—you in whom he has such interest—but, as you know, during his term as Vice President, Mr. Garner has never left Washington while Congress was in session.

For my part, I am particularly delighted to be here at this great outpouring of former Texans—or might I say Texans—for once you become inoculated with the air, the sunshine, and the spirit of Texas you are always a Texan. However, if any place could make you temporarily forget your native State, it would be California.

These two great States have much in common. Both were part of Spain. Both were part of Mexico. Texas is the largest State in the Union. California is the second. Each State boasts of about 6,000,000 population and they ranked fifth and sixth in the census of 1930. Some States have only few industries and natural advantages, but California and Texas are most fortunate in having varied natural resources, varied crops, and varied climate.

Of course, the whole world knows that California's climate is perennially perfect—while Texas admits that she has extremes of heat and cold. No doubt you have heard that Amarillo is the hottest place in the United States in the summer and the coldest spot in the winter. The great size of the States and the varied conditions remind me of the three blind men, who having heard of an elephant—wanted to know what it was like—so they were taken to one. The first blind man felt over its trunk and said, "Oh, it is like a snake." The second touched the elephant's great side and said, "No, it is like a house", while the third feeling the hind leg said, "No, an elephant is like a tree." So it is with our two States. Those of us who see only one section cannot begin to visualize what other parts of the State offer. In order to display to yourselves as well as to outsiders what you are as a whole—you have this spendid exposition.

This year the Lone Star State, the only State which was ever recognized as an independent republic, is observing the one hundredth anniversary of its independence by staging a gigantic centennial.

The main exhibition will be held at Dallas. However, in order that as many historic spots and as much of interest as possible shall be seen, Fort Worth, Houston, San Antonio, and other cities are holding celebrations too. The entire State is actively cooperating in this centennial observance. You will visualize the vastness of this display when you will recall that Texas today—much of its original area divided among sister States—still is larger than all New England, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, and West Virginia. Texas, which the majority of Americans have always thought of as a land of cattle, still holds leadership in this field. In addition, it is the number one cotton-producing State, the largest producer of oil and gas, and the producer of 85 percent of the world's sulphur supply. Wheat, rice, sugar, lumber, salt, granite, fish, roses, and evergreens are but some of the Texas products figuring importantly in our national scheme. You in southern California probably realize all too well what a tremendous quantity of fruit and vegetables are raised in our Rio Grande Valley.

Texas and California have something else in common. This something is intangible. It cannot be seen. It can only be felt. We have felt it over a period of years. You have felt it—not so long perhaps—but so deeply that between us this sentiment has become national. This last, most important, most worthy bond is our love for, and admiration of, that greatest living son of the Lone Star State, John Nance Garner, the Vice President of the United States.

Surely there could be no greater proof of his friendliness and love for people than his kindly face. What we are—what we feel—is indelibly stamped on our countenances as we grow older. You have seen the hard grim jaw of the man who treads people under foot—the wily cunning eye of the man who knowingly tricks others—but the man with the twinkling eye—with the hearty laugh—is a friend of man. Those of you who have seen Mr. Garner will agree with me that he is such a one. The door to his office is always open. No man in Washington is easier to reach than he. He greets you with a smile and has you believe he is glad to see you, rather than annoyed because you take up his time. We love him because he loves people and because he is honest. I do not believe he ever intentionally deceived a man in his life. Forthright and direct, he has never broken a promise, and possibly because of these traits he has never lost a friend. No man cherishes friendship more. "The secret of getting along

with men," he once said, "is being honest with them and never telling them anything but the truth."

It will be recalled that in 1932 this distinguished Texan, through no effort whatsoever upon his part, was proposed for the Presidency by large numbers of friends who were well acquainted with his great ability as a leader and statesman. After the name of Mr. Garner had been placed in nomination by Senator TOM CONNALLY, of Texas, the nomination was seconded by the Honorable WILLIAM GIBBS MCADOO, of California.

In this speech, Senator MCADOO paid glowing tribute to the favorite son of Texas, saying in part: "Of no man can it be more truly said that he is the unaided architect of his own fortunes. There is much, of course, that he owes to the indomitable spirit handed down by frontier forebears, but all else is the creation of his own energy and self-reliance. Not Abraham Lincoln, educating himself by the light of pine knots and splitting rails to pay for books, is more hand hewn than this simple plainsman who has lifted himself to a place of honor and distinction without other help than his sheer ability and stark resolution."

When Franklin Delano Roosevelt was nominated for the Presidency, John Nance Garner was the unanimous choice for the Vice Presidency.

The history of the Garner family is closely interwoven with that of Texas. The ancestors of the Vice President were pre-Revolutionary Virginians, and migrated to Tennessee during the pioneer days. It is significant that the Garner family comes from Virginia, through Tennessee, which combination also produced the most colorful figure in Texas history—Sam Houston.

John Nance Garner, born in a log cabin near Blossom Prairie in northeast Texas, was educated like most boys of his day in a log schoolhouse. He was fond of outdoors and still likes nothing better than to slip away on a fishing trip with a small group of intimate friends. When he was 18 years old John Garner decided to study law. His meager savings enabled him to enroll at Vanderbilt University. Because of ill health he could not finish college, but, with the determination which has since made him so successful, he read law in a local attorney's office and was soon admitted to the bar. Not long after that he moved to the place where his home has been ever since, Uvalde, in the southwestern part of the State. After having been county judge, he was elected to the State legislature, and during his second term played a large part in carving out the Eighteenth Congressional District which included Uvalde. Needless to say, he was elected as its first Representative to the Congress, where he remained until he became Vice President.

Throughout these years his closest friend, most intimate helper, has been Mrs. Garner. She is serving as his active secretary now and has done so through all their many years in Washington.

Mrs. Garner told me that one afternoon she and Mr. Garner drove out in their horse and buggy on a road overlooking Austin. They were discussing his running for Congress, and Mr. Garner said: "Well, if I do run and am elected we must never forget our home is in Texas." John Garner's heart has remained in Texas. He has never owned a home in Washington. But when Congress adjourns he takes the first train back to Uvalde.

New Congressman Garner arrived in Washington while Theodore Roosevelt was President. His main interests were finance, taxation, and economics.

Speaker Cannon put him on a committee that had not met for years, but instead of idling our ambitious friend employed his time forming friendships on both sides of the House and in studying the House rules. This last activity stood him in good stead in years to come.

His gifts for leadership became more and more apparent, and as years and the fate of politics took the old leaders off the scene Garner forged to the front. He was well equipped for the big roles he was to fill. He had physical toughness, earnestness, courage, conviction, ability, and vigor. A fast thinker and a hard hitter, he was picturesque in debate. President Wilson relied on him in many delicate matters, and he was summoned frequently to the White House.

In the Seventy-first Congress he became minority leader. Mr. Garner has always liked his job, but he probably never enjoyed anything so much as this leadership. Certainly he never appeared to better advantage.

The Democratic majority in the Seventy-second Congress unanimously nominated Garner for the Speakership. This was the highest elective office held by any Democrat in the Nation at the time. Mr. Garner made every effort to cooperate with President Hoover. Intense partisan though he was, he issued a statement asserting "when such issues as now confront the country are under consideration, it is no time for partisan politics."

Vice President Garner is the only living man who has been Presiding Officer of both Houses of Congress. Just one other man has ever held both offices.

John Nance Garner walked directly from the Speaker's dais in the House of Representatives on March 4, 1933, to the Vice President's dais in the Senate Chamber. That was the breaking of a precedent. But Vice President Garner had been breaking precedents for a great many years, and he is still breaking them.

One precedent he shattered was in being the first nominee for Vice President of the United States not to receive formal notification of his nomination from a committee. Instead Senator ALBEN W. BARKLEY, temporary chairman of the 1932 Democratic National Committee, notified him by letter, and Garner wrote his reply, put a 3-cent stamp on the letter containing the acceptance, and mailed it to BARKLEY.

He has smashed another precedent in being the first Vice President of the United States not to leave Washington while Congress is in session.

He has set a precedent of being the only Vice President not to make any formal speeches anywhere in the United States during his term of office. He gives his opinion freely and forcefully in the meetings of the President's Cabinet, but he believes that President Roosevelt should define policies. He is the silent member of the firm of Roosevelt and Garner.

Silent though he is, all the Nation knows that he is not inactive. He has undoubtedly played the most important role of any Vice President in modern history. In an administration that has enacted more far-reaching legislation than any in decades, his more than 30 years' knowledge of parliamentary mechanics, his ability to see situations, his familiarity with the rules and the temperament of the Senate and House, his balance, and his shrewd judgment of the effect of legislation has made him invaluable in many exigent matters.

Vice President Garner has risen higher in public office than any Texan since Sam Houston, first president of the republic. Texas is proud that in its centennial year, 100 years after Sam Houston led his ragged Texas army to victory at San Jacinto, John Garner is being renominated for Vice President of the United States.

Texans sometimes like to refer to him as a "typical Texan." I have never thought he was. I think he is an unusual Texan—an unusual American.

BRIDLING OUR LAST FRONTIER—ARTICLE FROM NEW YORK TIMES

Mr. SCHWELLENBACH. Mr. President, I ask unanimous consent to have printed in the RECORD an article from the New York Times of May 31, 1936, entitled "Bridling Our Last Frontier."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN THE BASIN OF THE COLUMBIA RIVER A FEDERAL PROJECT NOW UNDER WAY AIMS AT TRANSFORMING A REGION THAT IS LARGER THAN NEW ENGLAND

By Richard L. Neuberger, Portland, Oreg.

The power age has come to one of the last frontiers of the United States. Three thousand miles from Washington—almost as far from the hub of the American Government as are the British Isles—workmen and engineers are weaving two giant dams across the surging waters of the Columbia River. At Bonneville, Oreg., and at Grand Coulee, Wash., the long-awaited Columbia Basin project is at last becoming a reality. In natural settings of unrivaled grandeur, the Federal Government moves ahead with its most ambitious undertaking in the far Northwest.

The dam at Bonneville is more than half completed. The Grand Coulee enterprise will be finished by 1939. Designed to provide irrigation, power, and navigation for an area larger than New England, the two projects represent the first Federal developments on the great river which, rising in the Canadian Rockies, rolls swiftly over the upland plateau of eastern Washington, turns westward sharply, and, passing through the Cascade Mountains in western Oregon, empties into the Pacific Ocean at Astoria.

Already the first foundations at Bonneville and Grand Coulee obstruct the onrush of the Columbia. On several occasions at both sites, cofferdams have been swept away like matchsticks, but each time replacements have been made successfully, and today the river bites futilely at steel and concrete. Just above the partly completed dam at Bonneville the torrent drops in a mighty crash at Celilo Falls, and it is a watery giant running wild by the time it reaches the project. Taut the girders and solid the masonry which would impede the Columbia's dash to the Pacific. During the recent spring freshets, engineers watched anxiously as the river pounded at the yet unfinished dams.

Few areas on the North American Continent are as promising for development as the basin of the Columbia River—a region extending into Idaho, Washington, Oregon, Nevada, Utah, Wyoming, and Montana, as well as into the Canadian Provinces of British Columbia and Alberta. It is a territory of unbelievable contrasts and sharp changes. From dry and arid plateaus the traveler can see mountain peaks blanketed in eternal snows. Tangled forests merge with carefully tended wheatlands. Unexplored canyons lie within driving distance of transcontinental railroad lines. In the Hood River Valley in Oregon, apple orchards and strawberry patches reach almost to the last ramparts of Mount Hood, towering 2 miles above the lowlands which surround it.

Swift changes in topography are not the only contrasts which characterize the Columbia Basin. From the Pullman car on its way to the great cities of Chicago, Cleveland, and New York, the traveler can see Indians spearing salmon in the rapids of the Columbia. The red men stand motionless on the banks of the stream, fish spears in hand, as did their painted fathers when Captain Lewis was the first white man to break in upon the scene Between the railroad train on its cliff ledge and the Indians on the river front two centuries and more are spanned.

Untrod uplands in the Columbia Basin are measured by horizons instead of acres. Sloping fields—yet untouched by cultivation—march on until they merge with the sky. It was a vista such as

this which impressed President Roosevelt when he visited the Pacific Northwest in the summer of 1934. Standing at Grand Coulee he declared: "You have acreage capable of supporting a much larger population than you now have; and we believe that by proceeding with these great projects it will not only develop * * * the far West and the coast but will also give an opportunity to many individuals and many families back in the older, settled parts of the Nation to come out here and distribute some of the burdens which fall on them more heavily than they fall on the West."

The impression left with the President is the impression left with every traveler who journeys through the valleys of Oregon and Washington and into the uplands of Idaho. Mile after mile, hour after hour, the train clicks between broad fields studded only here and there with farmhouses. As far as the eye can see, stretch lands yet free from the task of supplying the world's tables with apples, wheat, berries, and corn. A region whose area is 13 percent of that of the United States has but 2.8 percent of the Nation's population—not as many people as inhabit the Borough of Brooklyn. One of the principal purposes of the Columbia Basin project is to make this land habitable for thousands of Americans now crowded in the slums and tenements of the East.

Bonneville and Grand Coulee are also planned to bring the benefits of modern technological development to farms and settlements still almost as primitive as in the years when wagon trains were rolling down the sunset slope of the Continental Divide. On the upper reaches of the Columbia, numerous homesteaders light their shacks and cabins with oil lamps and candles. Their pumps, driven by windmills, depend upon the whims of breezes. Virtually all tasks must be accomplished by back-breaking toil, yet a few rods away in the river is latent energy sufficient to turn all the factory wheels in New York City, to light limitless homes and buildings. More than two-fifths of the potential hydroelectric power in the United States is within the basin and more than two-thirds of this amount is in the Columbia River.

The Columbia Basin dams will convert this unharnessed power into kilowatts, which transmission lines will conduct across mountain gorges and up and down the slopes of distant valleys. Passes once traversed only by hunters and trappers will be dotted by latticed steel poles, carrying hydroelectric power to farmers secluded in some mountain dale. The complete Columbia Basin report calls for eight dams to span the river at irregular intervals like the rungs of a giant ladder. Bonneville and Grand Coulee are the principal divisions of the project.

The Northwest is a land of contrasts, but it offers no more different scenes than those at the two dams now under construction. The 300 miles of twisting river which separate the undertakings might well be an ocean dividing two continents. Grand Coulee is surrounded by barren hills and dry tablelands. Bonneville is the center of an area covered with fir and cedar. One is like some portion of the rocky plains of high Tibet; the other a scene from the forests of Germany and Switzerland.

Reclamation Service engineers are building the Grand Coulee Dam in the bottom of a wide wash or arroyo. On all sides naked slopes roll away to the horizon. On the tablelands beyond are large rock formations which tower like fortresses in the desert. The dam itself will be a bulwark of steel and concrete almost a mile long and 500 feet high. The most massive structure ever built by man, Grand Coulee will contain more than three times as much masonry as Boulder Dam on the Colorado River.

At Bonneville workmen and engineers are surrounded by tree-covered bluffs and crags 3,000 feet high. Above the dam on the Oregon shore is the glacier-flanked peak of Mount Hood. The Washington bank is crowned by the flat summit of Old Table Mountain, a land mark for Captain Lewis when he paddled down the stream 130 years ago. Where once gleamed the campfires of the explorers sent westward by President Jefferson, small squares of light now mark the modern cottages of hundreds of men engaged in harnessing the Columbia.

Power will be generated at both Bonneville and Grand Coulee, but the latter will be primarily an irrigation project. Bonneville is listed as a navigation enterprise. Life-giving water will eventually be conveyed to more than 1,200,000 acres from the dam at Grand Coulee. Hillsides and plains now incapable of supporting even sage brush and jack rabbits will be turned into potential orchard and grazing land, needing only the influx of settlers to be put to use. Sponsors of the Columbia Basin development believe the day is not distant when the world's largest lift locks at Bonneville will send freighters into the heart of the Northwest to transport to the world's ports the apples, timber, beef, wheat, and wool made possible by the irrigation of Grand Coulee.

Bonneville and Grand Coulee are now separate projects, the former under the supervision of the War Department and the latter under the direction of the Department of the Interior. But the time has been foreseen when there may be a Columbia Basin Authority similar to the T. V. A. Already Senator POPE, of Idaho, has introduced such a bill in the Senate, although proposals making Bonneville—the dam to be completed first—a separate entity are said to be favored by the President. The latter measures have been introduced by Senator MCNARY, of Oregon, and Senator BONE, of Washington.

Just as the T. V. A. has had its controversies and litigation, so has the Columbia Basin project had extensive verbal overhaulings. Probably the most relentless opponent is Representative FRANCIS CULKIN, of New York, who has described Grand Coulee as a vast area of gloomy tablelands, interspersed with deep gullies, located in northern Washington. The project has been condemned by the National Grange and other agricultural groups. * * * In the region of the Grand Coulee there is no one to sell the power to except coyotes and jack rabbits. Grand Coulee is that colossal imposition upon the American people.

Attacking from another flank, Philip H. Gadsden and other utility executives have charged that Bonneville and Grand Coulee will produce great blocs of electric energy in a region which already has a superabundance of power.

In answer to these complaints—and in reply to the implication that Grand Coulee is a repetition of the Florida canal and Passamaquoddy—advocates of the Columbia Basin enterprise point out that the area drained by the great river is the last frontier. They contend that Bonneville and Grand Coulee look toward the future, when overcrowding in the East will launch a new movement westward.

In the meanwhile spillways and power houses arise in the mountains. Steam shovels bite into slopes of shale and walls of granite. Pneumatic drills hammer a lively staccato against cliffs worn smooth by ages of glacial and water erosion. Men wrestle with the river to set temporary barriers in place before pounding waters undo 2 years of toil and labor.

Advocates of the Columbia Basin project hope that in a decade a transformation will have taken place. Power lines will stretch to prosperous homesteads. The navigation hazard of Cascade Rapids will be buried beneath a smooth lake, and steamers will plow the waters of the Columbia deep into the Cascade Mountains. Lands in eastern Washington now dry and bare will be fields and pastures. Long furrows of corn and potatoes will replace sand slopes and dust patches.

Drive through the Columbia Basin and look up at the lofty crests of Hood, Adams, St. Helens, and the other snow-capped sentinels which for centuries have looked down on every act in the drama of the river. They will still be there as stony watchers when perhaps the people of another day gaze on two banks of masonry and steel that symbolize the civilization of a past era.

REPUBLICAN NATIONAL CONVENTION—ADDRESS OF TEMPORARY CHAIRMAN AND PLATFORM

Mr. HASTINGS. Mr. President, I ask unanimous consent that the address of the temporary chairman before the Republican national convention held at Cleveland and the platform adopted by the convention may be printed in the CONGRESSIONAL RECORD.

The address of the permanent chairman has heretofore been printed in the RECORD, in the proceedings of the House of Representatives, under date of June 15, 1936.

There being no objection, the matter referred to was ordered printed in the RECORD, as follows:

THE TEXT OF THE PLATFORM, CLEVELAND, JUNE 11, 1936

America is in peril. The welfare of American men and women and the future of our youth are at stake. We dedicate ourselves to the preservation of their political liberty, their individual opportunity, and their character as free citizens, which today for the first time are threatened by government itself.

For 3 long years the New Deal administration has dishonored American traditions and flagrantly betrayed the pledges upon which the Democratic Party sought and received public support.

The powers of Congress have been usurped by the President.

The integrity and authority of the Supreme Court have been flaunted.

The rights and liberties of American citizens have been violated.

Regulated monopoly has displaced free enterprise.

The New Deal administration constantly seeks to usurp the rights reserved to the State and to the people.

It has insisted on passage of laws contrary to the Constitution.

It has intimidated witnesses and interfered with the right of petition.

It has dishonored our country by repudiating its most sacred obligations.

It has been guilty of frightful waste and extravagances, using public funds for partisan political purposes.

It has promoted investigations to harass and intimidate American citizens, at the same time denying investigations into its own improper expenditures.

It has created a vast multitude of new offices, filled them with its favorites, set up a centralized bureaucracy, and sent out swarms of inspectors to harass our people.

It has bred fear and hesitation in commerce and industry, thus discouraging new enterprises, preventing employment, and prolonging the depression.

It secretly has made tariff agreements with our foreign competitors, flooding our markets with foreign commodities.

It has coerced and intimidated voters by withholding relief to those opposing its tyrannical policies.

It has destroyed the morale of many of our people and made them dependent upon government.

Appeals to passion and class prejudice have replaced reason and tolerance.

To a free people these actions are insufferable. This campaign cannot be waged on the traditional differences between the Republican and Democratic Parties.

The responsibility of this election transcends all previous political divisions. We invite all Americans, irrespective of party, to join us in defense of American institutions.

CONSTITUTIONAL GOVERNMENT AND FREE ENTERPRISE

We pledge ourselves:

1. To maintain the American system of constitutional and local self-government, and to resist all attempts to impair the authority of the Supreme Court of the United States, the final protector of rights of our citizens against the arbitrary encroachments of the legislative and executive branches of government. There can be no individual liberty without an independent judiciary.

2. To preserve the American system of free enterprise, private competition, and equality of opportunity, and to seek its constant betterment in the interests of all.

REEMPLOYMENT

The only permanent solution of the unemployment problem is the absorption of the unemployed by industry and agriculture. To that end we advocate:

Removal of restrictions on production.

Abandonment of all New Deal policies that raise production costs, increase the cost of living and thereby restrict buying, reduce volume, and prevent reemployment.

Encouragement instead of hindrance to legitimate business.

Withdrawal of Government from competition with private pay rolls.

Elimination of unnecessary and hampering regulations.

Adoption of such other policies as will furnish a chance for individual enterprise, industrial expansion, and the restoration of jobs.

RELIEF

The necessities of life must be provided for the needy and hope must be restored pending recovery. The administration of relief is a major failure of the New Deal. It has been faithless to those who most deserve our sympathy. To end confusion, partisanship, waste, and incompetence we pledge:

1. The return of responsibility for relief administration to nonpolitical local agencies familiar with community problems.

2. Federal grants-in-aid to the States and Territories while the need exists upon compliance with these conditions: (a) A fair proportion of the total relief burden to be provided from the revenues of States and local governments; (b) all engaged in relief administration to be selected on the basis of merit and fitness; (c) adequate provision to be made for the encouragement of those persons who are trying to become self-supporting.

3. Undertaking of Federal public works only on their merits and separate from the administration of relief.

4. A prompt determination of the facts concerning relief and unemployment.

SECURITY

Real security will be possible only when our productive capacity is sufficient to furnish a decent standard of living for all American families and to provide a surplus for future needs and contingencies. For the attainment of that ultimate objective we look to the energy, self-reliance, and character of our people, and to our system of free enterprise.

Society has an obligation to promote the security of the people by affording some measure of protection against involuntary unemployment and dependency in old age. The New Deal policies, while purporting to provide social security, have, in fact, endangered it.

We propose a system of old-age security, based upon the following principles:

1. We approve a pay-as-you-go policy, which requires of each generation the support of the aged and the determination of what is just and adequate.

2. Every American citizen over 65 should receive the supplementary payment necessary to provide a minimum income sufficient to protect him or her from want.

3. Each State and Territory, upon complying with simple and general minimum standards, should receive from the Federal Government a graduated contribution in proportion to its own, up to a fixed maximum.

4. To make this program consistent with sound fiscal policy the Federal revenues for this purpose must be provided from the proceeds of a direct tax widely distributed. All will be benefited and all should contribute.

We propose to encourage adoption by the States and Territories of honest and practical measures for meeting the problems of unemployment insurance.

The unemployment insurance and old-age annuity sections of the present Social Security Act are unworkable and deny benefits to about two-thirds of our adult population, including professional men and women and all those engaged in agriculture and domestic service and the self-employed, while imposing heavy tax burdens upon all. The so-called reserve fund estimated at $47,000,000,000 for old-age insurance is no reserve at all, because the fund will contain nothing but the Government's promise to pay, while the taxes collected in the guise of premiums will be wasted by the Government in reckless and extravagant political schemes.

LABOR

The welfare of labor rests upon increased production and the prevention of exploitation. We pledge ourselves to:

Protect the rights of labor to organize and to bargain collectively through representatives of its own choosing without interference from any source.

Prevent governmental job holders from exercising autocratic powers over labor.

Support the adoption of State laws and interstate compacts to abolish sweatshops and child labor, and to protect women and children with respect to maximum hours, minimum wages, and working conditions. We believe that this can be done within the Constitution as it now stands.

AGRICULTURE

The farm problem is an economic and social, not a partisan problem, and we propose to treat it accordingly. Following the wreck of the restrictive and coercive A. A. A., the New Deal administration has taken to itself the principles of the Republican policy of soil conservation and land retirement. This action opens the way for a nonpolitical and permanent solution. Such a solution cannot be had under a New Deal administration which misuses the program to serve partisan ends, to promote scarcity and to limit by coercive methods the farmer's control over his own farm.

One paramount object is to protect and foster the family type of farm, traditional in American life, and to promote policies which will bring about an adjustment of agriculture, to meet the needs of domestic and foreign markets. As an emergency measure, during the agricultural depression, Federal benefit payments or grants-in-aid when administered within the means of the Federal Government are consistent with a balanced Budget.

We propose—

1. To facilitate economical production and increased consumption on a basis of abundance instead of scarcity.

2. A national land-use program, including the acquisition of abandoned and nonproductive farm land by voluntary sale or lease and subject to the approval of the legislative and executive branches of the States concerned and the devotion of such land to appropriate public use, such as watershed

protection and flood prevention, reforestation, recreation, and conservation of wildlife.

3. That an agricultural policy be pursued for the protection and restoration of the land resources, designed to bring about such a balance between soil-building and soil-depleting crops as will permanently insure productivity, with reasonable benefits to cooperating farmers on family-type farms, but so regulated as to eliminate the New Deal's destructive policy toward the dairy and livestock industries.

4. To extend experimental aid to farmers developing new crops suited to our soil and climate.

5. To promote the industrial use of farm products by applied science.

6. To protect the American farmer against the importation of all livestock, dairy, and agricultural products, substitutes therefor, and derivatives therefrom, which will depress American farm prices.

7. To provide effective quarantine against imported livestock, dairy, and other farm products from countries which do not impose health and sanitary regulations fully equal to those required of our own producers.

8. To provide for ample farm credit at rates as low as those enjoyed by other industries, including commodity and livestock loans, and preference in land loans to the farmer acquiring or refinancing a farm as a home.

9. To provide for decentralized, nonpartisan control of the Farm Credit Administration and the election by national farm loan associations of at least one-half of the board of directors of the Federal land banks, and thereby remove these institutions from politics.

10. To provide in the case of agricultural products of which there are exportable surpluses the payment of reasonable benefits upon the domestically consumed portion of such crops in order to make the tariff effective. These payments are to be limited to the production level of the family-type farm.

11. To encourage and further develop cooperative marketing.

12. To furnish Government assistance in disposing of surpluses in foreign trade by bargaining for foreign markets selectively by countries both as to exports and imports. We strenuously oppose so-called reciprocal treaties which trade off the American farmer.

13. To give every reasonable assistance to producers in areas suffering from temporary disaster, so that they may regain and maintain a self-supporting status.

TARIFF

Nearly 60 percent of all imports into the United States are now free of duty. The other 40 percent of imports compete directly with the product of our industry. We would keep on the free list all products not grown or produced in the United States in commercial quantities.

As to all commodities that commercially compete with our farms, our forests, our mines, our fisheries, our oil wells, our labor, and our industries, sufficient protection should be maintained at all times to defend the American farmer and the American wage earner from the destructive competition emanating from the subsidies of foreign governments and the imports from low-wage and depreciated-currency countries.

We will repeal the present reciprocal-trade-agreement law. It is futile and dangerous. Its effect on agriculture and industry has been destructive. Its continuation would work to the detriment of the wage earner and the farmer.

We will restore the principle of the flexible tariff in order to meet changing economic conditions here and abroad, and broaden, by careful definition, the powers of the Tariff Commission in order to extend this policy along nonpartisan lines.

We will adjust tariffs with a view to promoting international trade, the stabilization of currencies, and the attainment of a proper balance between agriculture and industry.

We condemn the secret negotiation of reciprocal-trade treaties without public hearing or legislative approval.

MONOPOLIES

A private monopoly is indefensible and intolerable. It menaces and, if continued, will utterly destroy constitutional government and liberty of the citizen.

We favor the vigorous enforcement of the criminal laws, as well as the civil laws, against monopolies and trusts and their officials, and we demand the enactment of such additional legislation as is necessary to make it impossible for private monopoly to exist in the United States.

We will employ the full powers of the Government to the end that monopoly shall be eliminated and that free enterprise shall be fully restored and maintained.

REGULATION OF BUSINESS

We recognize the existence of a field within which governmental regulation is desirable and salutary. The authority to regulate should be vested in an independent tribunal acting under clear and specific laws establishing definite standards.

Their determinations on law and facts should be subject to review by the courts. We favor Federal regulation, within the Constitution, of the marketing of securities to protect investors. We favor also Federal regulation of the interstate activities of public utilities.

CIVIL SERVICE

Under the New Deal, official authority has been given to inexperienced and incompetent persons. The civil service has been sacrificed to create a national political machine. As a result the Federal Government has never presented such a picture of confusion and inefficiency.

We pledge ourselves to the merit system, virtually destroyed by New Deal spoilsmen. It should be restored, improved, and extended.

We will provide such conditions as offer an attractive permanent career in Government service to young men and women of ability, irrespective of party affiliations.

GOVERNMENT FINANCE

The New Deal administration has been characterized by shameful waste and general financial irresponsibility. It has piled deficit upon deficit. It threatens national bankruptcy and the destruction through inflation of insurance policies and savings-bank deposits.

We pledge ourselves to—

Stop the folly of uncontrolled spending.

Balance the Budget—not by increasing taxes but by cutting expenditures, drastically and immediately.

Revise the Federal tax system and coordinate it with State and local tax systems.

Use the taxing power for raising revenue and not for punitive or political purposes.

MONEY AND BANKING

We advocate a sound currency to be preserved at all hazard.

The first requisite to a sound and stable currency is a balanced budget.

We oppose further devaluation of the dollar.

We will restore to the Congress the authority lodged with it by the Constitution to coin money and regulate the value thereof by repealing all the laws delegating this authority to the Executive.

We will cooperate with other countries toward stabilization of currencies as soon as we can do so with due regard for our national interests and as soon as other nations have sufficient stability to justify such action.

FOREIGN AFFAIRS

We pledge ourselves to promote and maintain peace by all honorable means not leading to foreign alliances or political commitments.

Obedient to the traditional foreign policy of America and to the repeatedly expressed will of the American people, we pledge that America shall not become a member of the League of Nations nor of the World Court, nor shall America take on any entangling alliances in foreign affairs.

We shall promote, as the best means of securing and maintaining peace by the pacific settlement of disputes, the great cause of international arbitration through the establishment

of free, independent tribunals, which shall determine such disputes in accordance with law, equity, and justice.

NATIONAL DEFENSE

We favor an Army and Navy, including air forces, adequate for our national defense.

We will cooperate with nations in the limitation of armaments and control of traffic in arms.

BILL OF RIGHTS

We pledge ourselves to preserve, protect, and defend, against all intimidation and threat, freedom of religion, speech, press, and radio; and the right of assembly and petition and immunity from unreasonable searches and seizures.

We offer the abiding security of a government of laws as against the autocratic perils of a government of men.

FURTHERMORE

1. We favor the construction by the Federal Government of headwater storage basins to prevent floods, subject to the approval of the legislative and executive branches of the government of the States whose lands are concerned.

2. We favor equal opportunity for our colored citizens. We pledge our protection of their economic status and personal safety. We will do our best to further their employment in the gainfully occupied life of America, particularly in private industry, agriculture, emergency agencies, and the civil service.

We condemn the present New Deal policies which would regiment and ultimately eliminate the colored citizen from the country's productive life and make him solely a ward of the Federal Government.

3. To our Indian population we pledge every effort on the part of the National Government to ameliorate living conditions for them.

4. We pledge continuation of the Republican policy of adequate compensation and care for veterans disabled in the service of our country and for their widows, orphans, and dependents.

5. We shall use every effort to collect the war debt due us from foreign countries, amounting to $12,000,000,000; one-third of our national debt. No effort has been made by the present administration even to reopen negotiations.

6. We are opposed to legislation which discriminates against women in Federal and State employment.

CONCLUSION

We assume the obligations and duties imposed upon government by modern conditions. We affirm our inalterable conviction that, in the future as in the past, the fate of the Nation will depend not so much on the wisdom and power of government as on the character and virtue, self-reliance, industry, and thrift of the people and on their willingness to meet the responsibilities essential to the preservation of a free society.

Finally, as our party affirmed in its first platform in 1856: "Believing that the spirit of our institutions as well as the Constitution of our country guarantees liberty of conscience and equality of rights among our citizens we oppose all legislation tending to impair them", and "we invite the affiliation and cooperation of the men of all parties, however differing from us in other respects, in support of the principles herein declared."

The acceptance of the nomination tendered by this convention carries with it, as a matter of private honor and public faith, an undertaking by each candidate to be true to the principles and program herein set forth.

ADDRESS OF THE TEMPORARY CHAIRMAN

ADDRESS BY UNITED STATES SENATOR FREDERICK STEIWER, OF OREGON, TEMPORARY CHAIRMAN OF THE REPUBLICAN NATIONAL CONVENTION, CLEVELAND, OHIO, TUESDAY EVENING, JUNE 9, 1936

We meet tonight as the convention of a great and honorable political party. We do not meet as partisans, but as patriotic Americans, solemnly determined to proceed in the American way to launch a campaign to restore America to the American people.

Our purpose here is not only to adopt a Republican platform and to nominate a Republican President—a deeper and thoroughly American purpose is to start the drive to put an American deal into the place now usurped by a self-styled New Deal. In this service to our country we invite the aid and counsel of all Americans, regardless of political party. There are no party lines when human liberty is at stake. In this crisis, the issues are above all party differences. The duty of the united patriots of all parties is to restore to the American people their political and economic freedom and to provide them with a competent government founded on conviction and conscience.

It can be done. But it will not be done if we permit ourselves to be deceived by the defeatist talk of our enemies. The Nation knows by this time that the administration is equipped with a monstrous, reckless propaganda machine operated with taxpayers' money to advance its own ends. No matter who the choice of this convention, and no matter what the platform, this machine will be set in operation. In the face of our advances in the campaign, we will hear the false cry that our efforts have fallen flat. These falsehoods will be recognized and rightly resented by the people. The people will make the world know that this Nation cannot be bluffed and cannot be bought.

POLITICAL MORALITY MUST BE RESTORED

For more than 3 long years we have had a government without political morality. I propose to show you that government endowed with conscience will bring us a prosperity not built on promise and pretense, but built with the bricks and mortar of fundamental principles. This prosperity will not be measured with the crooked lines and crooked trick phrases of unconstitutional legislation but by lines that square with the rules of honesty and morality.

When this convention shall have finished its labors, we shall offer the country a candidate with a sense of duty and a platform that binds his conscience to guarantee to America that the Nation shall not be again deceived by political adventurers who have perverted the most sacred fundamentals of our Government.

THE AMERICAN OPPORTUNITY

We propose to carry forward the lamp of American progress; the lamp which has been dimmed by the depression and which the New Deal has tried to extinguish. We propose to show those who have waited for more than 3 long years for a real job how that job is to be obtained. We propose to show further to those who have jobs how those jobs can be protected against the ravages of the collapse which is inevitable under the New Deal. The 10,000,000 unemployed shall at last get the consideration which they deserve—and with it the privilege of honest work. They must be permitted to work again as free men and not languish as vote slaves, nor as slaves of the dole.

We propose to show the 40,000,000 now in gainful employment that economic freedom depends upon adherence to a system under which their pay envelopes will not shrink and under which their life-insurance policies and savings-bank deposits will be protected. If this great group of Americans will assert their heritage as Americans, they need never again fear a debacle such as we had in March 1933, when a President-elect without a conscience refused for 4 months to cooperate with a President who had a conscience, resulting in a bank crisis and a panic of fear and fright. This Nation deserves a government by conscience. In order that its free institutions may be maintained, we have a right to insist upon a President who puts the interests of the people above considerations of personal politics.

OUR ECONOMIC SYSTEM

A primary function of our Government is to keep open the way to employment at wages which will provide an increasingly higher standard of living.

How can we achieve this objective? Not by trick formulas and sharp practices. They have all been tried and found worthless, for they have only made worse the disease they

set out to cure. That could not be otherwise, for this administration has never diagnosed the disease they said they could cure. Like the leeches of old, they have bled a patient who was already suffering from loss of blood.

Let us see how we as a Nation earn our living. In 1930 the percentage of our people engaged in agriculture was about 22 and in industry was about 32. The other 46 percent gainfully employed were in the service occupations and dependent upon the two great pillars, agriculture and industry. If the workers and the owners in agriculture and in industry can mutually exchange man-hours of labor on a proper level, their capacity to consume is boundless. The servicing of their wants brings into profitable employment the great army who do not produce goods but who produce services, and who are as necessary as those who produce goods. Automobiles would not be of much use without gas stations.

The principle of balance to which I have referred extends throughout the American system of economics. The ideals of both the great political parties have always had to do with finding ways and means to make that system work more perfectly. Our parties have differed as to these ways and means, but never until March 1933 has an administration, elected to preserve and develop the American system, tried, by the autocratic abuse of its executive power, to abolish the very system that it had sworn to conserve. And no administration has ever before pretended that destruction was reform.

Our system has not worked perfectly, but it has provided more for the man who works than has any other system the world has ever known, and the chief reason for the present unemployment in this country is the blocking of the progress of the American system by trying out plans and ideas borrowed from the poverty economics of Europe and resorted to by this administration in a frantic effort to catch the applause of the people. We propose to restore the balance that makes jobs.

The American system as administered by the two great political parties between 1910 and 1929 brought the average annual earnings of wage and salaried workers in industry actually employed from $670 to $1,520 a year. The same period saw the average annual gross agricultural income per person actually employed raised from $750 to $1,570 a year. Or, to put it another way, in 1910 it took a year's work to buy an automobile, but in 1929 it took only half a year's work. In consequence, where in 1910 we had less than half a million passenger cars, in 1929 we had more than 23,000,000. That is the period which the New Dealers contemptuously refer to as the era of tooth and claw. There could be no better testimonial to the strength of the American system and to the character of the American people than that it has been able to sustain the orgy of the New Deal. The people have created wealth faster than a profligate government could squander it.

THE NEW DEAL SPECULATORS

What are the principles of the American system which must be put in force if we are to recover from the New Deal? Here is a simple statement of some of them:

(1) Our Government must provide an honest money and banking system which will permit the free and uninterrupted exchange of wealth and will not be subject to the sinister control of any group. Whether the group be politicians in Washington or speculators in Wall Street the consequences to the public are the same. The money system must not be any man's toy.

(2) Our Government is a vast business enterprise. But it is not run as a business. Had the people understood the relation of Government finance to the national wealth and to the income and outgo of the people, there would have been no New Deal.

(3) Foreign trade may create either an asset or a liability. If we import goods which could be made or grown at home, we deprive American workers or farmers of the opportunity to earn livelihoods, and break down the American standards of living and thus compel a dependence upon foreign sources of supply. Such dependence cripples us in peace and renders us helpless in war. In effect there is no difference between receiving goods made by pauper labor and receiving the pauper labor itself.

(4) Agriculture's prosperity is fundamental to the prosperity of the Nation, and farm income must be kept in balance with industrial income.

(5) Ours is an economy of profit and loss. It cannot thrive without both. Law or regulation to guard against the losses inevitable in competition freezes industry and prevents progress.

(6) Government regimentation of business works to destroy business. Business half slave, half free, cannot pay adequate wages or adequate profits and cannot adequately serve the consumer. The direct competition of government in business uses the money of all the people to destroy the property of a part of the people.

(7) A dollar primarily belongs to the man who earns it. Taxation is a seizure of purchasing power from the hands of its owner. Taxation to support a vast bureaucracy billets bureaucrats on every family and curtails the ability of that family to provide for itself.

(8) Under the American system, it is the business of government to govern according to the will of the people as expressed in the laws. No one can excuse the bureaucrats' use of taxpayers' money to write laws and to buy propaganda in order to force these same laws on the people.

(9) Our Nation owes to our people the duty to take advantage of our fortunate geographical position and to avoid all foreign entanglements.

REAL LIBERALISM

Are these views liberal or are they conservative? I must answer by asking what the word "liberal" means. If it means jumping up and down and not getting anywhere, the principles are not liberal. If liberal means pressing forward on the facts and promising only what can be performed, then the principles are liberal. Whether liberal or conservative, these are among the principles by which the spectacular progress of this Nation has been achieved.

Let us review the record of the New Deal in the light of these principles. At the Jackson dinner in Washington a New Deal candidate for President asserted that the basic issue in this campaign is the retention of popular government. We agree. But we do not agree that the people's government is retained under a system headed by a New Deal Caesar. An administration in which substantially all power is concentrated in one branch is not in keeping with the principles of popular government. The contrary is true. The New Deal and its candidate are alike destructive of the basic essentials of popular government. You and I know, and all should know, that the security of our liberties and economic opportunities demands that the constitutional balance of the American Government shall be restored.

THE PRICE OF BUREAUCRACY

Centralization of power is the Siamese twin of bureaucracy. Expensive and arbitrary, its supreme evil is greed for money and power. History shows that centralized autocracy invariably seeks to build itself greater and stronger on the ruins of the people's liberties. It reaches for control of the education of children and the formation of thought, and finally all human rights, including religious freedom, must yield to its tyranny. When a Chief Executive finds unconstitutional concentration of power in himself he should exercise his constitutional power to recommend that Congress take back its authority. This wholesome recommendation will be made in January by an oath-keeping Republican President.

WICKED PRACTICES

The New Deal has driven a wedge between what it calls the "under privileged" and the businessman, the professional man, and the producer. To strengthen its political hold, it has adopted the un-American attitude of setting class against class. It asserts that it has driven the "money changers" from the temple. Where are these money changers? They are still in the temple. For the present

administration, by its tax bills, has tried to abolish thrift in business and to put every concern, big or little, into the hands of money lenders. Indeed, the only business successfully fostered by this administration has been the debt business. That has prospered.

It promised to preserve the merit system in Government service, yet every day brings an accretion of New Deal spoilsmen to the Federal pay roll. Fine public servants have been ruthlessly replaced by favorites, and the Government today is literally the worst, most conscienceless employer in the land.

The New Deal pretends it would protect American interests, yet harbors aliens who are not entitled to remain in America but are permitted to remain, and who compete with the American workingman, increase the cost of our struggle against crime and add to our relief burden. It coddles agitators and encourages the purveyors of unrest at a time when the Nation needs a firm and dignified leadership. Not content to employ professors and theorists as economic advisers, the New Deal has placed the affairs of Government in their hands. It depends on bookworms for practical experience and on hookworms for energy. It renounced the purposes and ideals of the great party whose name it bears and threw away the opportunity for service which that party long had sought.

FALSE HUMANITARIANISM

The New Deal propagandists boast of its humanitarian purpose and support this boast by pointing to Federal aid of those in distress. Such aid was and is an obvious duty of a civilized nation. But the irony of it is that the administration made only one gesture of a permanent character toward fulfilling its pledge to balance the Federal Budget. That was an act to reduce compensation and to withhold hospitalization from the disabled veterans of our wars, while at the same time the New Deal planned lavish spending for other purposes. In order to trap congressional support for its bill it pretended that it would deal justly with the veterans and that it would continue a program of genuine economy. The poor and the maimed who suffered the administration's ingratitude are far from convinced that it was actuated by humanitarian purposes.

THE POLITICIAN AGAINST THE POOR

Their program of aid to the distressed is further condemned for its abuse of great national purpose in order to serve the venal desires of New Deal politicians. This has been characterized as the "poison of politics in the bread of relief." Reform in the methods of relief will result in more relief to the destitute at less cost to the taxpayer.

The Republican Party will not turn its back on those in distress, but it will make sure that public funds voted to feed hungry mouths will be used for that purpose and will not be employed for the enrichment of political straphangers. The money provided for work relief is not the personal gift of any politician but is the money of the people of the United States. Every consideration of decency in politics condemns the politician who would make private or partisan use of the distribution of the people's money. If the Salvation Army had used its good works to build a political organization, as was done by the New Deal army, it could have claimed the whole world—not merely the 48 States claimed by Farley.

BAD BARGAIN

New Deal politicians tell us that prosperity has been returned through their efforts. The improvement that has come has been largely purchased at the expense of the Public Treasury, and we have paid for more prosperity than we have received. Improvement purchased on credit is a dear luxury, uncertain to this generation—unjust to the next. When national resources and credit are exhausted, the Nation will find itself face to face with these unpleasant facts: That purchased business activity is not enduring; that our duty to the 10,000,000 unemployed has not been met; and, furthermore, that the power of the Federal Government to provide for those who are destitute has been frittered away until the Nation itself has become destitute.

We remember that the relief load is greater than it was before Congress provided the President with a blank check for nearly $5,000,000,000 of our people's money. No informed person will credit any permanent improvement to New Deal policy. On its record it stands convicted of the crime of retarding recovery. In many foreign nations, where there is no New Deal, improvement has been more marked than in the United States. Yet America is the most virile nation of the world, and possesses the greatest natural resources and the finest spirit of enterprise. It should have led the world in recovery, instead of lagging in twentieth place. No hypocritical pretense will acquit the New Deal on this count.

The failure of the New Deal cannot be attributed to Republican obstruction. In the beginning of its administration Republicans in Congress forgot politics in their desire to cooperate. The suffering caused by depression affected all in authority regardless of party. In my own case I threw aside partisan considerations and voted for some of the temporary measures to meet the emergency. In varying degrees we subordinated our personal and partisan views to support the national program. At a later time we were forced to conclude that the administration's design was to convert these temporary stop-gap laws into permanent policy and thus remodel the whole life of the Nation. This design was without mandate from the country and is contrary to every American conviction against autocratic Federal authority. We who voted to aid are most surely justified in our efforts to arouse understanding of the fact that the administration has committed the unpardonable sin in seeking to convert its temporary, emergency program into permanent policy, and the further fact that it has proved itself incompetent to administer the authority which it so eagerly acquired.

RECOVERY DELIBERATELY RETARDED

This is the only administration in our history which has deliberately impaired private credit, destroyed confidence, and intimidated capital. The prudent, everywhere, abstain from risk which is aggravated by policies that harass and destroy. No one would advocate reform ahead of recovery except the reformers who can experiment and exploit only when the people are in distress. In the fear that if the country recovers it will not take any more of their reforms, they have manufactured turmoil and disorder. The patient needs a competent physician, not these quacks of confusion. Pointing the finger of promise toward abundance, the New Deal has aimed its policies of performance in exactly the opposite direction. The economic blunders of the New Deal would not have been exceeded if Noah, instead of building the Ark in anticipation of the flood, had installed an irrigation system.

THE PLIGHT OF AGRICULTURE

What has the administration done to agriculture? After 3 long years of complete control of every branch of the Federal Government, they have failed to provide a permanent farm program. Farm income in 1935, including the Government checks, was $3,000,000,000 less than in the twenties.

They made worse the Triple A program by maladministration—by making food costly and scarce. When the law was held invalid they wholly ignored the Supreme Court and shifted hysterically to a stop-gap measure called the Soil Conservation Act. Under this act they continue temporarily the regulation of production which has been held unconstitutional. This makeshift is a manifest effort to deceive the farmer. The fact is the administration has no program, and when this act is also held unconstitutional an impotent New Deal will be floundering helplessly together with the farmer whom they seek to deceive. Our producers, entitled to complete possession of the American market, have seen that market delivered to aliens. The agricultural area removed from production in our country is estimated at 36,000,000 acres, and it is further estimated that the increased importations of agricultural products into our country require for their production about the same number of acres. As our home markets were being invaded by foreign producers, our

farmers were, at the same time, losing a portion of their markets in foreign lands. Our great domestic markets should be restored to the American farmer—in full. The problem of surpluses which glut the domestic market must be solved. We should consider the case of export crops where tariff protection is ineffective. The scientific development of industrial uses for the products of agriculture opens a wide field which has been blocked by the present administration. The greatest help for agriculture would be a national administration which would rebuild the great American market by policies assuring the reemployment of the 10,000,000 unemployed. The farm problem must and will be met, without violation of the Constitution, without regimentation, without burdensome taxes, and without any program of curtailment or ruthless destruction of food needed in a hungry world.

TRADE BARGAINING RAMPANT

One of the fundamentals of established national policy is tariff protection of efficient American production. America does not propose to destroy the opportunity of our citizens by giving up this protection. There is always need for reform. But what has the incumbent administration done in connection with its pledge for such reform? It enacted in 1934 the Reciprocal Trade Agreement Act. This law permits agreements to be made in secret and without consultation with the American interests affected and without fair opportunity to protect those interests. It establishes a dictatorship over our domestic economy. It clothes the New Deal with authority to reward one section of the country at the expense of another. It enables these politicians to determine which community shall be promoted and which shall be destroyed by exposure to foreign competition. Without giving the people or the people's representatives in the Senate opportunity to express any opinion, it permits inexperienced visionaries in the New Deal to destroy opportunity which our people need and should be permitted to enjoy. Of course, such a system fails to accomplish expansions in our foreign trade, which was the declared purpose of this law. It has increased the sale in our markets of goods produced by aliens which our producers should have supplied.

Agreements have been negotiated right and left with shrewd foreign traders who have reduced rates on articles which they desired to import into their countries, whereas the administration's pretended "good neighbor" policy has resulted in American reductions of duty in agricultural, dairy, and forest products of which we already had a surplus. The net result is a downward revision of the tariff which has seriously impaired our American system of protection. For the sake of our people we must realize that the administration's wishful hope to rescue the world at our expense has injured American industries and agriculture and added to unemployment, destitution, and want.

The combined effort of reckless and uninformed trade agreements plus the administration's monetary policies are fast putting our Nation under foreign control. The devaluation of the dollar, combined with the purchase of gold at $35 an ounce, has given to foreigners in gold-standard countries a bargain rate on America. They have sold us gold to the extent of nearly $3,000,000,000. With the proceeds the foreigners have bought our securities, have taken back their own defaulted securities at a discount, and although we were a creditor Nation, we are in fact probably now a debtor Nation. And the New Dealers have not found it out.

THE WAY OUT

To preserve our country we must get into the American stride again. One way to do it is to rid every administrative post of the political opportunists who now distort the policies of our Government. Our basic law was framed by far-seeing patriots who sought improvement by every honorable means. To permit change and expansion, opportunity for amendment was provided in the Constitution itself. But the present administration, not trusting the people in whom alone reposes this power, has attempted to effect changes by devious procedures that amount to nullification. At no time has the New Deal been frank enough to reveal its real purpose by submitting a proposal for constitutional amendment. The administration has shown preference for change by indirect means. In this they are entitled only to the people's condemnation. The menace to our American system lies, not in amendment by due and regular procedure, but in its nullification by indirection. A shocking perversion of democratic principles is reflected in the assumption of New Deal autocracy that it should exercise greater powers and that it, and not the people, should determine the extent of such powers.

Another way to regain our American stride is to reduce forthwith the size of the Federal Government and to stop its wasteful spending. We point to our record of past performance. Fifteen years ago the Republican Party met a fiscal situation not unlike that which confronts the country today. Our Nation was deep in debt and taxes. Government bonds were 10 or 12 points below par. Millions were unemployed. The Budget system was installed and enforced. Taxes were cut, debts were reduced, and Government bonds went to par and stayed there. During the 12 years of Republican administration taxes were reduced five times. What we have done once we will do again.

Above all else is the need for the old-fashioned idea of thrift. No government can borrow itself rich or spend itself prosperous. In private affairs we succeed only by the practice of sensible economy. Those who practice extravagance invite destruction. This Nation for a time forgot the necessity for economy. We have learned it again. The administration has demonstrated that it is unable to obtain even a semblance of prosperity except by buying it, and its purchases are on a basis so vast and so impractical that they ultimately would destroy America. By midsummer the amount of their spending will equal the value of all the farm land and all the farm buildings in the United States, and the real New Deal harvest is yet to come.

REMOVE THE TAX YOKE

By July 1 the present administration will have increased the national debt more than $14,000,000,000, and has announced that before a balanced Budget can be obtained there will be a further increase of several additional billions. I warn you that if America is to survive, debt expansion must be ended. A resolute and uncompromising purpose to secure a balanced Budget and honest assurances of reduction in debt are essential to restoration of public confidence. Then the business world will know there will be no further devaluation of the dollar; that we will no longer stand at the brink of inflation; that there will be no further repudiation of public obligations; and that there will be no additional exactions by the tax collector. These essential assurances will start in motion the wheels of industry.

TAXES THAT DESTROY

An hypocrisy which the New Deal seeks to foist upon the people is the belief that the rich pay the bill. But inasmuch as 62 cents out of every dollar coming into the United States Treasury is derived from concealed or indirect taxes, it is plain that the common people pay the lion's share. The taxes which impoverish are the sales taxes and other exactions which are concealed in the cost of living and which increase the price of food and clothing. When you purchase gasoline, is it possible that the big oil company pays the sales tax, or is it posted over the gas pump and taken out of the pocket of the little man who buys the gas? Behind the barrage of vainglorious boasting by the administration propagandists of their service to the people is the brutal truth that the burden of supporting Federal extravagance is added to the cost of maintaining human life. It becomes a tyrannical exaction upon every man, every woman, and every child, including the average man, the underprivileged and even the forgotten man. Under this administration average wages have increased about 8 percent, while the cost of living has increased approximately 20 percent. Every one of our 40,000,000 toilers are also payers, and they and their sons

and daughters will keep on paying long after we have ousted the spendthrifts. Today the wage earner is working at least 1 day a week solely to pay the cost of government.

YOUTH AND DEBT

The New Deal candidate in his Baltimore speech of April employed the tactics of the Soviet Union when he said that flaming youth had become a flaming question; that the best that had been done for youth before the depression was not good enough then and is not good enough today. This is one way of saying that youth had been fettered and mistreated in a society controlled by adults. He insinuates that fathers and mothers lack pride in their sons and that parents and grandparents are indifferent to the future of those who bear their names. To this insult I answer that no supposed handicap suffered by youth prior to the depression can compare with the loss sustained when youth is compelled by the false economics of the New Deal to exchange their American opportunity, to which they are entitled, for enrollment in a Federal camp at $30 per month. Nor can this supposed handicap compare with the cruel slavery caused by the inheritance of New Deal debt. New Deal extravagance is bending the backs of the people with an unfair burden and has condemned all the babies of the entire Nation to be rocked in cradles decorated by debt.

If I appraise correctly the high character of American women, they will not wait for the leadership of men in rising to the defense of the homes of this Nation. They will accept their responsibility to the children in those homes. They will repudiate the New Deal at the ballot box.

THREE LONG YEARS

In 1933 in a message to Congress, the President used these words:

"For 3 long years the Federal Government has been on the road toward bankruptcy."

And then he said:

"Thus we shall have piled up an accumulated deficit of $5,000,000,000."

That was the accumulation of 4 years. Let us consider the accumulation of the last 3 long years. For the fiscal year ending June 30, 1934, the deficit was approximately $4,000,000,000. For the fiscal year ending June 30, 1935, it was in excess of three and a half billion dollars. For the fiscal year ending June 30, 1936, and eliminating any requirement for the payment of the soldiers' bonus, the deficit is between three and a half and four billion dollars. For 3 long years the deficits have exceeded those which the President denounced. For 3 long years we have continued on the road toward bankruptcy. Instead of an accumulated deficit of $5,000,000,000 in 4 years, we have a deficit of approximately $11,000,000,000 in 3 years—but they are 3 very long years. During the same period the Government spending has gone up. Listen to the astounding totals—for 3 long years: For the fiscal year 1933, approximately $5,000,000,000; for 1934, $7,000,000,000; for 1935, $7,400,000,000; for 1936, $7,600,000,000, and the Treasury estimate for the fiscal year ending June 3, 1937, is in excess of eight and a quarter billion dollars. I ask this question, For how long a period has the Federal deficit exceeded that which the President denounced? For 3 long years! For how long a period has the Federal spending been kept above the $7,000,000,000 line? For 3 long years. For how long a period has the Chief Executive called upon the Congress to pass a new tax bill increasing the tax burden upon a helpless Nation? For 3 long years. For how long have we lived under the evil trinity of increased deficit, increased debt, and increased taxes? For 3 long years. We will end its tyranny when we rid our Government of the New Deal speculators who have speculated for 3 long years. They have speculated with the billions of the people's money just as the gamblers of Wall Street speculated with the millions belonging to those same people.

KEEP THE DOORS OPEN

Without doubt the greatest need in the life of most of us is that the doors of opportunity be held open that we may pay the obligations which we have assumed. It is the plain duty of a just Government to guarantee that those doors shall remain open. If we take stock of our situation, what do we find? First, a people loaded with debt and lacking for essential credit. Second, an administration which has permitted industries to write their own codes into law, has permitted the fixing of prices and has failed to enforce antitrust laws. It advocates high costs of production with the resultant high prices which prevent people from buying. Its theory destroys the purchasing power of the people and results in underconsumption. It is the theory of scarcity. Labor will be employed and private debts will be paid only if the people are permitted and encouraged to produce. The Nation needs new wealth, which will be had only through an economy based on fair prices, free competition, and more efficient and cheaper distribution. Fixing of prices by monopolies and combines picks the pocket of the buying public. Here is a worthy issue against the blundering fantasies of the New Deal. It is the cause of economic justice. I urge this cause upon the ground that protection of the weak is the highest function of Government. It will make it possible for the small-business man to develop his enterprise and for the wage earner to enjoy more of the wealth which he creates.

AN ENDURING AMERICA

This discussion leads to the ultimate issue of this momentous campaign. I have talked of the public debt, but over and above debt is the blighting effect of the burden of tax which the New Deal lays upon the backs of the people. Over and above this burden is the threat of inflation, which comes only to destroy. And over and above this threat there lurks in our path a darker danger, the certainty that this road leads only to collapse, and to the tragic end of democratic institutions. Every consideration of duty and self-interest demands that we protect ourselves against this danger with the mighty shield of American principle, and thus preserve for ourselves and for our children a righteous order of free opportunity.

Is the American achievement only a memory of a great age, to be meditated upon by a decadent Nation? That is the theory of the Old World. It is the viewpoint of those who are in the President's councils. This European theory presupposes that we will create no additional wealth and that we are justified in a fight among ourselves over the division of the wealth already created. There is nothing liberal in such a theory. On the contrary, it is in the most sordid sense reactionary. It shows an utter lack of faith in the people and would cause them to lose faith in themselves. It assumes that the day of magnificent attainment is ended, and everywhere that its baleful clutch lays hand on society it freezes the status of men, women, and children. It is the Old World concept upon which castes are founded. This devastating philosophy restrains every good impulse and slams the door of opportunity in the face of every man who dares to aspire.

Americans can boast that heretofore, following every depression, our people have found the impetus to reorganize for greater attainment. They have declined to regard the country as bankrupt and the Government as a receiver. They have been free to plan the progress which has made America great. We must make known our purpose: That we will renounce this alien viewpoint, and we here and now proclaim the truth that America is yet free to build, to create, and to prosper. We will again force recognition of the one great fact that the most priceless privilege of citizenship under the American flag is the right to seek and obtain merited reward, unhampered, unrestrained, and unafraid.

AMERICA WILL LIVE

And now I ask the simple question—will America live or die? And I answer that America will live, because the people are firmly resolved that our Nation shall not die. When have we ever tested the full measure of the people's strength? Not in 1778, save by the soldiers whose blood-stained tracks were left in the snow at Valley Forge. Not in 1863, except by those who dared to charge and those who dared to stand at Gettys-

burg. Nor was it tested in full in 1918, except by those who dared to die on the fields of France. The full measure and depth of a great people's will is unknown, even to themselves. The secret lies hidden in the omnipotent mind of the Creator of all courage and all resolution. To Him let our prayers be offered that an aroused America, casting out all doubt, will vindicate the faith of the fathers. We shall not falter, but in new found strength will hold high, in the splendor of a bright dawn, the banner of a Nation's liberties.

SENATOR M'KELLAR AND THE COOPERATIVES

Mr. BENSON. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Memphis Commercial Appeal of May 7, 1936, entitled "McKELLAR and the Co-ops".

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[Editorial from the Memphis Commercial Appeal, May 7, 1936]

Senator McKELLAR is doing the southern cotton farmer in general and the farmers' cooperatives in particular a distinct injustice by his continued attacks upon the American Cotton Cooperative Association, and his opposition to the fair and proper demand that the Government right the wrong brought about by the old Federal Farm Board. The Senator's injustice becomes all the more conspicuous, if not unfair, when viewed in the light of the report by Senator BANKHEAD, in which the McKellar strictures are clearly and conclusively disposed of greatly to the credit of the cooperatives.

Cooperative marketing is nothing new. In fact, it has long been encouraged by the States and by the Federal Government. For many years the Government refused to deal with the farmer direct, thereby forcing him to organize cooperative societies and associations. The primary purpose was better marketing. Thus the matter stood in 1930 when the Federal Farm Board was created and a plan set up to stabilize marketing operations.

Twice, under the old Farm Board, the Government undertook to stabilize cotton-marketing operations, and on both occasions the cooperatives were used. In 1930 an advance of 16 cents a pound was made on cotton delivered through the cooperatives, and in 1931, 90 percent of the market value of cotton was advanced to growers through the cooperatives. The record shows that producers cooperating in the 1930 loan were penalized $6,500,000 by the Farm Board through the loss of their equities, the difference between the value of their cotton at the time of delivery to the loan as compared with the loan value. Bad enough as this was, they were penalized another $4,500,000 through the appropriation by the Farm Board of the reserves of the producers' associations.

In these operations the cooperatives performed a greatly needed service. The Farm Board virtually forced on the cooperatives the money which the cooperatives are now accused of losing. Much of this money the cooperatives were forced to repay despite the manner of the loss. By all the rules of equity and justice the cotton farmers are entitled to recover the $4,500,000 which the Farm Board took bodily away from the cooperatives, and Senator BANKHEAD will remedy a serious wrong if he succeeds in getting the restoration approved by Congress.

There is no argument, of course, against the demand that the Government should get out of business. Private enterprise is entitled to free play, and this is applicable to indirect interference as well as direct interference.

Senator McKELLAR'S sudden horror over the cotton cooperative competition with private business is not altogether consistent with the Senator's long and continued support of the many governmental activities, especially of the last 3 years. But does the record show that the American Cotton Cooperative Association and its 14 affiliates are in private business?

These cooperatives are farmer owned, farmer controlled. They perform a number of services. Through means of local offices and receiving agents, classing service is provided to the end that farmers who do not know the grade or staple of their cotton may understand its value. They have done much to reduce the spread between the producer and the consumer. They have helped to create satisfactory and easy market conditions. They have served as the channel through which the Government's loans have extended credit possibilities for marketing, a logical and necessary phase of farming operations which begin with the Federal land bank which gives the farmer credit on his land, and the Production Credit Association which gives him credit on his crops.

There is no occasion for either Senator McKELLAR or the private cotton handlers to become excited about the cooperative movement. Mistakes have been made and others will probably be made, but the American Cotton Cooperative Association and all of its affiliates in 1934 handled only 1,200,000 bales of cotton, a fairly small part of the total crop. It neither dominates the market nor does it coerce the farmer. Even its own members are privileged to sell their cotton to a private buyer if they can get a better price than the cooperatives fix.

Private enterprise and private initiative can certainly meet such a situation.

THE ALIEN IN AMERICA—ARTICLE BY ISAAC F. MARCOSSON

Mr. REYNOLDS. Mr. President, I ask unanimous consent to have printed in the RECORD a brief article entitled "The Alien in America", by Isaac F. Marcosson, which appeared in the Saturday Evening Post of April 6, 1935.

Without objection, the article was ordered to be printed in the RECORD, as follows:

THE ALIEN IN AMERICA

By Isaac F. Marcosson

When the spotlight first began to play about Bruno Richard Hauptmann, one of the significant disclosures about him was the fact that he had entered the United States illegally as a stowaway in 1923. For 11 years this man, convicted of "the crime of the century", and with a criminal record in his native Germany, was permitted to live unmolested within our confines.

If Hauptmann's illegal entry were an isolated case, it could be dismissed as an accident. It so happens that Hauptmann is one of a horde of aliens who have crashed the gate at seaports or on the borders. Because of their surreptitious arrival, it is impossible to present the exact number. The estimate ranges from the Department of Labor figure of 400,000 to 3,500,000. Congressman MARTIN DIES, of the House Committee on Immigration and Naturalization, puts it as high as the latter figure.

The inevitable question that arises relates not so much to the method of breaking in. It revolves about the reasons why the illegal entrant is able to remain here. The answer, of course, lies in our lack of mandatory alien registration and, what is equally important, a periodical check up on all aliens. If American employers were required to report all aliens in their employ to the local police, acting in conjunction with the Department of Justice, the Hauptmanns would soon be rooted out.

The illegal entrant comprises only one of many problems raised by the alien in our midst. Thousands of foreigners who come here legally foment strikes, seek to overthrow our political system, and aim at the disaffection of the men in the Army and Navy. Within the past 2 years the growth of alien-inspired propaganda in the United States has risen almost to wartime proportions.

The moral menace is matched by the material overhead. Every alien who comes in is a potential job seeker. He helps to increase unemployment and thus to expand the relief roster. The city of Los Angeles has spent more than $200,000 in shipping indigent Mexicans, many of them bootlegged into this country, back to their native land. Furthermore, the alien criminal and insane, through the cost of their upkeep in prisons and asylums, impose an added burden on the already harassed taxpayer. The State of New York's annual bill for the care of alien insane alone is put at $8,000,000.

LEGAL AND SENTIMENTAL LOOPHOLES

The alien, whether legally or illegally here, is permitted to pursue his variously disruptive ways because of sentimentality, political and other pressure of alien blocs, loopholes or laxity in the enforcement of deportation laws, and lack of legislation to curb subversive agitation and propaganda. Here are some high spots disclosing conditions that clamor for remedy:

The number of deportations in 1934 was 8,879, as compared with 19,865 in 1933 and 19,426 in 1932. Voluntary emigration by undesirables who wanted to escape the stigma of forced deportation amounted to 8,610 last year, whereas 10,347 departed in 1933 and 10,775 in 1932.

Some 2,137 aliens under the order for deportation cannot be deported because the Department of Labor is unable to obtain visas or passports for them. This list includes 972 Russians, of whom 314 are criminals, 210 illegal entries, 223 public charges, and 88 radicals. Russians booked for deportation are at large to continue their disruptive activities, notably incitement to strike violence, as the records in the California 1934 outbreaks showed.

The deportation of 1,700 aliens has been suspended for more than a year, awaiting legislation that will give the Department of Labor discretionary power to act on so-called hardship cases resulting from the separation of families. Two illuminating features mark this procedure: One is that the Department is employing discretionary power without the statutory right to do so. Our deportation laws are mandatory. The other is that a large number of aliens involved in hardship cases entered the country illegally and are therefore lawbreakers.

Every year more than 1,500 aliens become immune to deportation because, if deported, they can immediately be eligible for reentry on a nonquota or preference visa issued at the request of their citizen or legally resident relatives. Although they would be required to go through the regular immigration mill on reentry, political or alien-bloc pull would probably get them by in many cases.

On September 25, 1934, there were 2,712 deportation warrants outstanding against aliens serving prison sentences. Under the law, they can only be deported at the expiration of their sentences. Many criminals escape deportation because of a well-nigh incredible loophole in the statutes. If the judge before whom the criminal is tried makes a recommendation against deportation at the time of imposing sentence, or within 30 days, the felon can escape being shipped out.

The Government has been unable to arrest or detain 2,600 aliens guilty of deportable offenses because of delay in obtaining warrants for their arrest. Under the law, the suspected alien cannot

be detained more than 24 hours. Red tape at Washington often precludes the issuance of warrants within this period. In one small Texas border town, out of 82 warrants required, 72 could not be served because the aliens had fled.

More amazing is the fact that thousands of habitual criminals evade deportation because of the statute of limitations. Under one section of the law, an alien, without regard to the period of time he has lived in the United States, can only be deported if he has, since February 5, 1917, been convicted of two or more crimes involving moral turpitude and served a year or more for each offense.

In a 15-day investigation of arrests in New York and Chicago, 235 confirmed alien criminals were uncovered. All had escaped deportation because of the February 5, 1917, statute of limitations. A case—one of many that I could cite—was that of an alien, resident in the United States for 27 years. He had been arrested eight times on felony charges and had served 10 years and 3 months in prison. His post-1917 convictions, however, were set aside, he got by the statute involving moral turpitude, or he became the beneficiary of the parole system. Under the deportation laws, owning or carrying concealed deadly weapons does not constitute moral turpitude. Hence the sway of the alien gangster.

On top of all this is the fact that there are some 5,748,760 aliens in the United States still unnaturalized. The majority are eligible to take out their first papers. Out of 138 alien sluggers arrested in the early days of the bloody San Francisco general strike last year, exactly 22 were naturalized. A striking revelation is that the number of unnaturalized residents, plus the illegal entrants, equals, roughly, the total number of unemployed persons in the United States. Some of the unnaturalized are holding jobs, some are on public relief, and some depend upon the foreign-born wage earner for their sustenance.

MORE TEETH AND LESS SENTIMENTALITY

A second revelation in this connection is that no fingerprints are taken of aliens who become naturalized. Thus it is hard to ascertain if the candidate for citizenship has been guilty of any criminal act since his arrival here. The real fault, however, is at the point of entry. One of the first acts of the Department of Labor, with the advent of the Roosevelt administration, was to abolish the highly desirable system of fingerprinting every immigrant who comes in.

Although millions of aliens refrain from assuming the obligations of citizenship because of indifference or lack of conviction, which makes for divided loyalty, others are glad to do so because of the mirage of easy money. Since the agitation for the Townsend plan, naturalization officers, particularly in California, have done a booming business with 60-year and older aliens eager to get under the utopian umbrella. The prospect of $200 a month for the rest of their lives is obviously a far more potent lure to citizenship than safety and succor under the American flag.

Now you can see why we need more teeth and less sentimentality in the creation and enforcement of our deportation laws; why a stricter check on immigration that will reduce the European quota and establish a quota for the Western Hemisphere is necessary. The alien in our midst provides a sufficient problem. The potential immigrant constitutes another. Competent authorities estimate that not less than 800,000 Europeans are awaiting the opportunity to come into the United States, once economic conditions become more normal.

At the outset, let it be stated that what is set forth here implies no deprecation of the part that the desirable alien has played in the making of America. But conditions have changed, and with them the character of the people seeking sanctuary within our confines. For one thing, post-war European nationalism has dumped terrorists and other undesirables on our shores. An instance of the kind of alien we harbor developed when terrorist refugees from Jugoslavia in the United States publicly applauded the assassination of King Alexander, a crime which shocked the sensibilities of the whole world.

Terrorists and other political refugees create a knotty deportation problem. Cases arise where, for political and other reasons, an alien booked for deportation is afraid to go back to his own country, to which it is lawful to deport him. Sentiment or misplaced kindness often prevents him from being sent where he would get his just dues. Under our law there is no authority to deport him to any other country willing to take him. In other instances, such as is the case today with Russia, Norway, Sweden, Denmark, Czechoslovakia, and some of the Baltic States, countries often withhold passports or visas for their nationals booked for deportation. They regard themselves as well rid of them. Meanwhile the alien is free to practice the kind of subversive acts here that made him a refugee from his own land. This is precisely what is happening with some of the Russians now under deportation order to whom the Soviet Government refuses passports.

HOW HUMAN CONTRABAND GETS IN

Since the Hauptmann case focused interest on the illegally entered alien, let us see how this human contraband gets in. Illegal entries are recruited from border jumpers, deserting seamen, stowaways, people who come in "temporarily on business" and forget to go back, students who overlook the fact that their visas have time limits, and those smuggled in. Between 1921 and 1930 illegal entries probably averaged more than 200,000 a year. Half were Mexican border jumpers.

Border jumping, whether from Mexico or Canada, where many aliens park prior to gaining entry into the United States, could be greatly reduced if sufficient patrol appropriations were available. The 11,016 aliens arrested in 1934 by the immigration border patrol represented only a part of the illegals who got by. The Canadian and Mexican land borders and the Florida coast line total 5,124 miles. For the work of patrolling this distance $1,939,000 and 916 men are available for 1935. Not less than twice the appropriation and double the personnel are required. While the United States Government pours out billions for social uplift and what is in many cases unwarranted relief, adequate funds are not available for relief from a hazard that menaces our moral, social, and economic health.

The instances of deserting seamen provide two commentaries on our laws affecting aliens. One is that when a seaman signs off in an American port he is permitted to remain in the United States for 60 days, thus enabling him to become absorbed easily in the teeming life of New York, Boston, New Orleans, or San Francisco, as the case may be. As many as 35,000 seamen have deserted here in a single year. The other commentary is best indicated by a statement made by Congressman ROBERT L. BACON at the hearing of the House Committee on Appropriations on the Department of Labor appropriation for 1935. He said:

"There are cases where people deliberately smuggle themselves in, many of them coming as seamen, who had paid high prices to foreign steamship lines. They become members of the crew and deliberately disappear in New York or other ports. Then they hustle around and find the first American girl they can find who will marry them. Then they set up the wail that you are dividing the family if you deport them. There are a lot of these cases."

Many of the so-called hardship cases which make a jest of deportation are wrought out of this kind of material.

Not all the undesirables are gate crashers. Of the millions of aliens who legally entered the United States in the past 10 years, more than one-third are estimated to be on relief rolls. Despite the depression, quota admissions in 1934 increased 50 percent. These represented what sociologists call "seed stock." The fact is that the United States no longer needs alien seed stock.

The upkeep of the undesirable alien is seldom appreciated by the average American. What may be termed the biological cost was stated to me by Dr. Harry H. Laughlin, of the department of genetics of Carnegie Institution, in this wise:

"The whole problem revolves around the racial make-up and hereditary stuff of the American people. The cost to the American Government, Federal, State, and local, for the care of aliens who have become social, economic, or moral debits, instead of assets, as all immigrants are supposed to be, has mounted to a tremendous expenditure in dollars. This dollar cost is trifling compared with the damage which low-grade immigrants practically dumped on America have done to the human breeding stock of future Americans. It is not exaggeration to state that the racial and spiritual cost of unemployable aliens is, in the long run, many thousand times greater than the cash outlay for the present care of socially inadequate aliens."

Dollars-and-cents cost of aliens in custodial institutions is difficult to arrive at, because Federal and State surveys of establishments for the criminal and insane seldom give race and citizenship classification. It is estimated that, exclusive of housing, it costs $316.43 a year to maintain each inmate of a Federal or a State prison.

The survey of 246 prisons and reformatories, begun under the auspices of the Chamber of Commerce of the State of New York in 1931 and completed in 1934, showed that out of an inmate population of 183,841, the foreign-born numbered 11,630. Only 3,066 of these had been naturalized. One striking fact is that 2,474 inmates were not deportable because of the statute of limitations. Another is that 2,406 would be legally deportable if released.

WHAT ALIEN GUESTS COST US

The alien insane, criminal and otherwise, constitute a larger institutional proportion than sane criminals. Out of the 10,935 first admissions in New York civil hospitals in 1933, 4,278, or more than 39 percent, were alien born. The per-capita annual cost, exclusive of housing, in these hospitals is $356.01. The proportion of alien criminal insane in New York State institutions has been as high as 48.3 percent of the total. In 1931, out of 771 inmates of the Dannemora State Hospital for the Criminal Insane, 315 were foreign-born. Breaking this total down, it was disclosed that more than one-half were either foreign-born or had both parents foreign-born.

The per-capita maintenance cost at Dannemora is $474.24 a year. Add to this the $200 annual per-capita cost of housing and the $10 per-capita general administrative cost and you find what each alien inmate of the institution costs the State of New York.

So much for the individual institutional cost. It is estimated that the total number of custodial inmates in the 600 State and Federal institutions for the criminal, the insane, the mentally defective, and the paupers not in the dole or relief classes in the United States is 500,000. The general maintenance per inmate—that is, for food, clothing, fuel, and medical care—is $2 per day, while the investment in plant, buildings, and ground per inmate is $2,000.

Of these 500,000 persons, one-tenth are actually foreign-born, while more than four-tenths had one or both parents foreign-born. Hence, less than half of the custodial population in the United States is descended from family stocks which have resided

here for one ancestral generation or more. The actual foreign-born custodial charges cost the Federal and State Governments $100,000 per day for maintenance, and use, rent free, $100,000,000 in plant cost—that is, buildings and grounds.

There is also the alien at large, whose finger is in every relief fund and whose total relief allotment is impossible to estimate because our generous philanthropy treats native and alien alike. Some relief from overworked alien relief is in sight in the bill H. R. 3472, introduced in Congress on January 9 of this year. It provides that, regardless of how long he may have resided in the United States, any alien may be repatriated at Government expense if he proves that he is in distress. This bill, introduced by Congressman DICKSTEIN, specifies that the alien "thus removed shall forever be ineligible for readmission except upon the approval of the Secretary of State and the Secretary of Labor." This discretionary power is obviously undesirable. The act of February 5, 1917, provided for free repatriation only within 3 years after entry. Another bill authorizes the Government to ship destitute Filipinos back to their native islands—a circumstance not entirely unwelcome to California, where more than 15,000 have been objects of public charity. Los Angeles alone has supported 7,000. All this outlay for repatriation—and it will be heavy—could have been avoided if we had exercised adequate control over alien admission.

We pay still another price for the presence of the undesirable alien, greater in some respects than institutional or biological overhead. I refer to incitement to violence and propaganda. Here you have two sources. One is the long-range direction by the Soviet Government through its 16 agencies in the United States which infect many activities and reach every age and color. The other is the Russian in the United States and his convert tool, the native American.

The ingenuity of the Communist Party organization in the United States—it is a member of the Communist International at Moscow—puts the official onus of active operation on Americans. The principal officers spring from 100-percent native stock. More than 70 percent of the party membership of roughly 30,000, and the 750,000 professed Communists not party members, however, are aliens. One striking evidence of this alien domination is that 10 of the 12 daily Communist newspapers published in the United States are in foreign languages. The close relationship between Moscow and the Communist Party in the United States is too well known to require a detailed explanation here.

JOHN BULL AND THE RUSSIAN BEAR

The new and important fact to be emphasized is that Communist membership and activity here have greatly increased since our recognition of Russia. It legalized what had long been illegal entry of men and material for subversive purposes. Since British-recognition history with Russia has begun to repeat itself with us, it may be well to rehearse briefly just what happened to John Bull. Among other helpful things, it provides a precedent for us in breaking the impasse which has been reached in our relations with the Bolsheviks.

On February 1, 1924, Britain recognized the Soviet Government. One condition was that Moscow would refrain from subversive propaganda. Late in September of the same year, the Daily Mail of London scored a sensational beat with the publication of the famous Zinovieff letter. Under date of September 15, 1924—more than 7 months after recognition and the solemn Moscow promise to refrain from propaganda—a letter allegedly written by the then powerful Soviet leader to the central committee of the British Communist Party, urged it to "stir up" the masses of the British proletariat, declaring that "armed and successful uprisings" were essential for "close contact between the British and Russian proletariat." It further urged "agitation propaganda" in the British Army and Navy.

The revelations in this letter brought about the downfall of the first labor government. Ramsay MacDonald had enthusiastically sponsored Soviet recognition and paid the price for his misplaced liberalism. Though Zinovieff disclaimed the letter and Laborites branded it electioneering trickery, Soviet propaganda and penetration continued to such an extent that Britain severed relations with Moscow in 1927. The break followed the sensational raid on Soviet House, which sheltered Arcos, Ltd., the Russian trading company similar to Amtorg, which now operates in the United States. The primary purpose was to find a document outlining Britain's defense plans, alleged to have been stolen from the War Office. The document was not retrieved, but a great mass of evidence was uncovered showing the existence of a vast espionage and subversive organization operating throughout the British Empire, the United States, and Latin America from Soviet House.

Of peculiar interest to us, because of the presence of Amtorg in our midst, was the fact, as pointed out by Stanley Baldwin in the House of Commons, that the political and commercial representatives of Russia in London were alike involved in the propaganda activities. Britain did not resume diplomatic relations with Moscow until 1929. As a result of British governmental firmness, Russian propaganda was reduced to a minimum, and continues so despite the chronic unemployment.

Lured by the myth of the "world's greatest market", buoyed by the prospect of salvaging the debts and claims against Russia, and stirred by the hope of being able to deport Russian agitators and witnessing the end of Soviet propaganda here, we recognized Russia in November 1933. As subsequent events have proved, we fell into the usual Soviet trap of "recognize first and discuss terms afterward." Our trade with Russia has slumped. The debt negotiations have collapsed because Moscow wanted a loan, the proceeds of which to be employed at will, instead of credits, which would have meant purchases of our goods and the gradual wiping out of the debts and claims.

THE MOSCOW MENACE

The collapse of these economic and financial hopes is matched by the breach of faith regarding propaganda and other Communist activities. One condition of American recognition of Moscow was the pledge by Litvinoff, Soviet Commissar of Foreign Affairs, to President Roosevelt, that Soviet Russia was not to permit the formation or residence on its [United States] territory of any organization or group, and to prevent the activity on its [United States] territory of any organization or group, or of representatives or officials of any organization or group, which has as an aim the overthrow, or the preparation for the overthrow of, or the bringing about by force, of a change in the political or social order of the whole or any part of the United States, its Territories, or possessions.

A month after we recognized Russia the executive committee of the Communist International—always referred to as the E. C. C. I.—adopted a program summed up in this wise:

"There is no way out of the general crisis of capitalism, other than the one shown by the October revolution [the Communist revolution in Russia in 1917] via the overthrow of the exploiting classes by the proletariat, the confiscation of the banks, of the factories, the mines, transport, houses, the stocks of goods of the capitalists, the lands of the landlords, the church, and the Crown. The plenum of the E. C. C. I. obliges all sections of the Communist International to be on their guard at every turn of events, and exert every effort without losing a moment for the revolutionary preparation of the proletariat for the impending decisive battles for power."

This declaration, obviously a direct instruction to American as well as all other Communist groups the world over, was approved and adopted in January 1934 by the central committee of the Communist Party in session at New York, and by the national convention of the Communist Party held at Cleveland in 1934. The increased Communist activity throughout the United States in 1934 and since, largely fomented by aliens, was the direct result of the post-recognition decree by the Communist International which I have just quoted. We can now examine two fields in which this enhanced Communist agitation is revealed.

The first is the strike area of 1934, which stretched from coast to coast, involved millions of workers, cost many lives and hundreds of millions of dollars. That now familiar irritant—section 7–A of N. R. A.—is bad enough as an industrial dislocator. To its potentialities for trouble the reinforced Communist agitation has added incitement to turbulence and bloodshed, though, generally speaking, the average American worker is a peaceful and law-abiding citizen.

The agency for Communist labor and industrial penetration is the Trade Union Unity League, which is called T. U. U. L. for short. It is the American branch of the Red International of Labor Unions, has 21 units in American industrial activities, and a total membership of more than 200,000. Each unit operates as a so-called labor union. Its principal purpose, however, is to establish cells—the usual Communist "boring from within"—in American Federation of Labor unions and, if possible, in company unions, and communize the members. In strikes, these T. U. U. L. groups become shock troops.

The policy of the T. U. U. L. is the usual "support of the revolutionary political class struggles led by the Communist Party." The latter means, of course, violent overthrow of all capitalistic governments, ours included.

Half a dozen court decisions have held that membership in the T. U. U. L. comprises sufficient grounds for deportation. In the face of these holdings, the Immigration and Naturalization Service of the Department of Labor issued a circular, under date of March 1934, stating that membership in the T. U. U. L., as well as in the miners', marine workers', metal workers', Tampa tobacco workers', and textile workers' units of the T. U. U. L., and the International Labor Defense "does not in itself constitute grounds for deportation proceedings under the immigration laws." It further declared that "only such members of these organizations which believe in or advocate, or who are members of organizations which believe in or advocate, the overthrow of the Government of the United States by force, are subject to the institution of deportation proceedings."

ALIEN AGITATORS

The joke of this order is that members of the T. U. U. L. and its various units are 100 percent Communists, who day after day on soap boxes, platforms, or with printed word advocate overthrow of the American Government. Thus thousands of destructive aliens eligible for deportation remain in our midst.

One of the most conspicuous examples of the alien-led strike was the monster dislocation which began with the longshoremen's strike at San Francisco on May 9, 1934. Out of it developed the San Francisco general strike, which caused labor disturbance along our whole Pacific coast front. The San Francisco strike lasted 84 days and probably cost not less than $300,000,000.

The ringleader at San Francisco was Harry Bridges, the Australian agitator, who remains unnaturalized. It is another commentary on the inadequacy of our deportation laws that this alien, who precipitated the general strike over the heads of conservative union labor leaders, is permitted to remain in this country to continue

his activities. Still another is the fact that 19 aliens, some of them under deportation order since 1928, were active in fomenting violence in the San Francisco general strike and in the strikes in the Imperial Valley and other California sectors.

The other objective of increased Communist propaganda, again with the alien dominating, is the Army, Navy, National Guard, the Reserve officers, and citizens' military training camps, and the Civilian Conservation Corps. Typical of the thoroughness of the campaign there is a special publication for each branch of the service. Communist workers' schools at San Francisco, Oakland, Los Angeles, and elsewhere train special operatives for propaganda service in the armed forces.

A LESSON FROM BRITAIN

The method of infiltration in the Navy was explained by Commander Kirkman, United States Navy, before the House Committee on Un-American Activities, as follows:

Small groups, consisting of, say, two men and three girls, will come aboard ship with the regular crowd of visitors and sightseers. The men of this group circulate about the decks, stuffing their handbills into boats and behind ventilators where members of the crew eventually find them, read them, and then generally turn them over to the executive or the officer of the deck. Meanwhile the girls of the group, chosen for their good looks, will be picking out promising-appearing enlisted men, engaging them in conversation with the object of making dates with them ashore and working on them there to convert them to the cause and thus gain a recruit within the ship's company. Once gained, a cell is formed through which others may be "talked over" into joining. The same general method is used at shore stations. At boat landings and outside gates of shore stations, men or women pickets distribute to liberty parties their handbills and other radical literature. Handbills are occasionally left at doors of private homes, especially where naval personnel are known to reside.

The principal propaganda organ for the Army is the Soldier's Voice. The copy before me lauds our recognition of Moscow, includes the usual number of fake letters from "discontented soldiers", and shows, among other things, a cartoon of J. P. Morgan manipulating the American Army on a chess board. The leading article—Two Armies—compares the lack of "class distinction" in the Soviet Army with the discipline in the American, and urges the same kind of fraternization in our forces.

All this vicious and subversive propaganda—and I have merely scraped the surface because of space limitation—goes on freely because we have no Federal statute to prevent it. Britain does the job much better. Her incitement to disaffection law makes subversive propaganda in His Majesty's forces, or the attempt to "seduce any member of His Majesty's forces from his duty or allegiance", a crime subject to 2 years' imprisonment or a £200 fine, or both. We should not only copy this British statute but also close the mails to all subversive matter and make it a crime to publish or distribute such literature.

These suggested remedies are merely a patch on the larger protection we need against alien destructiveness. The primary step, of course, is prevention at the source, which can only be achieved through at least 60 percent reduction of the European quota and a quota on Western Hemisphere immigration. These are already embodied in a bill introduced by Congressman DIES.

Since prevention at the source is not possible under existing immigration laws, the next best thing is drastic control, identification, and deportation of alien undesirables who are with us. First comes mandatory registration, which would disclose the illegal entrants. Once more Britain provides a precedent. Under her registration system every alien, regardless of social or financial degree, who remains in the United Kingdom longer than 90 days must register with the police, state the reason and duration of his visit, and obtain an identity book. If he fails to report at the end of his indicated stay, he is run down by the police and deported if he lacks a satisfactory explanation. Employers are required to report all aliens in their employ.

No alien can secure employment in Great Britain without a permit from the Ministry of Labor. Through domiciliary visits by the police a constant check-up on aliens is maintained. In consequence Britain has no kidnapings or assassinations of public men. All aliens residing permanently in Britain must also have identity books and report periodically to the police. Another necessary procedure is the fingerprinting of all immigrants on entry into the United States.

SHARPENING THE EAGLE'S CLAWS

Next is the curb on the alien propagandist and inciter to violence. One move toward this end is in the following recommendation by the House Committee on Un-American Activities:

"That the Congress should enact a statute requiring all publicity, propaganda, or public-relations agents or other agents or agencies, who represent in this country any foreign government or a foreign political party or foreign industrial or commercial organization, to register with the Secretary of State of the United States and to state name and location of such foreign employer, the character of the service to be rendered, and the amount of compensation paid or to be paid therefor."

No agency for drastic alien riddance is more important than adequate and rigidly enforced deportation laws. The bill H. R. 9725, which closed up many existing loopholes in the deportation laws, was defeated at the last session of Congress by the American coalition and allied patriotic societies because it authorized discretionary power. The Department of Labor has framed a kindred bill for introduction into the present Congress. In commenting on this bill, J. H. Patten, of the Immigration Restriction League, made the following statement to me:

"There is not a single hardship case this proposed bill would remedy that is not rooted in the illegal or unlawful act or conduct of some alien whose family it assumes law enforcement would divide, but whose family could go out with him or her and not be divided. The only way to restrict immigration is to restrict immigration, and the only way to deport deportable aliens is to deport them, except possibly in a few difficult cases where the Secretary of Labor or the Commissioner of Immigration and Naturalization, instead of being given autocratic discretion to deport or not to deport, should go to Congress annually with such cases for which they could establish clemency."

Congressman DIES' bill—H. R. 5921—introduced on February 19 last, which has the support of all the agencies that successfully fought H. R. 9725 last year, remedies many omissions in our present deportation laws. It does not provide for discretionary power by the Secretary of Labor.

A NEW BROOM FOR UNCLE SAM

Immunity of alien criminals to deportation under the statute of limitations is removed by the provision that a person, at any time after entry, convicted of an offense involving moral turpitude, punishable by imprisonment for a term of 1 year or more, must be deported upon his release from confinement or when he is placed upon probation or pardoned.

The bill further puts possession or carrying of concealed deadly weapons and conviction for it into the category of moral turpitude, prohibits reentry of deportees under penalty of fine or imprisonment, and makes smugglers of aliens and violators of State narcotic laws liable to deportation. Under present laws, only violators of Federal narcotic laws are deported. Supervising officers in the Immigration and Naturalization Service are authorized to detain aliens and issue warrants for the arrest of deportables, thus providing a short cut to action. Other commendable provisions that mark aliens for deportation are failure of quota immigrants to declare their intention to become citizens within a year after entry and subsequent neglect to follow it up; and membership in, or affiliation with, any organization which advocates the violent overthrow of the United States Government. A previous Dies bill—H. R. 69—transfers all alien-deportation proceedings, particularly the ferreting out of alien criminals and illegal entrants, to a bureau of alien deportation in the Department of Justice. This control would tend to end the intrusion of sentimentality, politics, bloc pressure, and discretionary power into deportation procedure.

One highly necessary detail is lacking so far in the new deportation bills. It is that we refuse visas to the subjects of any country which declines to grant a passport or visa to one of its nationals voluntarily returning to his own country or deportable under the laws of the United States. Such a law would keep out Russian agitators now coming in under the camouflage of business or other missions.

This alien activity has a larger significance than is embodied in crime, financial cost, strike violence, and subversive propaganda. Behind it is a challenge to American tradition and principle.

At the moment we are the victims of two dangerous delusions. One is that the country is so fundamentally sound that administration "squandermania" and "taxomania" cannot impair its inherent stability. The other, more pertinent to the present task, grows out of the belief that our political structure is proof against radical sniping. No intelligent person believes that we are anywhere near revolution. We cannot escape the fact, however, that so long as we tolerate the undesirable alien and permit the infiltration of additional unsound foreign stock we are asking for the kind of agitation and worse, that has overthrown so many European constitutional governments.

RESIGNATION OF RALPH W. MORRISON

Mr. BENSON. Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the Washington Herald of June 18, 1936, under the caption of the Washington Merry-Go-Round, which is edited by Drew Pearson and Robert S. Allen, relative to the resignation of Ralph W. Morrison from the Federal Reserve Board.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WASHINGTON MERRY-GO-ROUND

By Drew Pearson and Robert S. Allen

The sudden and unobtrusive resignation of Ralph W. Morrison from the Federal Reserve Board has attracted no great attention, but around this mysterious Texan has developed one of the most unusual and important inside stories of the New Deal.

It is particularly important now, because this is the day of big campaign contributions to both parties, and the case of Morrison illustrates what campaign funds may do.

During the 1932 campaign Mr. Morrison contributed $50,000 to the Roosevelt war chest, ranking closely after Barney Baruch and Joe Kennedy as one of the top contributors.

Shortly after the successful end of this campaign, Mr. Morrison was appointed an American delegate to the London Economic Conference. This was not a very important position, but one of the

efforts made by that delegation, if not the chief effort, was to increase and stabilize the price of silver.

About 6 months after this conference adjourned, on January 31, 1934, the official list of "hoarders of silver" made public by the Treasury showed that Morrison held 1,774,740.66 ounces of silver. In fact, he was the second largest individual holder in the United States.

Some time after this, Mr. Morrison became interested in Hamilton Dam, a power project on the lower Colorado River near his home in Texas. Started by Insull, it was a valuable property, but was left unfinished when Insull crashed during the depression.

Also, Morrison came out to defeat MAURY MAVERICK, of San Antonio, for reelection to Congress, threatened to put up $25,000 against him. MAVERICK had violently attacked the big utilities, and Morrison, a Texas utility operator, had made a deal with the Insull receivers to take over the Hamilton power project.

To this end Morrison asked the Reconstruction Finance Corporation for a loan to complete the project, but R. F. C. Chairman Jesse Jones, also from Texas, turned him down.

Then Morrison petitioned Harold Ickes for a P. W. A. loan. Again he was turned down. Ickes told him P. W. A. could not lend Government money to develop a private power site.

So Morrison then engineered a bill in the Texas Legislature which would create a lower Colorado River power authority to take over the Hamilton project as a public enterprise. This encountered some opposition, but eventually passed.

Meanwhile Morrison's deal with the Insull receiver was completed and approved by United States District Judge James H. Wilkerson. It was a neat piece of legal legerdemain and requires a word of explanation.

The Hamilton Dam was incorporated under Central Texas Hydroelectric, which was part of Middle West Utilities, the parent Insull concern. Receiver for this was Van Rensselaer Thayer, of Chicago.

And Thayer agreed to give C. G. Mallott, agent for Morrison, all the stock of Central Texas Hydroelectric, in return for which the Morrison organization gave 49 percent of the stock back to the Insull receivership. In other words, the Insull receiver handed 51 percent of a very valuable company over to the Morrison organization for absolutely nothing. No compensation was paid.

All this is a matter of record in Equity 11681, District Court of the United States, Northern District of Illinois.

But what is not a matter of record is what argument Morrison used on Receiver Thayer to induce him to make Morrison a gift of 51 percent of the Hamilton Dam.

However, Morrison's political prestige both in Washington and Texas apparently was worth 51 percent of the power company.

Then the President sent a brief memo over to P. W. A. Administrator Ickes asking him to look over the project again. Ickes had turned it down before. But now that Texas had created a State power authority, Ickes put up the money—$20,000,000, of which $12,500,000 is a loan and $7,500,000 an outright grant.

Under the arrangement Morrison made with the Insull receiver, he was to get a certain specified profit in case the Hamilton Dam was sold.

This now happened. The new Lower Colorado River Power Authority, using P. W. A.'s $20,000,000, bought the uncompleted dam for $1,650,000. And out of this Ralph Morrison got a profit of $800,000—or almost one-half. So far as the records show, Morrison made his profit without putting up any capital.

FARM RELIEF FOR 1937—ADDRESS BY SENATOR POPE

Mr. MCGILL. Mr. President, on the 15th of this month, a very able address was delivered over the radio by the junior Senator from Idaho [Mr. POPE], on the subject "Farm Relief for 1937." I ask unanimous consent to have the address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

For 12 long years following the World War the general level of farm prices was permitted to decline until the burden became unbearable. Since 1933 the Federal Government has been striving to hoist agricultural income back to normal. Although considerable progress has been made, the goal has not as yet been attained. While general agricultural conditions have greatly improved there are still some hard nuts to crack before it can be said that the farm problem is solved.

Industry, on the other hand, has grown and developed; modernizations in procedure and improvement in financial methods have eliminated most of its hazards. Surpluses and reserves came into being as financial shock absorbers. Insurance companies protected the property of the corporation. Special reserves gave protection against depreciation, and quasi-speculative transactions, such as hedging, protected individual transactions. State governments have assisted in the process of making industrial enterprise foolproof by establishing compensation insurance to relieve entrepreneurs from liability for employee disability.

The manufacturer or businessman can fully indemnify himself. He no longer worries over the possibility of a fire in his plant. He is insured. His future no longer can be ruined by a bad year in the market; he has built up reserves. His business ancestor of a century ago would indeed envy him his security.

The modern farmer, however, like the ancient farmer, is forced by an unbalanced economic system to live on the ragged edge of prosperity. Always burdened with mortgage, a single bad year invariably will force him into bankruptcy. If lightning strikes, destroying his crop by fire, he is ruined. He has no reserves; he has no insurance; he has no capital with which to hedge or otherwise protect himself. He is dependent on his crop from year to year, and a consistently high price for farm produce has become essential to a livable income.

The experience of the past 3 years has taught us that although comparatively high prices are paid for agricultural commodities, unforeseen hazards will, each year, leave a group of farmers, somewhere in the United States, virtually destitute by the destruction of all or most of their crops. In 1933, for example, in western Kansas, wheat production sank to zero as the result of drought—a hazard which the farmers could not foresee and against which they were powerless to protect themselves. In 1935 apple growers in the State of Idaho virtually lost their entire crop as the result of an early freeze and most of them became insolvent. The Resettlement Administration advanced $147,000 in the State of Idaho alone to rehabilitate apple growers. Such loans are, in effect, nothing more than insurance, although a very uncertain and unnecessarily costly form of insurance indeed. The farmer receiving such governmental aid must repay it with interest.

If a farmer left destitute by one of Nature's pranks possessed actual insurance on his crops, his loss would be paid when it occurred. A sudden loss of a crop would not mean the assumption of a debt burden which would take years to repay. Likewise there would be no interest to pile up overhead costs. Moreover, he would possess the security of insurance from the time his crop was planted.

On many occasions I have inquired of farmers who had suffered disastrous losses, "Why do you not insure your crop?" The answer has always been the same, "Premiums are too high." Some insurance companies have issued policies insuring against hail, fire, or some other specific hazard. At no time has any insurance company undertaken to supply farmers with a type of insurance carrying complete coverage.

Thus there are two obstacles in the way of obtaining protection and security for individuals engaged in agricultural pursuits, exorbitant premiums and the fact that no adequate form of insurance exists. Data gathered and published by the United States Department of Agriculture showed damages to wheat between 1916 and 1925 which, if measured in terms of a reduction from full yield, would amount to 31 percent. What other business is compelled to withstand an average 31-percent loss in production each year? Twenty-three percent of the loss resulted from adverse weather conditions.

In the case of cotton the average crop loss is 42 percent, of which 22 percent may be attributed to weather conditions. A substantial portion of this reduction in full yield may be attributed to normal crop fluctuation, for which provision is made by the individual farmer. These losses can be withstood. But if conditions are to be improved it is essential that protection be given to those who find themselves facing destitution and starvation as the result of losing an entire year's work.

As a basis for a study of the problem, which I hope will eventually result in positive action, I have introduced Senate bill 4626 to create and establish a Federal Crop Insurance Corporation. The corporation would have the power to sell policies of insurance on any growing crop of an agricultural commodity to the operator or owner of the farm on which the crops are produced. Such policies of insurance would, under the provisions of the bill, insure against unforeseen and extraordinary events not the result of misfeasance or nonfeasance causing losses to the insured. Such hazards as fire, hail, floods, severe drought, early and late freezes, and the like, would be included. Farmers, heretofore helpless in the face of such disasters, would at least have the assurance of regaining the money they had invested in planting the crop. The Federal Government could, if empowered by law to do so, work out an adequate and complete program of protection for American farmers. A deficiency in the American system of ameliorating business risks would have been remedied.

Another question is, Could farmers afford such protection? The bill provides that premiums must be computed on the basis of actual cost. No profits may be retained by the Corporation. All that the farmer would be required to pay would be the actual cost of indemnity against loss; that is to say, the money which the Corporation annually would be required to expend in payment of losses. The basic theory of the insurance business is that it is a device by which a group may share a risk to prevent individual hardship. Private insurance companies have carried out that theory but they have made the business of insurance a source of profit as well. Insurance experts state that approximately 60 cents of every dollar collected as premium on life insurance goes to pay overhead costs of the insurance company. It goes to high salaried officials, to an army of agents, claim adjusters, and lawyers, and to stockholders as dividends.

Since this is the case in the well-established and competitive field of life insurance it is little wonder that premiums on crop

insurance, which has never really been developed beyond the experimental stage are exorbitant. Obviously a Government corporation issuing insurance at cost would, at least, issue policies with premiums 60 percent lower than commercial insurance.

Recent studies of the probable cost of complete crop insurance indicate that the cost per acre to insure yields up to three-fourths of the average yield would be about 1 bushel per acre in the spring-wheat areas in the vicinity of North Dakota. In western Kansas the cost would be approximately 2 bushels per acre, and in other sections it would be much lower. When this study was made it was assumed that the farmer was to be protected against all hazards regardless of character, and the policy would guarantee three-fourths of the average crop. The study was made on the basis of crop losses for the last 6 years, which have been as bad as any 6 years in our history. The cost estimates are, therefore, conservative.

As a matter of fact, a Government insurance corporation assessing the cost of insurance only against the years of surplus would only require from one-half to two-thirds of farm production in excess of normal expectation. Thus it would be possible under a carefully worked out, carefully administered crop-insurance program fully to insure farmers against all hazards without ever charging a premium which would take any part of his normal crop.

I am firmly convinced that a program of crop insurance could be made available to all the farmers of the United States to give them security they have never before known, at a remarkably low cost on completely self-liquidating basis, if the Federal Government would only undertake it. No one knows better than farmers themselves how desirable such a program would be.

The average farmer going to the average banker could obtain loans on insured crops, whereas the same loan on the same crop uninsured would be scoffed at today. The cold shoulder which the farmer proverbially receives in banks would be replaced by cold cash and easy credit. Efficiency in the agricultural industry would be rewarded on the same basis as efficiency in industry.

The Federal crop-insurance bill to which I refer was introduced into the Senate on May 13, 1936. It will not be acted upon by this Congress. It was introduced so that people would think about the proposal. Whether it is acted upon at the next Congress depends upon the support it receives. One of the reasons for calling attention to it now is the following statement in the national platform of the Republican Party for 1936. It states:

"We propose to give every reasonable assistance to producers in areas suffering from temporary disaster, so that they may regain and maintain a self-supporting status."

Farmers, of course, will never gain from weasel-words. If the party espousing that platform were elected, what the farmer would get out of that promise would depend on how the officeholders interpret the words "reasonable assistance", and the amount of starvation required to exist before an area is recognized as suffering from disaster. It seems to me that such promises should be made definite, couched in understandable terms, not subject to a multiplicity of interpretations.

It is the duty of the political forces in the United States to bring about a system which will give farmers an opportunity to protect themselves against natural hazards of their industry. The existing farm program counteracts and equalizes the price risk which farmers heretofore have been forced to bear alone. With the addition of a Federal program of self-liquidating crop insurance to equalize and cushion the blows of natural hazards, America would have, for the first time in history, a stabilized, secure, and prosperous agriculture.

CONCERNING THE WAR RECORD OF SENATOR GORE, OF OKLAHOMA

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the RECORD a poem from the Sequoyah County Times, Sallisaw, Okla., and a statement by Mrs. Gill, a Gold Star Mother, of Shawnee, Okla., concerning the war record of Senator GORE. The poem and article follow:

TRIBUTE TO SENATOR GORE

[From the Sequoyah County Times, Sallisaw, Okla., of June 12, 1936]

We're not so sore on Senator GORE
As we were back there in days of yore,
When he fought old graft and opposed the draft
And stood like a rock when thousands laughed.

But the war came on with its horror and noise
We lost our billions; we lost our boys,
And all we gained was a lesson of woe
That will haunt our lives wherever we go.
And the lesson teaches us more and more
That the safest thing is to vote for GORE.

STATEMENT OF MRS. CATHERINE GILL, A GOLD STAR MOTHER

[Mrs. Catherine Gill is a Gold Star Mother from Shawnee, Okla. The American Legion Post there is the Gill Post, named for her son, who was killed at 10 o'clock in the morning of the day that the armistice was declared, November 11, 1918.]

To the Interested Citizen:

It is from a heart burdened with pain that I speak to you; a pain-ridden heart crying out to a just God a fervent prayer that you, today's mothers and fathers, may never know what it is to have your sons sold into eternity for a few yards of blood-soaked soil.

Twenty years ago I was the proud mother of a rosy-cheeked boy. A proud, ambitious boy, loving life, hating no one; a boy with a wonderful future. And now, instead of having his children on my knee, instead of having him, I have empty arms, an aching heart, and a Gold Star; and he sleeps in the last deep sleep in a grave in France.

Not for myself alone do I speak, but I echo the sincere prayers of hundreds of other Gold Star Mothers—mothers who went down to the very gates of death to bring sons into this world; mothers who toiled and sacrificed that their sons might grow into clean manhood and enjoy their rightful heritage of a God-ruled world of peace and beauty.

Present conditions indicate support of the old saying, "History always repeats itself." The old sage who first uttered these words might also have added "that tears and sorrow and death"—the constant companions of history—likewise repeat themselves.

Must we, a civilized people, again offer the blood of our sons in the false name of patriotism and by this gesture encourage the mighty few in their attempt to bring about this repetition of history? To you, I say, No! And to God I pray for the protection of our sons, and of the hearts of our mothers, even at the cost of capital.

In 1917 America's entry into the World War was not sanctioned by the entire United States Senate. A few brave, far-sighted, peace-loving Members—friends of humanity—were bitterly opposed to robbing the arms of American mothers and sacrificing the lives of their human loot to glut the mad dogs of Europe. One of these few you all know, not by broken promises and false platforms but by his wise decisions and by the faith he has kept with the people he represents. This one of whom I speak is Senator T. P. GORE. Blind? Yes; but never to the truth. Old? Yes; but all the wiser for his years. A wisdom that has been proved so many times.

Knowing his fierce desire for peace, his repeated refusals to bend his knee to capital, will you trade him—a tried and true friend—for an unproved new friend? Will you not support him in his sincere support of you? He is blind—he cannot see his people—but God has given him the ability to feel for them. And so, my friends, may God preserve in you the wisdom you have shown in sending him to the United States Senate, and may that wisdom prove itself once more by your keeping him there. As a mother who has lost her son, I say to you, if you would protect the sons you love, "If it's GORE, it's no war."

CRITICISM VERSUS ACCOMPLISHMENT—ADDRESS BY JAMES CRAIG PEACOCK

Mr. RADCLIFFE. Mr. President, I ask unanimous consent to insert in the RECORD an address made by Mr. James Craig Peacock, Director of the Shipping Board Bureau, Department of Commerce, before the Propeller Club, of Baltimore, Md.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The past several years have been a period of great distress for world shipping. Subnormal cargo offering, low freight rates, and severe competition for such business as still moves in international trade have caused shipowners everywhere to concentrate their efforts on the desperate struggle for survival. Not all of them have succeeded in weathering the economic storm. There have been failures and receiverships, an unprecedented laying up of tonnage, consolidation of services, restricted or staggered sailings, and a general cutting down of overhead. High tariff walls, import quotas, and other trade barriers, coupled with subsidies for domestic production and fluctuations of foreign exchange—all, I take it, manifestations of the post-war trend to economic nationalism—lie at the root of the shipowners' troubles. To add to his perplexities there has been a marked, relentless, and heartbreaking rise in operating costs.

Faced with dwindling revenues and steadily mounting costs, shipowners the world over have appealed more and more to their governments for financial support. That they have not appealed in vain is shown by the fact that government aid to shipping is now the rule rather than the exception. If the Great War accentuated the value of merchant shipping, post-war developments have convinced the maritime nations that their merchant marines must be maintained by whatever means possible—if not by private initiative, then by the taxpayers through the medium of Government aid. Our own Admiral Gleaves, chief of convoy operations during the World War, put the case tersely when he said, "The outstanding lesson which the war has driven home to us is the value both in peace and in war of a prosperous deep-sea merchant marine."

At no time in the world's history has competition on the oceans been more intense than during the past 15 years. In this period all of the countries which are our principal maritime competitors have adopted a strong national shipping policy. They have assisted their private shipping industry to survive the terrific slump in world trade, with its disastrous effect on shipping, by the liberal extension of Government credit or by private credit guaranteed by the Government; the renewal and extension of contract services in their essential trade routes; construction loans at low rates of interest; construction bounties; navigation bounties; and other forms of aid. The adherence to such a policy by these countries has enabled foreign shipowners to scrap millions of tons of obsolete ships and to build new ones. It has not only enabled

our competitors to maintain their relative competitive status in the trade routes of the world but has greatly enhanced and strengthened their position by the introduction of high-speed passenger ships, combination ships, and fast cargo liners. It would have been impossible for private capital to finance, without liberal Government assistance, such ships in the important north Atlantic passenger service as the *Rex,* the *Normandie,* and the *Queen Mary.*

Under these circumstances how can American shipping meet foreign competition successfully without adequate Government assistance when the capital and operating costs of American ships are far greater than those of any of our foreign competitors?

During the depression American shipping has experienced all the vicissitudes which have beset the merchant marine of other nations. In addition it has had to face, continuously for the past 3 years, a heavy barrage of high-powered criticism, originating, strangely enough, not in the countries of its competitors but among our own people. From every direction the pitiless spotlight of publicity has been turned upon its every weakness and shortcoming, leaving its virtues obscured in the shadows.

Such a steady stream of adverse criticism has poured forth from congressional and departmental investigations and hearings and debates, from news and editorial writers and columnists of influential papers, from after-dinner speakers, and even from radio commentators, that the man in the street can scarcely be blamed if he has come to believe that our shipping situation constitutes a veritable public scandal and nothing more.

It would be a waste of your time and mine if I should attempt to analyze in detail the many charges which have been made against the operators of American ships. These charges have been given wide circulation and have gained wide credence. Many of them are one-sided and carry their own refutation as, for example, the sweeping charge in a recent report that instead of an adequate American merchant marine, the Merchant Marine Act of 1928 has produced unconscionable exploiters, intent upon wringing every possible penny from the public purse while giving an absolute minimum of service in return.

Admittedly the act of 1928 has failed to produce an adequate merchant marine, since it has not brought about the building of much-needed cargo liners. But when we say this we should at the same time present the other side of the picture and add that the 33 vessels built under the act's provisions, at a cost of approximately $144,500,000, are, for the size and type, as modern and efficient as any in the world, and represent the finest merchant fleet ever assembled under the American flag since the advent of steam.

Much the same objection may be taken to a reference in the same report to what is called the myth of private ownership, and to the repeated attempts made to show that the Government's mortgage liens and equities are so great that our merchant marine is in effect owned by the Government rather than by private American interests. Here again only a part of the picture is revealed by the floodlight of unfavorable publicity which has been thrown upon the merchant marine. I shall take the opportunity in a moment or so to refer more fully to the status of debtor shipowners.

I hold no brief for the individual American shipowner, but as Director of the Shipping Board Bureau I do hold a brief for the American merchant marine. You will understand that in saying this I in no wise condone the abuses and improper practices which have been indulged in by some members of the industry. I offer neither apologies nor excuses for those who have overstepped the proprieties, or who, for personal or corporate gain, have been guilty of breach of faith, if not of contract, with the American people. The point I wish to make is that there has been enough criticism of the abuses of the past. Surely the American merchant marine finds its natural economic handicaps burdensome enough without this added handicap. What it sorely needs—though in some quarters it is not the fashion to say so—is sympathetic and constructive help. We cannot permit the recent flood of adverse criticism to make us waver in our allegiance to one of the country's most essential industries. We cannot proceed on the false assumption that its greatness has forever vanished; that its former virtues have degenerated into vices; that no hope remains of perpetuating its glorious traditions.

Believing that it is high time that we shifted the spotlight so as also to show other and more favorable parts of the picture, I propose in my remarks tonight to point out that one can find real achievement and substantial progress even in this supposedly dark age of the merchant marine. I shall try to show that the history of the past few years, if rightly interpreted, gives ample assurance that we still have the foundation upon which to build an era of maritime achievement surpassing in glory even the golden era of a century ago.

The outstanding accomplishment which must be placed to the credit of the American merchant marine in recent years is the maintenance, on every one of the country's essential trade routes, of regular and dependable service during this entire period of unparalleled stress in shipping and foreign trade. Here is a record that will bear favorable comparison with the showing made by any other merchant marine in the world, a record which is all the more remarkable when we consider the obsolete types of cargo ships which comprise the greater part of our fleet. Not only have these services been maintained, but the percentage of American water-borne foreign commerce carried in American bottoms have held constant, even during the worst years of the depression. What better testimony could be offered to prove the zeal and enterprise displayed by American operators in the face of conditions which have driven many of their foreign competitors out of business?

Although I am reluctant to bring statistics into a speech of this sort, a few figures are necessary if I am to avoid the charge of dealing only in glittering generalities. Let me state, then, that for the past 14 years American ships have carried an average of approximately 34.3 percent of the total value of our foreign water-borne commerce, ranging between a low of 32.2 percent in 1926 and a high of 36.5 percent in 1933. Now, in analyzing these figures the interesting fact develops that during the past 7 years—the period of the great depression—the yearly average is found to be somewhat higher than for the 7 years preceding the depression.

Does anyone suppose that this just happened by chance or accident? I for one give credit to the business acumen, the ingenuity, and the dogged determination of the American shipowner, who, refusing to take the depression lying down, rolled up his sleeves, improved and intensified his methods of freight solicitation, and more than maintained his relative position, while the rest of the business world was in the doldrums praying for a favorable breeze.

There can be no doubt that the new ships constructed under the much-criticized Merchant Marine Act of 1928 have helped American operators to hold their own during the trying years of the depression, and that conversely, in appraising the results of that legislation, we must remember that its period of operation has been almost altogether one of world-wide depression.

The two splendid passenger vessels built for operation in the North Atlantic have proved so popular that they have revolutionized the entire passenger rate and classification structure in the world's outstanding ocean-passenger route. During the travel season accommodations on these vessels have been taxed to capacity. For some months negotiations have been under way looking to the construction of a third vessel of the same type and size, though with still more modern equipment, with a view to rounding out this service on a weekly basis and securing a still greater share of the rich passenger traffic of the North Atlantic.

Four new vessels built for service from North Atlantic ports to ports on the Mediterranean Sea have also given an excellent account of themselves, as have the five outstanding passenger ships built under the provisions of the 1928 act for service on the Pacific. The all-round efficiency of these vessels, coupled with their excellent service and moderately priced fares accounts for the high place they have won in the estimation of discerning patrons. If the Merchant Marine Act of 1928 had done nothing else it would still deserve our gratitude for the way it has demonstrated that whenever the American shipowner is in a position to offer service comparable with, or superior to, the service furnished by foreign shipowners, the patronage of American shippers and travelers will gravitate to the ship flying the American flag.

The four new combination cargo and passenger vessels built for service to the west coast of Central and South America tell the same story. For their type and size they are as attractive and efficient as any ships ever built, and like other vessels constructed under the provisions of the Merchant Marine Act of 1928 they have won great favor with the shipping and traveling public. In view of recent criticism of American ships from the standpoint of safety, I think it well to point out that all the passenger-carrying ships built with Government aid since 1928 have exceeded the requirements laid down by the London Convention for Safety of Life at Sea, notwithstanding that this important treaty has not yet been ratified by the United States.

All told, as I have pointed out, 33 new and splendid ships, costing approximately $144,500,000, have been built under the 1928 act. The conversion or reconditioning of 42 old vessels, with a view to increasing their speed, installing refrigerator space, or making other betterments, has involved an additional expenditure of $17,700,000, making a total outlay of approximately $162,200,000, for modernizing the fleet during the depression years. The result is that our immediate needs in our principal passenger-carrying trades are, with a few notable exceptions, reasonably well taken care of. Our need for new cargo liners remains, however, a matter of very real concern.

A fair appraisal of the figures I have just quoted will show the unfairness of the highly critical views so frequently expressed as to the progress made in building up American shipping since the passage of the Merchant Marine Act of 1928. When we consider the employment benefits accruing to American labor through the expenditure of $162,200,000 for building or reconditioning these 75 ships, the added millions paid to American seamen employed to run the newly built vessels, and the increased prestige enjoyed by the American-flag services in which the ships have been operated, it is decidedly unfair to imply that the Merchant Marine Act of 1928 was barren of worth-while results. The chief defects of the act were that it disguised the nature of the subsidy; that it did not make mandatory the replacement of obsolete tonnage; and that the method prescribed for determining the amount of Government aid was loose and open to abuses if not properly administered. More than counterbalancing these admittedly serious defects, however, the fact stands out—and I believe that it will be given full recognition when the maritime history of the post-war era is finally written—that but for the subsidy provisions of the act of 1928, few American lines, other than the so-called industrial carriers, would ever have survived the depression.

As pointed out a moment ago, the critics charge that while American shipowners have taken advantage of the liberal provisions of the 1928 act to build or recondition a number of ships, and have also purchased Government tonnage at market prices or less, they have been so slow in meeting their financial obligations to the Government that, in effect if not in law, the ships are owned by the mortgagee—in other words by the Government. Here again the spotlight of adverse criticism reveals only part of the picture. I would like to show you the other part—made up of facts which I think speak for themselves.

On August 9, 1933, when the Presidential order abolishing the Shipping Board and transferring its activities to the Department of Commerce became effective, outstanding ship sales and construction-loan mortgages amounted to $154,742,561.80. Today that total has been reduced to $105,728,539.77. In other words, in less than 3 years $49,014,022.03, or almost one-third of the total, has been paid back to the Government, notwithstanding that by the terms of the loans most of them were to run for 15 or 20 years.

On the same date—August 9, 1933—13 active companies were in arrears on such mortgages. Since then only 2 small companies have been added to the list, while on the other hand 6 of the original 13 have completely paid up all arrearages. A seventh has for more than 2 years been making regular payments on a schedule which has already reduced its arrearages from $853,800 to $169,600, with every indication that it will be completely caught up on its payments by November of this year. Two of the six other companies still in default are in appreciably sounder financial condition than they were a year ago, and only two of them have had occasion to resort to receivership.

I submit that in all fairness to the American shipowner these facts deserve as widespread publicity as that which has been accorded the pessimistic reports of recent years. I do not believe that the American people want Government ownership and operation of industry, even though the industry be one which is so highly specialized, so difficult to manage, and so hazardous from the standpoint of financial returns as the American merchant marine. Our former maritime glory, wrested from our competitors in those far-off days of wooden ships and iron men, was achieved under private American ownership. On the other hand, our post-war experience with Government ownership and operation was marked by so much waste and inefficiency that I for one hope that it will never be repeated.

And, in conclusion, just a word as to the future. The question that is probably uppermost in the minds of most of you is whether we are going to have new subsidy legislation. I cannot answer it. No one can. No one knows. I can say that the chances of just legislation are greater than they were 2 weeks ago.

ADDRESS BY SENATOR REYNOLDS AT ARLINGTON MEMORIAL AMPHITHEATER

Mr. RUSSELL. Mr. President, I ask unanimous consent to have printed in the RECORD the memorial address delivered by the Senator from North Carolina [Mr. REYNOLDS] on Sunday, June 7, 1936, in the Memorial Amphitheater of Arlington Cemetery. The meeting was held under the auspices of the United Confederate Veterans. The address was broadcast over a Nation-wide National Broadcasting Co. hook-up.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, ladies, and gentlemen, and beloved veterans in gray, I am grateful to the Sons and Daughters of the Confederacy and the Confederate Southern Memorial Association, which organizations invited me to be present on this occasion. My heart swells with pride and joy at being able to address you, and in my humble way pay homage to the memory of those men in gray who laid down their lives in that great struggle from 1861 until 1865 and to pay tribute to the thinned ranks of their comrades who have survived, some of whom are here with us at this hour.

As I stand here today on this hallowed ground where sleep some veterans of all our wars, 71 years after Appomattox, to say anything that would tend to reopen the wounds of that sad period in our history would be furthest in my mind. I think, however, I would be remiss in my duty as a southerner and a North Carolinian whose forefathers aided in the settlement and development of our great State and who later fought under the Stars and Bars if I did not refresh your memory, so to speak, of the valiant deeds performed by those brothers, fathers, and sweethearts in gray who so freely gave of their life's blood for a cause which in their hearts was right and just.

Hundreds of historians have recorded the causes and events which brought about the War between the States, and I find that very few of them attribute it to the same basic principles. Some of them state that the great question of slavery was the real underlying reason, while others blame it on uncontrollable economic forces, while still others say it was the antagonism of two majestic ideas—the idea of local self-government and the idea of union.

Regardless of what brought about that great strife, each and every one of us know that in 1861 the so-called Southern States had only a population of approximately 9,000,000 people, and that a large percentage of these were slaves. The South did not possess a navy. For 4 long years 800,000 men, which constituted the entire armed forces of the Confederacy during this period, under Lee, Jackson, Forrest, Stuart, Hill, and Longstreet, withstood the onslaught of the Federal forces, numbering over two and one-half million men, or nearly three times greater than their own. We know that these same men on the far-flung battlefields of Bull Run, Chancellorsville, Fredericksburg, the Wilderness, Gettysburg, Antietam, and Manassas committed acts of valor and bravery which still live and will live on through the ages and will ever be an inspiration to the youth of our Nation when courage, love of homeland, and sacrifice for an ideal are mentioned.

To know the southern soldier or to study him can never fail to attract one's imagination or fail to quicken the pulse. You must glory in his accomplishments when you pause for a moment and remember that he was a farmer, a tiller of the soil, a home lover, and that he was reared on the scene where our country was first settled, and that his very being was steeped in the foundation of his country. Is there any wonder, my friends, why the European countries, as well as the North, were amazed at the individual bravery, privation, and sacrifice of these men? Their leaders taught stratagem and maneuvers which for years after the war were taught in the military schools of Europe. The Confederate veteran is an institution which will survive forever. My own great State, North Carolina, played a most important part in that great period. It is claimed that in addition to placing more troops in the field than any other Southern State that its soldiers were first at Bethel, farthest at Gettysburg, and last at Appomattox.

The War between the States was a brothers' war, and no war in the annals of human history was more sincere. The thought of conquest or glory was never considered. To refer to it as rebellion is to speak ignorantly, and to call it treason is to add viciousness to stupidity. It was a war of ideals, principles, political conceptions, and of loyalty to the ancient ideals of English freedom.

Memorial Day was first observed in Columbus, Miss., about 1 year after the close of the war. On that day the relatives of the fallen Confederate soldiers paid tribute to the memory of their departed loved ones as well as to about 40 Union soldiers who were buried in the same cemetery. From that day on, every year throughout the entire country, our citizenry gather to pay homage to our heroes.

The greatest tribute on this Memorial Day which we could pay to these departed and living heroes of the sixties would be to honor the spirit and purpose for which they fought, bled, and died. The cause for which they made the supreme sacrifice failed, but the spirit will ever remain a cherished heritage for their loved ones. The Confederacy is dead, but the spirit which conceived it and made it glorious in its great achievements is still alive and will never perish. The spirit has carried on and has found expression in the courage and hope that survived it by giving us a new South, far greater and happier than the old.

Visualize for a moment the utter despair and complete hopelessness that prevailed over the entire South after Appomattox. This, indeed, was a dark hour for our beloved Southland, and many were the sad hearts on that morning of April 9, 1865, when the news was flashed that the fate of the Confederacy was sealed. When we pause to picture in our own minds the conditions that existed throughout the entire South and then look about today we cannot but wonder at the fortitude, courage, and determination of our people in those long, dark years which followed the war. The sword had been sheathed forever, and the Confederate soldier returned to his home to commence the great task of rehabilitation. No one can question his loyalty. Shortly after the cessation of hostilities Gen. Robert E. Lee said: "All good citizens must unite in honest efforts to obliterate the effects of the war and to restore the blessings of peace. They must not abandon their country, but go to work and build up its prosperity. True patriotism sometimes requires men to act exactly contrary, at one period, to that which it does at another, and the motive that impels them, the desire to do right, is precisely the same. The circumstances which govern their actions change, and their conduct must conform to the new order of things. History is fully illustrious of this. Washington himself is an example of this. At one time he fought against the French under Braddock; at another time he fought with the French at Yorktown under the orders of the Continental Congress of America against the British. He has not been branded by the world with a reproach for this, but this course has been applauded."

Most people know Robert E. Lee as a great military genius; he was greater as a civilian. He placed a standard by which human conduct may be measured in every age and under every condition when he uttered the sublime sentiment:

"There is a true glory and a true honor; the glory of duty done, the honor of the integrity of principle."

The great task of reconstruction and rehabilitation fell largely upon the shoulders of the men who had worn the gray, and to their everlasting glory it must be said that they carried on with that same devotion, courage, and determination to rebuild their Nation as they had so strongly manifested on the thousand battlefields. As the result of their untiring efforts, there arose a mightier South; a Southland of progress and happiness, until today every man and woman of southern birth or extraction can point with pride to every single State below the Mason and Dixon's line and hold it up to any other section of the entire country as an example of true-blue and unsullied Americanism.

The accomplishments of the South since the shambles of the terrible war have recorded themselves indelibly in the pages of our history, and when the muskets were racked in those long lines at Appomattox the last vestige of a desire of the southern people

to be separated and apart from the rest of our fair country vanished. And, my friends, clearly to emphasize my point that our Southland has since that fateful day in April 1865 been a loyal, indissoluble, and vital part of our great Union, I want to remind you that in 1898, when our martyred President McKinley called for volunteers to defend the flag and to forever break the rule of the Spanish tyrant in Cuba, these same Confederate States furnished some forty-odd thousand men and officers.

In fact, the great State of Georgia furnished more men on a population basis than did any other State in the Union. And a little later, when our beloved war President, Woodrow Wilson, could not keep us any longer out of the great conflagration across the Atlantic and in 1917 found it necessary to again draw our sword to protect our honor as a world power and to save the world for democracy, we find that these same 11 Southern States contributed almost 1,000,000 men and officers to the ranks of that great khaki Army that saved Europe from complete destruction by the German hordes. There can be no question now, and never will be, as to the loyalty of our Southern States and of our southern people.

You need have no worry of communism, atheism, or any other "ism" taking hold in our South. The only "isms" that our people know or will tolerate are patriotism and Americanism. You may rest assured the ideals and the institution for which these men in gray gave their lives will not be destroyed.

The alien question which now confronts America is one of the most vital which our people have been called upon to dispose of within the past several decades. It is truly a grave situation when you consider that there are now within our borders between seven and ten million aliens, one million and a half of whom are on relief rolls being maintained by the American taxpayer and at least another 3,000,000 usurping jobs which rightfully belong to American citizens. By alien I do not refer to those from foreign shores who have come here and have become naturalized citizens. During the oncoming summer months I have accepted several invitations to deliver lectures on this grave problem, and I declare today that I intend to continue my efforts with every ounce of my energy to make America a land for Americans and not for aliens.

The task of the South to rebuild was not an easy one. For a period immediately after the close of the war, due to the selfish desires of some few to enrich themselves at the hands of the impoverished South, there was imminent danger that our southern people would never be able to adjust themselves. Through this dark period of our history, when hope in the South sank to its lowest depth, we find the Confederate veteran always leading the way out of the darkness of despair into the light of hope. Their ranks have been thinned by the grim reaper until now there only remain a few thousand. With profound sadness in our hearts, we realize that the fleeting years are fast taking their toll and in another decade every single one of that valiant Army will have answered the last bugle call and they will be bivouacked with their immortal comrades. But their memory will live on through the years and will be forever cherished. Their sacrifice was not in vain because out of it all they gave to us a greater nation, a united nation, a happier nation, and a real United States of America.

Confederate veterans, dead or alive, I salute you! If you have passed on, may you rest in peace. If still with us, I know you will be true to your ideals and principles till you have fallen on sleep.

DEMOCRATIC NATIONAL CONVENTION

Mr. HAYDEN. Mr. President, under authority granted by the Senate on June 18, 1936, I insert in the CONGRESSIONAL RECORD the address of Hon. ALBEN W. BARKLEY, temporary chairman of the Democratic national convention, held in Philadelphia, Pa., June 23 to 27, 1936; the address of Hon. JOE T. ROBINSON, permanent chairman of the convention; the platform adopted by the convention; and the address of the President of the United States on June 27 in Philadelphia at Franklin Field accepting the nomination of the Democratic Party as its candidate for reelection as President of the United States; the acceptance address of the Vice President; and the address of Chairman Farley.

ADDRESS OF THE TEMPORARY CHAIRMAN, HON. ALBEN W. BARKLEY, OF KENTUCKY

Ladies and Gentlemen of the Convention: We have assembled, as we have done for more than a century, to justify in government a liberalism designed to promote those primal and inalienable rights which outweigh all political formalism and all conceptions of special privilege.

We are assembled here not merely to defend but to proclaim the New Deal as the surest highway to that life, liberty, and the pursuit of happiness to which Thomas Jefferson devoted his life and Franklin D. Roosevelt is consecrating every fiber of his immortal spirit.

We meet in the fullness of national responsibility in all branches of the Government save one, and with a record of performance never equaled in the history of the Republic; and on that record we stand before the American people without apology and without retreat.

We meet to rename, and subsequently to reelect, to the highest office within our gift a man whose build-up is his record.

As we survey the picture which the world presents and contemplate the 4 tragic years just prior to 1933, and the slow but steady progress of our country under this Democratic administration, we are moved by a sense of profound gratitude that the Nation today looks into the future with eyes that see within reach the goal of a happier and more abundant life for all our people.

We come to this convention in the name of a Democracy which is national in its historic background, in its approach to and willingness to deal in a national way with problems that are national in their scope.

We recognize the complexity of modern life. We covet no power that would deprive the States of the right to deal locally with local responsibilities. These are adequate to consume the energies of all who are willing to devote themselves to their solution.

But we recognize the undeniable and self-evident fact that, because of our growth in territory, population, wealth, the means of production, distribution, and consumption, and the facilities of transportation and communication which have knitted the American people into a nation, certain great vital questions affecting the daily lives of the people as a whole have been projected into our economic and social structure.

These vital questions cannot be stubbornly avoided or their solution long delayed by any political party or any administration which has an adequate sense of its responsibility to the people.

Political organizations are neither created nor justified merely as means of obtaining public office. Their justification lies alone in affording a means of expression and desire, as well as a focus of responsibility, in the administration of public affairs.

Thomas Jefferson is often misrepresented by those who pay to him the dubious homage of the lip as having said, "That government is best which governs least."

From all the volumes which Jefferson wrote it is, indeed, unfair to lift and emphasize a single sentence uttered concerning an ideal state of human perfection never yet attained. If that sentence must be taken without context or reservation, it is but a step to the doctrine that that government is best which governs not at all.

In this age of infinite complexity, of mutual dependence of community on community, state on state, and nation on nation, all responsible governments must enlarge their field of activity and supervision to the end that the weak may be protected from the strong and rapacious, and the approximation of justice among all classes may be secured.

Any political group, therefore, who, in the midst of tragic impotence among the people to adjust unaided their lives and fortunes and carve their individual paths through the impenetrable forests of economic density, hides behind the sedentary indolence of some ancient shibboleth is unfit for high station or responsibility in the society of our day.

This is a moving, changing world in which we live. New generations, viewing the discarded shell of ancient theories and impatient with the fatal doctrine of defeatism, are asking why, among all the arts and sciences and achievements of man, only government is a laggard; and make no mistake about it, they are searching for the answer.

It was this impatience with the blighting atmosphere of the political and social antiquarian that made Jefferson the foremost, as well as the most despised, liberal of his generation; that drove Andrew Jackson along a course for which he was denounced as a vulgar ruffian; that inspired Abraham Lincoln toward a goal for which he was described as the earthly incarnation of coarse buffoonery; and that cynically pictured Woodrow Wilson as a dreamy professor bent on political and social experimentation.

Franklin Roosevelt finds himself in glorious companionship with these great spirits who spurned the chariot of futility and negation.

He has not dallied with defeat nor taken counsel with cowardice, lest his feet be found on untraveled ground. He has sought to dedicate the powers of this Government to the service of the people who support it with their substance and their blood. He has restored to them faith in it and control over it.

Why was it essential that the powers of government be exerted in a new way on the daily life of the American people? Why is it impossible to tread the same old paths, no matter where they lead? Why had there been a complete break-down in nearly every branch of public and private endeavor?

Because for 12 years—yea, 12 long years—the ancient doctrinaires of special privilege had stood at the pilot's wheel on our ship of state. Because the powers of government had been exercised to promote the ends of injustice and bring a palsy to the efforts of the people exerted in their own behalf.

Because the streams intended for the unretarded flow of the people's energies were choked, and we found it necessary here and there to cut a new and straighter channel instead of trying to clean out an old and crooked one.

I find no relish in picking or pointing at ancient wounds. But in order to assess the wisdom of the remedies we have administered, let us diagnose the ailments from which we suffered.

They are of such recent existence that it ought not to be necessary to recount them. But my distinguished friend, the Senator from Oregon, who was temporary chairman of the Republican convention, forgot to mention them at Cleveland.

And some of those who suffered and have been cured are now the most arrogant in their antagonism to the process which brought them through the crisis. Some of those who were rescued from drowning in the economic floodwaters let loose by the previous 12 long years now complain because in lifting them out we were forced to pull their hair.

When the present administration assumed office on March 4, 1933, all classes of society bore the marks of such a combination of maladies that it is only possible to mention them in the vaguest outline.

These maladies were not local. They were not set off by metes and bounds. They were not walled in by territorial barriers, nor quarantined by yellow flags nailed to a tree.

They were maladies which took root deeply in the whole body of our social and economic fabric and were therefore chronic.

They have been fostered by enduring neglect, magnified by political folly, aggravated by venality, and perpetuated by the frantic effort to cure them by their causes.

No nation can prosper long or truly which finds no outlet for the surplus products of its genius and labor.

But in 4 years—yea, 4 long years—under the guidance of the man who was applauded but not renominated at Cleveland, we saw our trade with the world decline from $10,000,000,000 to $3,000,000,000 per year, setting the feet of 3,000,000 men upon the streets and turning their faces toward the lengthening bread lines.

For 10 long years the condition of the American farmer had steadily declined, in spite of the hectic flush of prosperity found on other portions of the economic body.

Each recurring season saw him compelled to accept for the products of his toil less than the cost of their production; saw his debts enlarged and his ability reduced; saw one-half the farms of the Nation under mortgage and one-fifth of these on the verge of foreclosure; saw his foreign markets lost and his home markets reduced; saw mounting and unsalable surpluses in all the basic products of the farm.

The farmer was losing not only his home, his toil, the rewards of his life and energy; he was losing faith in the ability or willingness of organized society through its only agency, government, to give him the same kind of break it had for generations given to others.

He was losing faith in political promises which had made him the victim of cynical indifference and devastating greed.

As if to pile Ossa on Pelion, the avenues of public and private credit were closed to him, and the cry of the auctioneer was heard at every courthouse door.

In the realm of finance chaos greater than was ever seen in this or any other nation spread its shadow across the country.

In the 4 years from 1928 to 1932 more banks had closed in failure than had ever closed before, and more than in all the rest of the world in the same length of time.

The impact of the crash was so terrific and convulsive that through terror men cried out in the anguish of their souls at the loss of their life's savings and their economic independence.

Industrial production had declined to 53 percent of normal, while industrial employment declined to 61 percent. The purring wheels of production were silent, and smokeless smokestacks were silhouetted against the heavens like monuments on a deserted battlefield.

Led on by the sirens of speculative excess and by the false signals flashed from the doors of the Treasury and the Executive Mansion, millions of men and women found themselves stunned by the falling debris of worthless securities foisted on them by investment pirates. They saw their substance drawn from their hands as if by some unseen magic force.

Archaic and unethical methods of business competition obtained illegitimate profit regardless of merit and strangled smaller units of production and distribution.

Sweatshops, long hours, low wages, unwholesome working conditions, and the physical and mental degradation of children remained the crowning infamy of portions of American industry.

Unemployment rolls never dreamed of by the accumulated pessimism of the century revealed between 15,000,000 and 16,000,000 laborers in idleness.

Down went every economic index, while the savings of lifetimes ran slowly out like sand in a weary hourglass, and every month new thousands left the security of work until 15,000,000 workers tramped the streets in hopeless agony of effort.

Down we were hurled for 3 long years, while confidence, like a prodigal, went into a far country, and the courage which had braved these barren shores in the days of the Puritan and under the pioneers had extinguished a continental wilderness began to faint on every hearthstone.

Three long years of Republican superiority found local charity and relief everywhere collapsing, and millions of human beings were begging for bread, raiment, and shelter, and uncounted numbers of them found sleep only by the roadside or upon park benches, from which they crawled with the rising sun like dogs from a kennel.

Upon the crowded street corner the soap-box agitator found it not difficult to lash into fury the emotions which were aroused in the disillusioned souls of men, who had lost not only lands and buildings and jobs and scraps of paper, but their faith in government, in society, and justice, and the spiritual foundations which sanctify the use and enjoyment of every earthly possession.

In 1929 the debauch of the Coolidge-Hoover revelry and the 12 long years of Hamiltonian exploitation were over. The dance was ended at last. The gaunt pipers of bankruptcy, starvation, and unemployment had come to claim their fee.

One sudden blast of wrath from outraged truth and decency and honor and prudence and thrift and common sense—and the tinsel tower of false dreams, false pride, false promises, and false hope collapsed in irretrievable ruin and dreary desolation.

Three long years of normalcy and they had wiped out half the values accumulated in this Nation since Christopher

Columbus and half the total income of all the people of these United States.

Three long years and—

We did not dare to breathe a prayer
Or to give our anguish scope,
Something was dead in each of us,
And what was dead was hope.

Then came Franklin Roosevelt and assumed the heaviest burden that ever descended on any man since Washington knelt in the snow and Lincoln watched the Confederate flags across the Potomac. As his first act he also knelt before an altar and prayed. As his second he opened his breast to the raging storm and checked it in a day.

Where were his detractors then? They had sought refuge in the storm cellar. They now cry, "The Republic is in peril; the Republic is lost", and for all of them it might have been.

The president of the United States Chamber of Commerce asked the President to assume the powers of a dictator for 3 long years.

The Capital was flooded with the paper plans of impotent puppets of toryism begging Government to assume responsibility for all.

The President scorned these suggestions. With every word and act he breathed new confidence in American institutions, confidence in the courage of traditional Americanism, and he twitted the Nation for its fear of fear.

There is not an American who does not know what happened then. Faith returned. Confidence revived. National courage rose like the sun at dawn. Faces that for 3 long years had forgotten how to smile brightened and looked up. Americanism returned to America.

Shall I recount the steps by which this task was charted and is moving to fulfillment?

Have the American people forgotten the valley into which they were led, and are they unconscious of the resistless tread of their feet out of that valley and up the long, rough slopes to the heights from which they had descended?

Need I remind you of that stroke of boldness which proclaimed the holiday of banks? Or the passage of the Emergency Banking Act? Or the Banking Act of 1935, which together restored not only banking but public confidence in banks? Which withdrew banks from the feverish speculation of the stock market and made them banks again? Which strengthened their foundations and guaranteed their deposits and enticed from hiding places billions of dollars which had sought security in seclusion?

And need I remind you that the Republicans who manipulated the Cleveland convention nominated a man for President who before the American Bankers' Association denounced the Federal Deposit Insurance Act, which guarantees the deposits of the people throughout the United States, and as Governor of his State exerted every ounce of influence at his command to prevent the banks of Kansas from entering the guaranteed system?

What I now ask, and the people have a right to know, is whether the miscellaneous assembly of heterogeneous elements which met at Cleveland 2 weeks ago, and the ticket which it nominated, approve this great financial program and its results, or whether, if returned to power, they will scuttle it again as they scuttled the great system set up by the administration of Woodrow Wilson.

And what I ask, and the people have a right to know, is whether some of those who journeyed to Washington in the days of their distress with a tin cup, a pair of blue glasses, and a dog, and obtained from the Treasury, through the Reconstruction Finance Corporation, two and a quarter billion dollars of the people's money in order that they might live, now propose to belittle their past predicament and those who rescued them from it and made it possible for the national banks alone to turn an annual loss of $150,000,000 to a net profit of more than $200,000,000.

During the 4 long years just prior to the Roosevelt administration more than 7,000 banks went out of business, and total deposits in all banks decreased by more than $15,000,000,000.

Ask the 8,000,000 depositors in these vanished banks whether they desire to return to those days of ragged individualism. Ask them whether they favor the repeal or crippling of the guaranty of bank deposits and the election of a man as President who struggled to obstruct both its enactment and its administration.

The answer will be an overwhelming "No!"

While under Mr. Hoover more than 7,000 banks closed their doors permanently, only 264 State and national banks have closed since March 16, 1933, the end of the bank holiday, and only 8 of them were national banks. Thus far in the good year 1936 not a single national bank in the United States has closed its doors in the faces of the people.

Need I here recount the efforts of the great Secretary of State, Mr. Cordell Hull, to pry ajar the gates of foreign trade and start again the movement of international commerce and good will?

Through the trade agreements authorized by Congress and consummated under that authority, our commerce with other nations has increased from 27 percent of normal in March 1933 to 56 percent of normal in April 1936, or from $2,933,000,000 in 1932 to $4,330,000,000 in 1935.

But in spite of this we witnessed in the recent Republican convention a bitter denunciation of the power given to and exercised by the President as being wicked and unconstitutional, although from 1798 to 1935 Congress has from time to time conferred such authority on the President in the interest of American trade.

The Republican platform proposes to repeal all trade agreements and the law under which they were negotiated.

The hypocrisy and insincerity of those who framed and now accept that pronouncement are revealed in all their nakedness when we recall, as they have conveniently forgotten, that under no less than two past Republican administrations similar authority was conferred upon Republican Presidents, and no less than 10 such trade agreements were entered into without ratification by the Senate.

Having driven our trade from the seas, locked our ships in the ports, and hauled down the American flag as the symbol of commercial enterprise, the Republican leaders now wail and gnash their teeth because we are restoring the flag, the commerce, and prestige of the American Nation.

What do they offer as a substitute out of the depths of their own political and intellectual bankruptcy? Nothing more nor less than another stroke of commercial apoplexy in the clinic of Smoot and Hawley.

But we are told by the Republican battalion of death and its illegitimate brother, the American Liberty League, that we are laying the hampering hand of Government on the innocent heads of business and finance. These dismal prophets of panic and propaganda will continue to annoy the American people with their lamentations.

What business are we outraging?

For 12 years—yea, for 12 long years—the leaders of the Republican Party dwelt in a fool's paradise and allowed the American people to pour billions of dollars into the sinkhole of fraudulent investment securities.

They saw grow up, if they did not foster, a prodigious system of inflated stocks, and saw them peddled from door to door throughout America; and they saw the market places for them juggled and artificially manipulated beyond the power of the average man to escape or comprehend.

With bland and callous unconcern they sat smugly through the carnival until the mask was torn off and the public saw the putrid pestilence of financial debauchery which had blown into their nostrils an alien odor; and the result was the passage of the Securities and Exchange Acts for the protection of the people.

These measures were denounced en bloc. But the issue of new and honest securities has increased 50 percent; the value of old ones by more than 40 percent.

In their platform the Republicans stammer a pious sentence in behalf of regulation of interstate securities and interstate activities of public utilities. But we have already done it.

They sat in the folds of comfortable and luxurious upholstery while a giant system of holding companies was built one upon another in the public-utility field, wringing exorbitant profits from investors, operating companies, and consumers.

But did the leaders of old or new guards in Republicanism lash their faces into scarlet or their hearts into indignation over the spoliation of innocent people?

Among all the tethered and muzzled spokesmen of the doctrine of laissez faire no warning was uttered or relief proposed. From the lips of none who controlled or were chosen by the Cleveland convention came or has come either movement or utterance indicating either knowledge of the subject or ability or inclination to deal with it.

The administration of Franklin Roosevelt found the spreading cancer and removed it and will administer to the affected parts the healing processes of honesty from which will come a healthier growth and fuller service.

What I ask and the people have a right to know is whether the Republican program contemplates the honest enforcement of the new enactments; whether those who shape that program will divorce themselves from whatever allegiance may have held them to these interests, or whether they propose to undo the work we have accomplished.

The croaking noises which rise from the swamps of old-deal complacency will not suffice. The people call for assurance that the structure of honesty and freedom which we have erected shall not be destroyed. Has that assurance come out of Cleveland? Is it in their platform? Was it couched in their insulting speeches? No!

When we take stock of the Nation's farming interests, how may I adequately portray the new hope, the restored confidence, the economic resurrection of the American farmer?

In 1920, 1924, 1928, and 1932 the hollow and hackneyed promise was made by Republican platforms and candidates to restore agriculture to economic equality with industry. The promise was never fulfilled or intended for fulfillment. It has been repeated again in their platform in 1936, with no more thought of its accomplishment now than in the past.

During the 4 long years of Mr. Hoover the burdens were piled still higher on the farmer's back, while half a billion dollars were taken from the Treasury and poured out into a fantastic exhibition of agricultural pantomimicry.

It is interesting and revealing to revert to the recent past and revive some of the platform and convention utterances of the Republican group which now complains against our successful program of farm rehabilitation.

In 1916, Warren G. Harding, temporary chairman of the Republican convention which nominated Charles E. Hughes for President, said:

> The Democratic Party is always concerned about the American consumer. Our Republican achievement is the making of a nation of prosperous producers. Far better a high cost of living and ability to buy than a lowering cost attended by destruction of purchasing capacity. [Applause.]

In the Republican platform of 1920 we find the following declaration:

> The farmer is the backbone of the Nation. National greatness and economic independence demand a population distributed between industry and the farm, and sharing on equal terms the prosperity which it holds is wholly dependent on the efforts of both. Neither can prosper at the expense of the other without inviting joint disaster.

Their platform in 1924 contained this declaration:

> In dealing with agriculture the Republican Party recognizes that we are faced with a fundamental national problem and that the prosperity and welfare of the Nation as a whole is dependent upon the prosperity and welfare of our agricultural population.
>
> We pledge the party to take whatever steps are necessary to bring back a balanced condition between agriculture, industry, and labor.

In his address to the Republican convention of 1928, as temporary chairman, the Honorable Simeon D. Fess made the following statement on agriculture:

> The purpose of the administration in further aid is to avoid the Government taking over from the farmer his own control of the great industry, but to aid him in that control. This aid is justified because of the inherent nature of an industry of slow turnover, unregulated production, and uncertain consumption. Could agricultural production be held within the limits of consumption the problem would be solved. Or could consumption be indefinitely increased the problem would be solved. The former can be tempered, but not fully controlled, while the latter may be increased, but within limitations. Where the Government can assist in regulating production and increasing consumption it should cooperate with the farmer for such purposes.

In the Republican platform of 1928 we find this plan:

> The agricultural problem is national in scope, and as such is recognized by the Republican Party, which pledges its strength and energy to the solution of the same.
>
> The market promises every assistance in the reorganization of financial lines and, where diversification is needed, governmental assistance during the period of transition.
>
> The Republican Party pledges itself to the enactment of legislation creating a Federal farm board clothed with necessary powers (among other things) to prevent and control surpluses through orderly distribution.
>
> The Republican Party pledges itself to the development and enactment of measures which will place the agricultural interests of America on a basis of economic equality with other industries to secure its prosperity and success.

In 1932 the Republican platform contained this declaration:

> The fundamental problem of American agriculture is in the control of production to such volume as will balance supply with demand. In the solution of this problem the cooperative organization of farmers to plan production and the tariff to hold the home market for American farmers are vital elements. A third element, equally vital, is the control of acreage of land under cultivation as an aid to the efforts of the farmer to balance production.

In 1928 the Democratic platform contained the following declaration on agriculture:

> The Democratic Party recognizes that the problems of production differ as between agriculture and industry. Industrial production is largely under human control, while agricultural production, because of lack of coordination among 6,500,000 individual farm units, and because of the influence of weather, pests, and other causes, is largely beyond human control.
>
> Producers of crops whose total volume exceeds the needs of the domestic market must continue at a disadvantage until the Government shall intervene as seriously and as effectively in behalf of the farmer as it has intervened in behalf of labor and industry. There is a need of supplemental legislation for the control and orderly handling of agricultural surpluses in order that the price of the surplus may not determine the price of the whole crop.

In the Democratic platform of 1932 will be found the following pronouncement:

> We advocate the extension and development of the farm cooperative movement and effective control of crop surpluses, so that our farmers may have the full benefit of the domestic market.

I have recalled these party pledges to remind you that by 1932 both political parties had recognized the agricultural problem not as local but as national. Both parties advocated the control of production in order to prevent unsalable surpluses. The difference was that the Democratic platform meant what it said and was immediately fulfilled when the opportunity came to us.

The Agricultural Adjustment Act was the fulfillment of this pledge to the farmers of the Nation. Under this act, which was voluntary and not compulsory, the prices of farm products were increased, sometimes doubled and trebled, and more than $3,000,000,000 was added to the annual income of agriculture. It was because of this increase in farm income and the opening of the facilities of financial credit to the farmer that he has been able to save more than three-quarters of a million homes, begin the payment of his debts, the repair of his houses, and the purchase of things produced by others.

It was because of this that in every referendum held among farmers on the continuation of the President's program it has been approved by a vote of from 2 to 1 to 20 to 1.

It was because of this that when the Supreme Court intervened to nullify this act, and Republican spokesmen were gleefully exulting over it, the voice of American agriculture appealed for the enactment of the Soil Conservation Act, under which they are working out another plan for the enhancement of the rewards of farm life.

In the light of past Republican fulminations in behalf of controlled agricultural production, their present devotion to uncontrolled abundance seems cheap and hollow.

The businessman and the manufacturer control their production to meet their market. When they shut down because of a slack in demand they plow under their machines for the time and discharge their wage earners.

When business is ready to produce for abundance and not for profit, it will then be logical to ask the farmer to do likewise. But not until then.

They have wept over the slaughter of a few little pigs as if they had been tender human infants nestling at their mothers' breasts. They have shed these tears over the premature death of pigs as if they had been born, educated, and destined for the ministry or for politics.

But their bitterest tears are not shed over the fate of little pigs. Their real grief comes from the slaughter of the fat hogs of privilege and plunder which they have fed on the people's substance.

They are not weeping because we plowed under a few rows of cotton. Mr. Hoover started that. Their real sorrow springs from the fact that we have plowed under the sordid conceptions of old-deal government and its chance ever to be restored to the control of American life.

Having declared for 20 years that the agricultural problem was national, and 4 years ago having declared for controlled acreage and production, the Republican leaders and reactionaries now denounce the Roosevelt administration for the doctrine of scarcity.

Having allowed nearly a million family-type farms to become subject to immediate loss, they now avow their love for agriculture; and they declare that benefit payments, such as we have for 3 years been making, are consistent with a balanced budget.

In 1932 they were for controlled production. We enacted it into law. Now they are for economical production, by which I suppose they mean cheap production. These are weasel words of the first magnitude.

The Roosevelt administration has inaugurated a land-use program. The Republican platform can do nothing but endorse it.

The Roosevelt administration has inaugurated soil conservation under an intelligent program. The Republican platform tardily follows in the rear.

Denouncing experimentation by the Roosevelt administration, the Republican platform for political purposes proposes to extend experimental aid to farmers in developing new crops.

In one breath they propose to assist in selling agricultural surpluses abroad by the bargaining process, and in the next they would embargo all agricultural imports, which would render idle 50,000,000 acres of land in cultivation for export crops; and in still another breath they propose to repeal the law authorizing trade agreements.

With that omnipotence which they claim but never exercise, they propose to increase consumption. But it was their dismal failure for 4 long years that rendered consumption by one-third of our population impossible except for the bounty of the Government.

They reject now controlled production, but offer the mirage of a bounty from the Treasury which would ultimately render impossible the balancing of all budgets and the payment of all debts. The whole scheme is put forth to deceive the American farmer, which is the only consistent policy of the platform writers of the Cleveland convention.

After the years of bitter disappointment and disillusionment suffered by the farmers of this Nation as a result of Republican incapacity and duplicity, it is inconceivable that they will again be taken in by those who have perpetrated the wrongs of the past.

To call this a platform is flattery indeed. It is a revolving eye that looks in all directions and sees nothing.

But the people have been told that the foundations of national credit are sinking because of an unbalanced Budget.

Deficits and debts! Who began the deficits which have covered every year since 1920? Did the last Republican administration balance the Budget? They merely juggled the estimates of revenue and expenditures. Spending little to retrieve disaster, they increased the public debt by more than $4,000,000,000.

In the hymns of hate which emanated from the recent outbursts of Republican oratory in national convention, deficits and debts and taxes are treated as a new development of the Roosevelt administration. The New Deal is portrayed as the father of one, the mother of another, and the godfather of the other.

But these apostles of concealment withheld from their fervid jeremiads the fact that during the 4 long years of Mr. Hoover the accumulated deficit in the Treasury amounted to more than $6,000,000,000, although they increased consumers' taxes from 35 to 60 percent.

They did not tell you and will not tell you that during the creation of these deficits and unbalanced budgets there was no Federal-relief program and no public-works program. That States and counties and cities threw this burden on the Federal doorstep, not under Hoover but under Roosevelt.

It was a task for which the Federal Government was not prepared. But there was no alternative except to assume it.

At first it was thought that funds should be loaned to the States to be at sometime repaid.

This course for various reasons—one being that many of the States could not obligate themselves—had to be abandoned. It was understood and it was theoretically required that the States should make substantial contributions to the relief of their own people.

Some of them undertook in good faith to meet the requirement. Others did nothing. Some States were able to balance their budgets because they made no contribution out of their treasuries to feed or clothe or house the helpless.

Those who seek to play miserable politics with human misery shout that these billions of dollars spent for relief and work have been poured out in reckless waste.

The Works Progress Administration has given employment to 3,500,000 people, 95 percent of whom were taken from the relief rolls in the several States.

With the money and labor thus provided between 25,000 and 30,000 worthy projects of public need and value have been constructed and repaired. These include schoolhouses, water and sewer systems, parks and playgrounds, public buildings, flood-control systems, airports, farm-to-market highways, streets, and other public improvements.

In addition, the Public Works Administration, through grants and loans to local communities, has given employment to more than 3,500,000 workers for a full year.

Who shall assert that these sums have been wasted? Who shall say that these thousands of useful additions to the property of thousands of communities all over the Nation have not brought permanent values not otherwise obtainable? Who shall claim that these two great works administrations have not given a new impetus to the civic standards of the people?

Shall we measure these values against a budget temporarily unbalanced?

But the theme song of our antagonists is the destruction of the Nation's credit and the wrapping of every newborn child in the swaddling clothes of debt.

When we entered the World War in 1917 our public debt was $2,000,000,000.

When we emerged from it in 1918 the public debt was $26,000,000,000.

By 1929 it had been reduced under sinking-fund requirements passed in the Wilson administration to $17,000,000,000.

From March 1929 to March 4, 1933, that debt was increased to $21,000,000,000 without the inauguration of either a relief or public-works program of any consequence whatever.

Hence, during the 4 long years of the Hoover administration the public debt had been increased by $4,000,000,000.

From February 28, 1933, to the present time the public debt has increased from $21,000,000,000 to approximately $31,500,000,000, an increase of $10,500,000,000.

Out of this increase we have devoted $8,000,000,000 to relief and public works; $3,000,000,000 went to state and national banks, a part of which has been repaid. Out of it have been provided the funds for loans to railroads, insurance companies, industries, cities, counties, and States; the refinancing of more than 2,000,000 homes through the Farm Credit Administration and the Home Owners' Loan Corporation; the stimulation of housing under the Housing Administration; the establishment of more than 3,800 Civilian Conservation camps and the enrollment of more than 1,500,000 young men, taken from idleness and taught the lessons of frugality and service in the economy of American manhood; the assistance of more than 600,000 farm families to reestablish their ability for self-support; benefit payments to the hundreds of thousands of farmers who cooperated with the Government and whose contracts were fulfilled notwithstanding the decision of the Supreme Court; and all the other emergency activities made necessary to escape the blight of the last 4 years of the Republican regime.

When we deduct from the net increase in the public debt the more than $5,000,000,000 which will be repaid by those who have borrowed from the Government because of the unwillingness or inability of other lending agencies, we find that the net increase in the public debt is but little more than that of the previous administration, which left little to show for its extravagance.

This great program of rehabilitation has been carried on not by endangering but by enhancing the credit of the Government.

In 1932 the bonds of the United States sold as low as 83 cents on the dollar. Since the advent of the New Deal these bonds have risen until today none sell for less than par, while some sell for as much as 17 points above par.

During the same period, $175,000,000 in annual interest was saved by a reduction in the interest rates.

Not only have the prices of bonds increased while interest rates were being reduced, but each new issue offered by the Treasury has been largely oversubscribed.

None but a blind and arrogant partisan would assert that the credit of the United States has suffered under the impetus given to public confidence by the administration of Franklin D. Roosevelt.

During the world's greatest war we could afford to spend more than $30,000,000,000 in defense of our country.

In this war against depression, against the demoralization and disintegration of our social and economic life, we have spent not a dollar to destroy life or property, but every dollar by which we have increased taxes or deficits or the public debt has been devoted to the saving of life and property and of that which makes both life and property worth while—the unconquerable spirit of a matchless people.

We have increased taxes. So did the last Republican administration. They increased them on consumers. We have adjusted our new taxes according to the ability of the taxpayer to pay. We have increased values and profits out of which taxes are paid; but the increase in taxes has not kept pace with the increase in income and land values which the policies of the Roosevelt administration have produced.

We shall balance the Budget. We shall balance the books in the Treasury. We shall soon ordain that no discrepancy between income and outgo shall exist. But we shall not do it at the expense of human life nor to the degradation of the spirit and morale of our people.

But we are told by the smug and cynical apostles of the status quo that the Supreme Court has nullified some of the acts of this administration. And while anxious farmers ponder their fate and laboring men scan the heavens for a rainbow of hope, and women and children look in vain for the preservation of their lives and health, a voice from the grave at Palo Alto shouts, "Thank God for the Supreme Court."

I make no attack on the Supreme Court. As an institution I respect it, and I would be both unfair and unjust if I were unwilling to accord to judges on the bench the right to their views of law and constitutions which I claim for myself.

But there is nothing new in controversies over the Constitution. They began in the Convention which framed it, and 10 amendments were adopted to it by the first Congress that assembled under it.

If in the future further amendment should become necessary to enable the people to work out their destiny and protect their fundamental rights, or to overcome some archaic interpretation never intended by its framers, I doubt not that the people will face that duty with the same calm intelligence which has guided them in the past.

But from the exultant voices of the tree sitters and the devotees of the hitching post you would imagine that the Supreme Court had never nullified an act of Congress until Franklin D. Roosevelt became President of the United States.

You would imagine, if you listened to the groans which arise from the doleful kneelers at the Republican wailing wall, that we had set out like some blind Samson to pull down the temple of constitutional government and destroy everything within it.

Let us take a look at the record.

During the existence of this Nation more than 25,000 laws have been enacted by Congress. About 67 of them have been nullified by the Supreme Court, and most of them within the past 50 years.

From 1920 to 1930, 21 acts were declared null and void. But did any of these decisions strike terror into the hearts of the old guard and the old dealers? Did anybody don sackcloth and ashes and pray to Heaven to deliver the people from the clutches of an irresponsible government?

But when some three or four outstanding acts, conceived and consummated in behalf of labor or agriculture and the honest conduct of business, and designed to constitute this as a government of equal rights, are cast aside by the rigors of technicality and the application of antiquated economic predilections in the interpretation of the document, as indicated by one of the great dissenters, we are asked to condemn the Legislature and Executive as attempting to inject some alien concept into the fiber of our institutions.

We have sought to serve the American people under the Constitution. We have thought that under its broad and generous outlines we might rescue the people from national disaster. We have sought to treat it as a life-giving charter rather than an object of curiosity on the shelf of a museum.

We shall abide by its decisions and seek to shape our program in accordance with them.

But when 9 eminent men on the highest Court cannot agree on what the Constitution means, is it any wonder that 531 Members of the United States Congress find difficulty in agreeing about it?

And when five of those eminent men say a law violates the Constitution and four of them equally eminent, learned, and sincere, and equally alive to the compulsions of modern life say it does not violate the Constitution, then we are at least relieved of any obligation to underwrite the infallibility of the five whose views prevail.

Is the Court beyond criticism? May it be regarded as too sacred to be disagreed with?

Thomas Jefferson did not think so. He did not hesitate to denounce the decisions of John Marshall and the majority he led.

Andrew Jackson did not think so. In 1832, speaking of a decision of that Court, he said:

> John Marshall has made his decision. Now let him enforce it.

Abraham Lincoln did not think so. In his first inaugural address he said:

> If the policy of the Government on vital questions affecting the whole people is to be irrevocably fixed by the decisions of the Supreme Court the instant they are made in ordinary litigation between parties in personal actions, the people will have ceased to be their own rulers, having to that extent practically resigned their Government into the hands of that eminent tribunal.

Mr. Justice Stone does not think so. In his recent dissent from the unfortunate decision of the majority of the Court, this great lawyer and great American not only said that the legislation involved was constitutional, in which view Chief Justice Hughes and Justices Brandeis and Cardozo concurred, but criticized the opinion of the majority of the Court by saying:

> While unconstitutional exercise of power by the executive and legislative branches of the Government is subject to judicial restraint, the only check upon the exercise of judicial power is our own sense of self-restraint.

"The Constitution," said Chief Justice Hughes during the interval when he was off the bench, "is what the judges say it is."

What judges? The five who in most of these cases happened to be in a majority of one.

Theodore Roosevelt did not think so. Speaking to the Colorado Legislature in 1910, with reference to two recent decisions of the Supreme Court, he said:

> If such decisions as these two indicated the Court's permanent attitude, there would be really a grave cause for alarm, for such decisions, if consistently followed up, would upset the whole system of popular government.

Governor Landon and Colonel Knox fall upon each other's necks with hallowed reunion because they rode the Bull Moose behind Theodore Roosevelt in 1912. In that fight Theodore Roosevelt had so little regard for the Court's decisions that he advocated their recall by the vote of the people.

These judges have decided that under the Constitution the Federal Government cannot lift men, women, and children out of the degradation of unconscionable hours, wages, or working conditions because it invades the rights of the States. They have decided that the States cannot do it because it invades the rights of private property. I presume this progressive and logical course will soon lead us to the conclusion that private property cannot do it because it violates the law of gravitation.

What we need is a new definition and a new interpretation of interstate commerce. Every article that is grown or mined or fabricated in one State and destined for another by whatever means of transportation is an object of interstate commerce. It is in competition with every other similar article originating in or destined for other States. Commerce, like water, seeks its own level. Like the wind, it goeth where it listeth; and you can no more divide this Nation into 48 airtight and watertight economic compartments than you can parcel off the heavens to control the winds or the rains.

Over against the hosannas of Hoover for the tortured interpretation of the Constitution I place the tortured souls and bodies of men who work and pray, of women whose God-given right is not fulfilled in a sweatshop, and of children whom we have sought to restore to the schoolroom and the playground. One day all these will thank God for Franklin Roosevelt.

But we were told at Cleveland, and will be told until November, that we have taken away the liberties of the people; that we have bound them in chains; and that they are fettered in the dungeons of moral and economic slavery.

Oh, for another Lincoln to strike these shackles from our feet!

What is this freedom which we have crucified? This liberty we have slain?

Is it the freedom of workers to free collective bargaining? Is it the freedom of farmers to escape the loathsome peonage imposed on them by land and produce speculators? Is it the freedom of investors to circumvent the secret devices of stock manipulators?

Is it the freedom of bank depositors from the fear of loss of their savings? Is it the freedom of home owners and home lovers to protect and preserve their firesides?

The fight for freedom in the past 3 years has been the same fight that Thomas Jefferson made in 1776 for the freedom of the common man, that Lincoln made for the freedom of a race.

Back of Hoover's cry for freedom at Cleveland stood the immemorial pawnbrokers of the Republican Party who shout with glee that they have experienced a counterfeit conversion. Back of him stood the Republican Party's holding company, the American Liberty League, which, if it had existed in 1776 as now officered and manned, would have been against the Declaration of Independence, the Revolutionary War, and the Constitution of the United States.

Back of him stood every interest which seeks to coin the flesh and blood of human beings into profits, every stock jobber, every monopolist of privilege and power, every propagandist for the discredited and defunct alliance between politics and pelf. Back of him stood the figure of William Randolph Hearst, whose twin discoveries constitute the Republican ticket nominated at Cleveland.

Yes; we have destroyed a certain type of liberty in this country.

We have destroyed the liberty of small groups to pick the pockets of the American people, the liberty of organized greed to pervert the agencies of government to their own enrichment, the liberty of great financial wizards to engulf this Nation in the floodwaters of frenzied speculation, the liberty of smug groups of self-satisfied parasites to pull the strings of puppet satellites in official positions in Washington under the guise of popular government, the liberty of long-pampered interests to use the forms of law to fasten their teeth in the vitals of American economic life, the liberty of power and utility combinations to strangle while they rob alike investors and consumers, the liberty of organized crime to flaunt its black flags in the face of State and Federal statutes, and we have destroyed the liberty of any powerful or selfish group anywhere in this Nation to claim that the Capital of the United States is located anywhere on this continent except in the city of Washington, in the District of Columbia.

Who are those who raise their strident voices against the objectives of the New Deal?

Not the American farmer, whose increased income under it has lifted him out of the economic basement.

Not the American home owner, who still dwells under his own roof and asks a heavenly benediction upon it.

Not the laboring man, whose long hours have been shortened and his rewards increased. Not the worker whom we have rescued from the status of a wandering mendicant.

Not the honest investor for whom we have provided information and protection. Not the workingwoman, whose tender and immortal functions, over the dead body of monstrous greed, we have sought to save and beautify.

Not the child, whose eyes until now beheld the doors of a schoolroom as a mirage which vanishes upon approach.

Not the workless millions left by the Hoover administration as helpless derelicts of an economic and industrial tornado, for whom we have provided work and shelter and attempted security for the future.

The Republican platform denounces the constructive step which we have taken in behalf of the unemployed, the aged, and the infirm.

But during the 12 long years of night in which the Republican Party controlled the Nation no attempt was made even to deal with this problem. All they hold out now is a vague and impossible promise designed to deceive and thwart the hopes of 11,000,000 aged people throughout the Nation and countless millions who will become aged in the years of the future.

Who opposes this new fight for democracy today? Who throws across the pathway of real liberty lighted by Thomas Jefferson and relighted by Jackson and Lincoln and Woodrow Wilson the impediments of falsity and the tangled timbers of deception? Who seeks to divert the masses of men from the trail which leads to real and not a spurious freedom? Who pours into the faces of our people the poison gas of doubt and fear and suspicion?

Not the more than a million and a half young men from every State and town who have been offered a haven from idleness and possible crime.

Not the thousands of towns and cities throughout America whose needs for better living advantages have been gratified.

Not the anxious fathers and mothers of the Nation from whose hearts has been removed the fear of the kidnaper and the gangster.

Not the millions of school children whose facilities for the enjoyment of learning have been increased.

Not the millions of sufferers of torrential and devastating floods whose safety and protection we have authorized.

Not the consumers of electric energy for whom we have provided an honest yardstick.

Not the honest businessman, who asks nothing of Government except the assurance that he shall be permitted to compete with others on a basis of honesty and justice.

Not the great moral leaders and apostles of America, who have seen at last some of the sacred precepts of the Golden Rule applied to the practices, motives, and powers of Government.

"America is in peril", say the platform fabricators of the Republican old guard. It would indeed be true if they should ever again obtain control.

"The powers of Congress have been usurped by the President", say Hearst and Mills and Moses and Bingham and Hoover. The same was said of Washington and Jackson and Lincoln. The American people expect their President to be a leader, not a craven dummy in the lap of some ventriloquist.

"Regulated monopoly has displaced free enterprise," say those who put together Joseph's coat at Cleveland. When under their domination did anybody see or hear of free enterprise? Uncontrolled monopoly was their middle name.

"The New Deal administration constantly seeks to usurp the rights of the States," say these master builders. But for nearly a century and a half they have sought to hamper both State and National authority when directed against their pampered pets in politics and business.

"It has dishonored our country by repudiating its most solemn obligations", and on that platform they nominated a candidate who 3 years ago urged the payment of public and private debts in money of the printing press, redeemable in neither silver nor gold.

"It has created a vast multitude of new offices." So runs the monotonous refrain.

If we had continued the Republican policy of doing nothing about relief, nothing about the farm crisis, nothing for labor or business, nothing for homes and farms burdened with debt, nothing for one-fourth of the distressed population of this Nation, it would have been possible not to create new offices. But you cannot double the tasks of government and not increase the number of employees.

If this is Republican condemnation of doing something as opposed to doing nothing, let them say so and take the consequences. If it is a Republican approval of doing something and a condemnation of using the means to accomplish it, it is rank hypocrisy and unworthy of notice.

Figures are important to register results, but the astonishing figures of American recovery are not the most important thing.

There has been no such volume of recovery in so short a time in the whole history of the world as occurred here in the first 6 months of 1933. It paused momentarily in 1934, but it has gone steadily upward with no sustained recession. It has included every form of human activity.

I do not wish to burden this address with statistics, but for the sake of those who measure life by figures in a table I give you the essential indexes of improvement:

Farm prices, 50 percent.
Farm income, 53 percent.
Farm purchasing power, 40 percent.
Factory pay roll, 59 percent.
Purchasing power of same, 50 percent.
Factory employment, 33 percent.
Industrial earnings, 35 percent.
Stock-market prices, 40 percent.
Bank deposits, 33 percent.
Railroad traffic, 16 percent.
Automobile production, 30 percent.
Construction permits, 50 percent.
Industrial production, 50 percent.
National-bank earnings, 100 percent.
Decline in commercial failures, 66 percent.
Increase in national income, 50 percent.
New securities issued, 50 percent.

Perhaps the most significant of all to industry is the decline of 66 percent in the rate of business failures and the decline of bank failures of 100 percent.

But there are human values far beyond these figures. The important point is not merely that farm prices have increased, but that American agriculture has been rescued from impending ruin. It is not merely that the condition of labor has been improved by the reduction of the number of unemployed from 15,000,000 to 10,000,000 workers, but that labor has been dragged back from the brink of peonage and that, with one-fourth of our population destitute, their health, comfort, and self-respect have been maintained, and there has been no sedition, riot, or bloodshed during the worst human catastrophe in our history.

It is not merely that banking and industry have been saved from bankruptcy, but that faith in banking and industry have been revived.

The answer to that enigma of denunciation by some of those who have been saved and others who may not have needed it is as old as Hamiltonian reaction and Jeffersonian democracy. This has been a balanced recovery. Benefits have been bestowed upon all groups with as even a hand as government can assure.

But there are other gains which have been recorded in the past 3 years of which I am thinking and of which the American people are thinking.

These are the moral and spiritual contributions we have made to the life of our people, which are beyond computation by the standards of the dollar.

We talk of the gold standard, the gold content of the dollar, and men who do not know the history or the significance of money talk about the gold dollar and the so-called return to gold, denying the obvious truth that the American dollar, with a larger reserve of gold behind it today than ever before, is the soundest medium of exchange among all the nations of the world today.

But I am thinking of those immortal reserves of character which partake of the essence of the heart and soul of a nation, which have been strengthened and perpetuated by what we have been trying to do.

I am thinking that, while we have preserved homes and acres and railroads and banks and insurance companies and factories and all the tangible and corporeal symbols of the people's wealth, we have also preserved the intangible and immeasurable values that take form in the realms of pride and service and honor.

We have preserved and stimulated respect for law and the rights of the average man.

We have increased the loyalty of the people to the Government, which should be their servant.

We have restored the faith from which must spring the defenders of the flag and of the Constitution.

We have cultivated a study of the science of government and its truest functions among millions to whom government was something apart and detached and without meaning.

We have renewed and reinforced the belief that after all government and trusted leaders may hear and heed the cry of the humblest worshiper at the shrine of equality.

We have rekindled the vanishing faith in the survival of the best as well as the fittest.

We have revitalized the answer to the question which has rung through all the ages: Am I my brother's keeper?

We have sought to confound the cynics who despise the moral conceptions of the more abundant life for which the Master lived and died.

We have under the leadership of a man of rare and superb courage endeavored not to tear down what others have legitimately constructed, not to destroy the material rewards

of honest toil of mind or body but to establish a fairer, juster order that will give to every man, woman, and child in this Republic the right to stand erect in pride and self-respect, to see the stars on high, and share the glory of the sun.

We meet here within the shadow of Liberty Hall, in this City of Brotherly Love, in this State of William Penn, where eightscore years ago Thomas Jefferson gave to the world an unfamiliar creed of human freedom. It was here that he became the spokesman of the drawers of water and the hewers of wood. It was here that the foundations of our faith were laid.

It is here again, in the midst of these historic scenes, that we invoke the spirits of departed patriots, rekindle our belief in the nobility of their cause, and rededicate ourselves to its complete fulfillment.

It is here, with such a leadership, in such a cause, with such a record, that we accept the challenge and hasten our feet to the field of battle.

May I conclude with this quotation:

> No greater thing could come to our land today than a revival of the spirit of religion—a revival that would sweep through the homes of the Nation and stir the hearts of men and women of all faiths to a realization of their belief in God and their dedication to His will for themselves and for their world. I doubt if there is any problem—social, political, or economic—that would not melt before the fire of such a spiritual awakening.

The American people are not afraid to follow—they will follow—the man who spoke those words. He is the present and the next President of the United States, Franklin Delano Roosevelt.

ADDRESS OF THE PERMANENT CHAIRMAN, HON. JOSEPH T. ROBINSON, OF ARKANSAS

National campaigns heretofore usually have involved sharply defined issues on which political discussions have centered. The principal concern of the recent Republican convention at Cleveland was to reconcile its candidate for the Presidency with the declarations embraced in its platform. It was not the first time in our history that a nominee, in advance of accepting the nomination, has placed his interpretation on the language employed, but it is the first instance in which a candidate by keeping silent on national public questions and after maneuvering himself into a position assuring his selection has indicated a disposition to bolt on five or more subjects on which his party had spoken. It is also the first case in which the platform committee and convention have anticipated the purpose of a prospective nominee to break away in a direction opposite to their movement by declaring that it would constitute a breach of public faith and of private honor should he fail or refuse to conform to the policies laid down for his guidance.

Republican leaders lately have shown tender, if too long delayed, appreciation for the platform on which the Democrats won the election in 1932.

Their speakers enter this campaign declaring that we have betrayed the country by failing to carry out the promises which at first they regarded as repugnant, but which are now dear to the hearts of our opponents.

The Roosevelt administration has faithfully complied with the spirit of the Chicago platform promises. If there has been partial departure as to the letter of the planks in that platform relating to economy and balancing the Budget, that failure is attributable to the constantly changing conditions and necessities and to the guerrilla warfare of the Republican Party.

Because of the policies of three Republican administrations extending over a period of 12 years, a condition existed March 4, 1933, which cannot be adequately described. Break-down was threatened in the government of many States, as well as in that of the Nation. Millions of laborers were out of work. The specter of poverty cast its appalling shadow over the land. Credit sources were dried up; financial institutions were bankrupt; factories were closed down; agriculture was profitless; the savings of cities were being swept away; business was at a standstill; our foreign commerce had almost disappeared; and hoarding was general.

These conditions had resulted in large part from governmental policies, economic isolation, riotous speculation, promotion of monopolies, and the contraction of credits for the private profits of market manipulators.

You have not forgotten—can you ever forget—the gloom, the sorrow, and the distress which clouded the hopes and hampered the activities of all of our people?

President Hoover seemed powerless to suggest any method by which the engulfing tides of adversity might be impeded or turned back. All he could do, apparently, was to boast a refracted vision which he claimed enabled him to see prosperity around corners. Having employed the Army to drive from the Capital thousands of hungry war veterans, he retired to the cloister of the White House and indulged in crystal gazing to predict the quick return of better times which never began to return until after he had been retired to the sun-baked gardens of Palo Alto to give place to the new leader of the Nation, President Roosevelt.

The Democratic leadership recognized that drastic changes in governmental policies were necessary to bring back courage and confidence and to restore financial stability.

Feeble and ordinary processes had been tried and had failed. New and decisive methods and measures were demanded and required. They were necessarily formulated with haste. It is not surprising that difficulties were encountered or that mistakes were made. To have awaited then the slow working out and execution of plans for recovery would have been fatal. No one is wise enough, even with post-vision, to know what would have happened if extraordinary legislation had not been speedily enacted and put into effect.

The banking laws were revised, insurance for bank deposits was provided, runs on banks were stopped, and the national credit was employed to prevent bankruptcy and ruin of banking institutions, of railways, and of key industries.

For 12 years before March 4, 1933, Republican administrations had grappled with the farm problem. The only important measure they enacted, the Farm Marketing Act, had cost the Federal Treasury $500,000,000 and had left agriculture in a worse condition.

The Democratic administration created a system for coordinating production with consumption, and for the payment of benefits to farmers which quickly restored agricultural prices to an approximate level with the prices of industrial products. Indebtedness, under which farm homes were being foreclosed, was refinanced at reduced interest rates. Foreclosures were suspended. Quickly there appeared better conditions with respect to both agriculture and industry.

With the depreciation of values and the unparalleled fall in prices following the collapse of markets in 1929 small businesses were merged into gigantic combinations with monopolistic tendencies or were forced into bankruptcy. As trade and purchasing power diminished unemployment increased, savings were exhausted, and millions of formerly self-supporting citizens were compelled to accept charity.

When the Roosevelt administration began local agencies the States, cities, and counties had well-nigh exhausted their resources, and charitable organizations were unable to meet the constantly growing demands upon them.

Hundreds of thousands of young men, many of them college or high-school graduates, were entering life without prospect. The professions were overcrowded, and the immediate future held little promise for the youth of America.

There was devised the Federal Emergency Relief Administration, the Civilian Conservation Corps organization, and the Civil Works Administration. When the Conservation Corps was first established it was ridiculed as a useless and costly experiment. In spite of the contempt of those who had stood motionless and dumb while the catastrophe was approaching, that organization has demonstrated its effectiveness for keeping deserving young men from becoming hoboes and for giving them useful service in the construction of highways, the improvement of public parks, buildings, and

grounds, the reforestation of denuded areas, and in other helpful spheres of labor. Now the value of the Emergency Conservation Corps is generally, almost unanimously, recognized. Former President Hoover vainly boasts that he was its originator.

The Civil Works Administration required comprehensive planning. It was difficult to find useful employment in the neighborhoods where the unemployed were located. The consensus of opinion is that more than 75 percent of the funds expended through that agency was of substantial and permanent advantage to the communities in which the work was carried on.

When the Civil Works Administration had served its purpose it was found that the ranks of the unemployed were constantly being augmented by those who in the beginning of the depression had been able to live upon their savings, but who as time progressed were compelled to spend their savings.

While many key industries had been restored following recovery measures to an approximately normal State, private agencies continued to pursue economical methods and to substitute machinery for hand labor with the result that a comprehensive program of public works became necessary and was authorized under the act of 1935, contemplating a Nation-wide system of public works, some of them consisting of permanent structures. In order to take from the dole 3,500,000 laborers, the Works Progress Administration was organized, and plans were made for public works in thousands of communities in which the unemployed resided. Manifestly the number on the Federal emergency relief rolls could not be concentrated in the communities where public buildings and similar works could be located, so that it became necessary to plan for the employment of the majority of them in or near the communities where they lived. To accomplish this, undertakings of a less permanent nature than those contemplated by the Public Works Administration program became indispensable. The opposition have described these expenditures as wasteful and foolish.

The theory of the Works Progress Administration is that it is better to give those who are willing to labor the opportunity to do so than to make them dependent on charity or on Government dole.

There is no more pathetic spectacle than that of an honest man, accustomed to earning a livelihood for himself and his dependents, forced to face starvation or to accept private or public charity. If his self-respect is to be maintained, he should be given opportunity to help himself. That is exactly what has been done through the works-progress program. The greater part of the large fund has been and is being advantageously used. The issue is whether public employment shall be abandoned for the dole. No one dares advocate that those who cannot get work shall be permitted to starve.

Certainly where the States and their subdivisions are able to do so they should be expected to contribute a fair share to the very laudable and so far only practicable plan that has been offered for solving the one great problem incident to the depression, namely, unemployment.

The opponents of the present administration advocate the abdication by the National Government of control over the administration of Federal relief funds. They assert that such funds should be expended solely by local agencies of the States. Their contention is that this will eliminate politics and prevent waste and corruption. Experience has not shown that to be true.

To require the Federal Government to provide the funds, and to relinquish all control over their expenditure would be to invite competition among the localities to secure grants from the Government which would result in demands so great that the national credit would be impaired.

With respect to politics, the record shows that there have been less abuses than under any other plan that has been employed. State officers are not exempt from political influence. Indeed, local pressure on State and county officers might prove irresistible and overpowering.

There is no plan conceivable under which no waste will occur and under which all abuses may be prevented. So long as the National Government provides the major portion of the sums necessary for the unemployed, it must, for its own protection, and for the protection of those who are required to pay the bill, retain a liberal measure of supervision both as to the purpose and the manner of the expenditures.

The drain on the National Treasury by reason of extraordinary measures, particularly including those relating to unemployment, has been great. It must be reduced as soon and as rapidly as circumstances permit. Unemployment assistance cannot be abandoned so long as there are large groups of American men and women unable to find an opportunity to earn a livelihood.

Much will be heard of sound money during this campaign.

When world economic conditions were approaching their worst, Great Britain and many other powers went off the gold standard and resorted to what is known as managed currency. The advantage they thus derived in trade and commerce over peoples still dealing under the gold standard became manifest. To prevent our foreign trade from being taken over by competitors and to avoid further contraction of credit which threatened, we reduced the gold content of the dollar. We did not create an unsound currency.

Indeed, United States currency is the soundest and the best in all the world, and we propose to keep it so. Had we remained on the gold standard while competitor nations were resorting to managed currencies, we would have lost not only our foreign commerce and have witnessed our domestic trade reduced to the vanishing point, but the Government would have been compelled to face a demand for monetary inflation that would have been irresistible. Once the printing presses are started turning out money, you can never hope to stop expenditures or to stabilize values until the mania has run its course. That has been the experience of every nation known to history.

The Republican platform adopted at Cleveland declares for sound money in the language of the Democratic platform of 1932. The fiercest issue in the committee on platform at Cleveland was over return to the gold standard. The committee repudiated the proposition, and the convention, without controversy, supported the committee.

At the beginning of his speech nominating Landon, Mr. Hamilton, the boss of the Cleveland convention, announced that the candidate had views of his own on the monetary question. In his telegram the candidate declared that he favored return to the gold standard—currency convertible into gold.

It is true that he hedged the issue by declaring that the proposed change should be made "when it can be accomplished without penalizing our democratic economy and without injury to producers of agricultural products."

For that declaration, made immediately before his nomination, the Republican candidate for President has been proclaimed as bold and defiant.

Almost everyone realizes that there can be no return to the gold standard under present conditions without "penalizing our democratic economy and without injury to producers of agricultural products." Governor Landon did not dare advocate an immediate return to the gold standard. His effort and that of former President Hoover to have a plank incorporated in the Cleveland platform was a failure. Candidate Landon's declaration on the subject evades the issue by the use of language that clearly shows he does not believe it safe and practicable to reestablish at this time a gold-standard currency.

The Cleveland convention did an unusual thing. It impliedly questioned the good faith of its prospective nominee and his willingness to stand upon the platform by the last clause in that document, which is as follows:

> The acceptance of the nomination tendered by this convention carries with it, as a matter of private honor and public faith, an undertaking by every candidate to be true to the principles and program herein set forth.

When that language is considered in connection with the well-known fact that in five important particulars the platform committee rejected the views of Governor Landon it is undeniable that the committee was preparing for a candidate whom it knew to be out of sympathy with the platform.

That there are five particulars in which the candidate was turned down by the platform committee the press reports from the pen of Mr. William Allen White, who constitutes the head of the Landon "brain trust", may be cited.

In a copyrighted article emanating from Cleveland on the 11th of June 1936, Mr. White published these five points raised by the candidate and rejected by the committee and the convention.

What are the five points?

First (quoted from Mr. White's article):

Landon telephoned from Topeka this morning he would like to have a declaration putting all post-office employees, including the Postmaster General, under civil service.

Neither the committee nor the convention would stand for placing Cabinet officers under the civil service.

Second:

He also desired a plank curing the Supreme Court decision denying to States the right to control hours of service, working conditions, and wages. Landon advocates an amendment to the Constitution. His plea was denied.

The committee and the convention not only denied his plea but adopted declarations that the integrity and the authority of the Supreme Court have been flouted, and pledged resistance to all attempts to impair the authority of the Supreme Court. He also advocates the adoption of State laws to abolish sweatshops and child labor and to protect women and children with respect to maximum hours, minimum wages, and decent working conditions—which is exactly what the Supreme Court held in Morehead against Tipaldo the States cannot do.

Third: The third particular in which Mr. William Allen White declares that Candidate Landon was rebuffed by the committee and the convention is with respect to the gold standard and a currency convertible into gold. Mr. White said:

After considerable protest, he ceased firing on the currency.

Fourth: According to Mr. White, the Kansas delegation (for Governor Landon) offered a plank—

Looking directly to lower tariffs but under the protective theory. The plank as it stands represents a compromise.

Fifth: In 1932 the Republicans adopted a declaration favoring the United States joining the World Court, and boasted that Presidents Harding, Coolidge, and Hoover had urged that course. The Cleveland platform pledges that the United States shall not become a member of the World Court. Candidate Landon opposed the declaration. Again quoting Mr. White:

Governor Landon over the telephone this morning asked that the abandonment of the World Court be reconsidered. His request was almost unanimously rejected.

This bit of convention history discloses that the platform committee in the convention doubted whether the candidate would carry out the platform, and that they sought to bind him by the unusual charge made in advance that if he failed to do so his action would constitute a breach of private honor and of faith.

It has been shown that the candidate of the Republican Party proposed a platform declaration in favor of reduced tariff rates, which was rejected.

The Cleveland platform declares for the repeal of the reciprocal tariff law and for an embargo on livestock, dairy and agricultural products.

Under the reciprocal tariff law there have been negotiated various trade agreements which have had the effect of stimulating our foreign commerce without materially interfering with our domestic trade. To repeal this law and impose embargoes will virtually mean the end of our foreign commerce. American ships will rot at their docks and our vessels will disappear from the seas. Under the Republican policy surpluses will continue to pile up in the home market, to the ruin of American producers.

The Republican platform declares for the immediate balancing of the Budget without additional taxes by simply reducing expenditures. This suggestion is intended to attract taxpayers. No one close to the leadership of the Republican Party regards the proposition as practical in the immediate future. The Roosevelt administration has balanced the Budget except as to extraordinary expenditures, and the question is whether unemployment-relief expenditures shall be discontinued in order to accomplish what we all desire to be done as speedily as possible, namely, establish complete balance between revenues and Government expenses.

The last session of the Congress, with the approval of Republican Members, authorized approximately $750,000,000 to be expended for flood control, the expenditure to be spread over a period of years.

In addition, there have been a billion and a half dollars appropriated for work relief during the fiscal year 1937. These and other items keep the Budget out of balance for the present. To balance the Budget promptly would be to terminate at once all relief. Is this desirable? Do the American people wish to deny all assistance from the National Government to workers who are out of employment and who cannot secure engagements from private industry?

A comparison of the income tax, the excess-profits tax, alcoholic liquor, and other miscellaneous internal revenue, exclusive of the agricultural adjustment tax, for the first 6 months of the fiscal year ending June 30, 1932, with the same months of the year ending June 30, 1935, shows an increase of almost 100 percent.

During the 6-month period, July 1 to December 31, 1935, revenue collections were about equal to those for the full fiscal year of 1932. During that year $1,557,000,000 from the sources named were collected. During the fiscal year 1935, $2,730,000,000 came into the Treasury from the same sources.

The Democratic policy contemplates balancing the Budget as promptly as this can be done without permitting citizens who cannot secure private employment to experience suffering from hunger and cold. This policy we believe to be justified from both an economic and a humane standpoint.

By the quick adoption of machines, employment in America has been maladjusted. Added to this has been the loss of purchasing power incident to the depression and unemployment arising because of the reduction of business and enterprise. As these are revived and restored, and as hours of labor are shortened, the necessity for work-relief appropriations will diminish and disappear.

Decisions of the Supreme Court in various cases have had the effect of slowing up national recovery, because they have held invalid the National Recovery Act, the Agricultural Adjustment Act, the Guffey coal law, and some other laws intended to prevent labor controversies, eliminate unfair competition in trade and in industry, and to secure fair prices for agricultural products. In spite of these decisions the American people are going forward. We recognize that the decisions of the Supreme Court, until reversed, are final, and we abide by them. Nevertheless, we do not regard the Court above and beyond those factors and causes which naturally influence the minds of human beings.

The decision in the Guffey Coal Act case held that the Federal Government has no power to prescribe maximum hours and minimum wages for workers in coal mines, because, among other things, it constitutes a transgression of the rights and functions of the States. In the New York maximum hours and minimum wages case, recently handed down, the majority held that the States cannot prescribe maximum hours and minimum wages on the theory that to do so violates the right of contract secured to our citizens by the Federal Constitution.

Notwithstanding this situation the Republican Party advocates legislation by the States and binds its candidate not

to seek an amendment to the Federal Constitution authorizing the Congress or State legislatures to regulate maximum hours and minimum wages for laborers.

Whatever may be the just basis for differences of opinion respecting other decisions, the bar of the United States overwhelmingly repudiates the denial by the Supreme Court of the power to regulate maximum hours and minimum wages. By the decision the right of private contract is not fortified and strengthened. In a practical sense it is weakened and destroyed.

What right of private contract is secured by the majority opinion to the woman who exhausts her physical energies by toiling excessive hours for starvation wages in unsanitary sweatshops to support herself and her dependent children? What power has she, unsupported by law, to protect her rights and to secure fair and adequate compensation for her labor? How does this decision strengthen freedom or glorify justice?

O blind and impartial justice, what blunders are committed in thy name! Liberty, art thou both deaf and dumb! Canst thou not behold the pallid faces, the emaciated forms, the sweating brows, the trembling hands of millions of women and children workers who by the decision are left at the mercy of those who have neither pity nor charity for the oppressed and the poor?

The decision in Morehead against Tipaldo should be reversed under that due process of law clause which has been unjustly invoked as its justification.

That decision itself has answered the charge of pompous plutocrats that Roosevelt and his administration seek to undermine and destroy the Supreme Court. The Republicans in their platform attack the decision and half-heartedly advocate the passage of State laws which by the precedent of Morehead against Tipaldo would be of doubtful constitutionality.

The weight of the argument, in the opinion of lawyers and laymen, it is believed, sustains the minority rather than the majority opinion.

Certainly when such judges as Chief Justice Hughes, Justices Stone, Brandeis, and Cardozo declare a statute consistent with the fundamental law, and criticize the views to the contrary of the judges constituting a majority as unsound and subversive, it cannot be disloyal or revolutionary for citizens who believe that the consequences inevitably will be to deprive women and children laborers of valid legal protection to express their opinion on the subject with firmness and emphasis. Everyone, including those sagacious politicians who until recently sought partisan advantage by praising our highest judicial tribunal for upsetting various features of the national recovery program, now seeks concurrence in a plan to overcome a decision which, they say, if permitted to stand will prove oppressive.

The Cleveland platform denounces the Democratic Party for the policies and measures which have been adopted during the Roosevelt administration for the promotion of national recovery. Many Republican Members in both branches of the Congress, suggesting no substitute, voted for the passage of the legislation because they, as did Democratic Members of the Congress, recognized the extreme and unusual conditions which made extraordinary action imperative. This is true of the most important laws held unconstitutional by the Supreme Court, including the National Recovery Act, the agricultural adjustment law, and the Guffey coal measure. It would be interesting and perhaps surprising to those who have been impressed with the denunciation of the measures and policies of the Roosevelt administration by the Republican convention to hear the names of the prominent Republican leaders in the Senate and in the House of Representatives who supported the measures referred to and who now find themselves denounced by their own convention as intimidators, usurpers, and advocates of tyrannical policies.

National defense is a subject of interest to every citizen loyal to our flag and to the institutions which it symbolizes. The Republican platform on this subject is indefinite. It favors an Army and Navy, including Air Corps, adequate for defense. No standard is raised as to what constitutes adequacy. The platform declares for cooperation with other nations in the control of armaments and the traffic of arms. It is a trite definition without definite meaning. Every administration since the World War, and some of them before that, has offered cooperation with rival powers for the limitation of military and naval arms.

Just now, when international antagonisms are being stimulated, when continents tremble beneath the tread of maddened armies, and when age-long hatreds are prompting nations to strife, it is impossible to accomplish substantial reduction in military force without sacrifice of national security. The Roosevelt administration is building the Navy to full strength contemplated by the Washington and London Treaties. It is maintaining a well-trained and efficient Army. Our platform on national defense is written in the record of achievements.

Another feature of the Cleveland platform which discloses how hard its sponsors were driven to find a popular issue relates to the collection of war debts. The country will not be permitted to forget that it was the Hoover administration which granted that moratorium and that the moratorium was construed by the debtor nations as an encouragement to their repudiation of their obligations to our Government. The blame for this blunder in the conduct of international affairs must rest chiefly where it belongs, namely, on the Sage of Palo Alto.

As a sop to the Senator from Idaho, Mr. Borah, the Cleveland convention declared, in general terms, for the enforcement of criminal laws and for the enactment of additional legislation to prevent private monopoly.

These declarations would be received with more confidence if the Harding, Coolidge, and Hoover administrations had not neglected the enforcement of criminal laws and fostered the organization of trusts and combinations tending to drive all forms of business and industry under the domination of monopoly.

The Democratic administration seeks to protect small businesses against those great combinations which crush them and drive them out of existence.

It has terminated the reign of gangsters by destroying the kidnaper, the national-bank robber, and the outlaw who seeks refuge in flight to other States from the place of his crime.

Our platform is to be read in the record of the best national law enforcement ever recorded in the history of our Nation.

It is, of course, impracticable to make reference in this address to all of the features of the Republican platform which invite consideration.

As an illustration, however, of the attempt to attract support by the announcement of principles which are generally accepted and concerning which there can be no partisan division, your attention is directed to the "bill of rights", which pledges preservation, protection, and defense against all intimidation and threats, freedom of religion, speech, press, and radio. There has been no impairment or threat to impair any of them by the Roosevelt administration, although the misrepresentation has been made that in some mysterious way they have been disregarded and held in contempt.

The principal danger to the liberties, both of the individual and the masses, exists in the power of monopolies and trusts which, under the last three Republican administrations, thrived and prospered with respect to both production and distribution. Nothing of importance was done during any one of the three administrations referred to to check the tendency toward monopoly.

On the contrary, unfair business practices for the suppression of competition were induced by large combinations without the slightest interference or restraint. It is at once amusing and shocking to witness this pretended devotion to sacred causes by the delegates to the convention, while they paraded and danced to the thrilling strains and inspiring

sentiments of the Republican campaign song, Oh, Suzanna, Don't You Cry.

Your chairman is prompted by consideration of propriety to bring this speech to a close.

We do not fear any comparison which the opposition may make. We meet their challenge in the open, face to face. Democrats during the present administration have made a record of great things accomplished. We are not discouraged by the obstacles which have been thrown in the way. Our opponents, paralyzed with fear, did not attempt to overcome the results of their own mistakes and follies when the collapse of 1929 occurred. Keynoter STEIWER complains that Mr. Roosevelt, after his election, did not advise President Hoover and cooperate with him in the hours of the latter's extremity and failure.

Keynoter STEIWER denounces our leader as a President without conscience. President Roosevelt may not possess the kind of conscience with which Republicans are familiar in their conduct of public affairs. He has, however, a conscience which takes note of the distress and helplessness of the feeble and the despairing. A conscience keenly alive to the necessity of maintaining the national honor, of promoting national happiness by repealing laws that have destroyed it, and by advocating measures designed to advance it.

William Allen White, sponsor of the Republican candidate, Governor Landon, characterized his favorite in the article already quoted from as "the dumb, smiling enigma, who has America guessing." That is not my characterization. It is the the statement of the candidate's closest friend, made in an effort to prove that in making demands to the committee on platform at Cleveland for the insertion of certain planks and then in yielding those planks, his candidate had suddenly demonstrated capacity for leadership.

Opponents sometimes denounce President Roosevelt as a dictator. No President has demonstrated a kindlier nature or more generous spirit than President Roosevelt. He has maintained amicable relations with every department of the Government. If he has been given extraordinary authority by law, it is because the Congress trusted him and regarded him as the best agent it could find.

On our record of pledges honestly redeemed, or services faithfully performed, and under as gallant a leadership as ever raised a political banner, we advance to the battle of 1936 confident that the voters of the Nation will not turn back to the defeated and disheartened leadership which abandoned them when the need for service, loyalty, and courage was the greatest ever known.

DEMOCRATIC PLATFORM

We hold this truth to be self-evident—that the test of a representative government is its ability to promote the safety and happiness of the people.

We hold this truth to be self-evident—that 12 years of Republican leadership left our Nation sorely stricken in body, mind, and spirit, and that 3 years of Democratic leadership have put it back on the road to restored health and prosperity.

We hold this truth to be self-evident—that 12 years of Republican surrender to the dictatorship of a privileged few have been supplanted by a Democratic leadership which has returned the people themselves to the places of authority and has revived in them new faith and restored the hope which they had almost lost.

GOVERNMENT HUMANIZED IN FACTORS AFFECTING WELL-BEING

We hold this truth to be self-evident—that this 3-year recovery in all the basic values of life and the reestablishment of the American way of living has been brought about by humanizing the policies of the Federal Government as they affect the personal, financial, industrial, and agricultural well-being of the American people.

We hold this truth to be self-evident—that government in a modern civilization has certain inescapable obligations to its citizens, among which are:

1. Protection of the family and the home.

2. Establishment of a democracy of opportunity for all the people.

3. Aid to those overtaken by disaster.

These obligations, neglected through 12 years of the old leadership, have once more been recognized by American Government. Under the new leadership they will never be neglected.

FAMILY AND HOME

First. We have begun and shall continue the successful drive to rid our land of kidnapers and bandits. We shall continue to use the powers of Government to end the activities of the malefactors of great wealth who defraud and exploit the people.

SAVINGS, INVESTMENT

Second. We have safeguarded the thrift of our citizens by restraining those who would gamble with other people's savings, by requiring truth in the sale of securities, by putting the brakes upon the use of credit for speculation, by outlawing the manipulations of prices in stock and commodity markets, by curbing the overweening power and unholy practices of utility holding companies, by insuring 50,000,000 bank accounts.

SOCIAL SECURITY

Third. We have built foundations for the security of those who are faced with the hazards of unemployment and old age, for the orphaned, the crippled, and the blind. On the foundation of the Social Security Act we are determined to erect a structure of economic security for all our people, making sure that this benefit shall keep step with the ever-increasing capacity of America to provide a high standard of living for all its citizens.

CONSUMER

Fourth. We will act to secure to the consumer fair value, honest sales, and a decreased spread between the price he pays and the price the producer receives.

RURAL ELECTRIFICATION

Fifth. This administration has fostered power-rate yardsticks in the Tennessee Valley and in several other parts of the Nation. As a result, electricity has been made available to the people at a lower rate. We will continue to promote plans for rural electrification and for cheap power by means of the yardstick method.

HOUSING

Sixth. We maintain that our people are entitled to decent, adequate housing at a price which they can afford. In the last 3 years the Federal Government, having saved more than 2,000,000 homes from foreclosure, has taken the first steps in our history to provide decent housing for people of meager incomes. We believe every encouragement should be given to the building of new homes by private enterprise and tnat the Government should steadily extend its housing program toward the goal of adequate housing for those forced through economic necessities to live in unhealthy and slum conditions.

VETERANS

Seventh. We shall continue just treatment of our war veterans and their dependents.

For the establishment of a democracy of opportunity.

AGRICULTURE

We have taken the farmers off the road to ruin.

We have kept our pledge to agriculture to use all available means to raise farm income toward its pre-war purchasing power. The farmer is no longer suffering from 15-cent corn, 3-cent hogs, 2½-cent beef at the farm, 5-cent wool, 30-cent wheat, 5-cent cotton, and 3-cent sugar.

By Federal legislation we have reduced the farmer's indebtedness and doubled his net income. In cooperation with the States and through the farmer's own committees we are restoring the fertility of his land and checking the erosion of his soil. We are bringing electricity and good roads to his home.

We will continue to improve the soil conservation and domestic-allotment program with payments to farmers.

We will continue a fair-minded administration of agricultural laws, quick to recognize and meet new problems and conditions. We recognize the gravity of the evils of farm tenancy, and we pledge the full cooperation of the Government in the refinancing of farm indebtedness at the lowest possible rates of interest and over a long term of years.

We favor the production of all the market will absorb, both at home and abroad, plus a reserve supply sufficient to insure fair prices to consumers; we favor judicious commodity loans on seasonal surpluses; and we favor assistance within Federal authority to enable farmers to adjust and balance production with demand at a fair profit to the farmers.

We favor encouragement of sound, practical farm cooperatives.

By the purchase and retirement of 10,000,000 acres of submarginal land and assistance to those attempting to eke out an existence upon it, we have made a good beginning toward proper land use and rural rehabilitation.

The farmer has been returned to the road to freedom and prosperity. We will keep him on that road.

LABOR

We have given the army of America's industrial workers something more substantial than the Republican's dinner pail full of promises. We have increased the worker's pay and shortened his hours; we have undertaken to put an end to the sweated labor of his wife and children; we have written into the law of the land his right to collective bargaining and self-organization free from the interference of employers; we have provided Federal machinery for the peaceful settlement of labor disputes.

We will continue to protect the worker, and we will guard his rights, both as wage earner and consumer, in the production and consumption of all commodities, including coal and water power and other natural-resource products.

The worker has been returned to the road to freedom and prosperity. We will keep him on that road.

BUSINESS

We have taken the American businessman out of the red. We have saved his bank and given it a sounder foundation; we have extended credit; we have lowered interest rates; we have undertaken to free him from the ravages of cutthroat competition.

The American businessman has been returned to the road to freedom and prosperity. We will keep him on that road.

YOUTH

We have aided youth to stay in school; given them constructive occupation; opened the door to opportunity which 12 years of Republican neglect had closed.

Our youth have been returned to the road to freedom and prosperity. We will keep them on that road.

MONOPOLY

Monopolies and the concentration of economic power, the creation of Republican rule and privilege, continue to be the master of the producer, the exploiter of the consumer, and the enemy of the independent operator. This is a problem challenging the unceasing effort of untrammeled public officials in every branch of the Government. We pledge vigorously and fearlessly to enforce the criminal and civil provisions of the existing antitrust laws and to the extent that their effectiveness has been weakened by new corporate devices or judicial construction, we propose by law to restore their efficacy in stamping out monopolistic practices and the concentration of economic power.

AID IN DISASTER

We have aided and will continue to aid those who have been visited by widespread drought and floods and have adopted a Nation-wide flood-control policy.

UNEMPLOYMENT

We believe that unemployment is a national problem, and that it is an inescapable obligation of our Government to meet it in a national way. Due to our stimulation of private business, more than 5,000,000 people have been reemployed; and we shall continue to maintain that the first objective of a program of economic security is maximum employment in private industry at adequate wages. Where business fails to supply such employment we believe that work at prevailing wages should be provided in cooperation with State and local governments on useful public projects, to the end that the national wealth may be increased, the skill and energy of the worker may be utilized, his morale maintained, and the unemployed assured the opportunity to earn the necessities of life.

THE CONSTITUTION

The Republican platform proposes to meet many pressing national problems solely by action of the separate States. We know that drought, dust storms, floods, minimum wages, maximum hours, child labor, and working conditions in industry, monopolistic and unfair business practices cannot be adequately handled exclusively by 48 separate State legislatures, 48 separate State administrations, and 48 separate State courts. Transactions and activities which inevitably overflow State boundaries call for both State and Federal treatment.

We have sought and will continue to seek to meet these problems through legislation within the Constitution.

If those problems cannot be effectively solved by legislation within the Constitution, we shall seek such clarifying amendment as will assure to the legislatures of the several States and to the Congress of the United States, each within its proper jurisdiction, the power to enact those laws which the State and Federal Legislatures, within their respective spheres, shall find necessary in order adequately to regulate commerce, protect public health and safety, and safeguard economic security. Thus we propose to maintain the letter and spirit of the Constitution.

MERIT SYSTEM

For the protection of Government itself and promotion of its efficiency we pledge the immediate extension of the merit system through the classified civil service—which was first established and fostered under Democratic auspices—to all non-policy-making positions in the Federal service.

We shall subject to the civil-service law all continuing positions which, because of the emergency, have been exempt from its operation.

CIVIL LIBERTIES

We shall continue to guard the freedom of speech, press, radio, religion, and assembly which our Constitution guarantees, with equal rights to all and special privileges to none.

The administration has stopped deflation, restored values, and enabled business to go ahead with confidence.

When national income shrinks, Government income is imperiled. In reviving national income we have fortified Government finance. We have raised the public credit to a position of unsurpassed security. The interest rate on Government bonds has been reduced to the lowest point in 28 years. The same Government bonds which in 1932 sold under 83 are now selling over 104.

We approve the objective of a permanently sound currency, so stabilized as to prevent the former wide fluctuations in value which injured in turn producers, debtors, and property owners on one hand and wage earners and creditors on the other; a currency which will permit full utilization of the country's resources. We assert that today we have the soundest currency in the world.

We are determined to reduce the expenses of government. We are being aided therein by the recession of unemployment. As the requirements of relief decline and national income advances an increasing percentage of Federal expenditures can and will be met from current revenues secured from taxes levied in accordance with ability to pay. Our retrenchment, tax, and recovery programs thus reflect our firm determination to achieve a balanced budget and the reduction of the national debt at the earliest possible moment.

FOREIGN POLICY

In our relationship with other nations this Government will continue to extend the policy of good neighbor. We reaffirm our opposition to war as an instrument of national policy and declare that disputes between nations should be settled by peaceful means. We shall continue to observe a

true neutrality in the disputes of others; to be prepared resolutely to resist aggression against ourselves; to work for peace and to take the profits out of war; to guard against being drawn, by political commitments, international banking, or private trading, into any war which may develop anywhere.

We shall continue to foster the increase of our foreign trade which has been achieved by this administration; to seek by mutual agreement the lowering of those tariff barriers, quotas, and embargoes which have been raised against our exports of agricultural and industrial products; but continue, as in the past, to give adequate protection to our farmers and manufacturers against unfair competition or the dumping on our shores of commodities and goods produced abroad by cheap labor or subsidized by foreign governments.

THE ISSUE

The issue in this election is plain. The American people are called upon to choose between a Republican administration that has and would again regiment them in the service of privileged groups and a Democratic administration dedicated to the establishment of equal economic opportunity for all our people.

We have faith in the destiny of our Nation. We are sufficiently endowed with natural resources and with productive capacity to provide for all a quality of life that meets the standards of real Americanism.

Dedicated to a government of liberal American principles, we are determined to oppose equally the despotism of communism and the menace of concealed fascism.

We hold this final truth to be self-evident—that the interests, the security, and the happiness of the people of the United States of America can be perpetuated only under democratic government as conceived by the founders of our Nation.

ACCEPTANCE ADDRESS BY HON. FRANKLIN D. ROOSEVELT, PRESIDENT OF THE UNITED STATES

Senator ROBINSON, Members of the Democratic Convention, my friends here and in every community, we meet at a time of great moment to the future of the Nation—an occasion to be dedicated to the simple and sincere expression of an attitude toward problems, the determination of which will profoundly affect America.

I come not only as the leader of a party—not only as a candidate for high office, but as one upon whom many critical hours have imposed and still impose a grave responsibility.

For the sympathy, for the help and confidence with which Americans have sustained me in my task I am grateful. For their loyalty I salute the members of our great party, in and out of official life in every part of the Union. I salute, too, those of other parties, especially those in the Congress who on so many occasions put partisanship aside. I thank the Governors of the several States, their legislatures, their State and local officials who participated unselfishly and regardless of party in our efforts to achieve recovery and destroy abuse. Above all I thank the millions of Americans who have borne disaster bravely and have dared to smile through the storm.

America will not forget these recent years—will not forget that the rescue was not a mere party task—it was the concern of all of us. In our strength we rose together, rallied our energies together, applied the old rules of common sense, and together survived.

In those days we feared fear. That was why we fought fear. And today, my friends, we have won against the most dangerous of our foes—we have conquered fear.

But I cannot, with candor, tell you that all is well with the world. Clouds of suspicion, tides of ill will and intolerance gather darkly in many places. In our own land we enjoy indeed a fullness of life greater than that of most nations. But the rush of modern civilization itself has raised for us new difficulties, new problems which must be solved if we are to preserve to the United States the political and economic freedom for which Washington and Jefferson planned and fought.

Philadelphia is a good city in which to write American history. This is fitting ground on which to reaffirm the faith of our fathers; to pledge ourselves to restore to the people a wider freedom—to give to 1936 as the founders gave to 1776—an American way of life.

That very word "freedom", in itself and of necessity, suggests freedom from some restraining power. In 1776 we sought freedom from the tyranny of a political autocracy—from the eighteenth century royalists who held special privileges from the Crown. It was to perpetuate their privilege that they governed without the consent of the governed; that they denied the right of free assembly and free speech; that they restricted the worship of God; that they put the average man's property and the average man's life in pawn to the mercenaries of dynastic power—that they regimented the people.

And so it was to win freedom from the tyranny of political autocracy that the American Revolution was fought. That victory gave the business of governing into the hands of the average man who won the right with his neighbors to make and order his own destiny through his own government. Political tyranny was wiped out at Philadelphia on July 4, 1776.

Since that struggle, however, man's inventive genius released new forces in our land—forces which reordered the lives of our people. The age of machinery, of railroads, of steam and electricity; the telegraph and the radio; mass production, mass distribution—all of these combined to bring forward a new civilization and with it a new problem for those who would remain free.

For out of this modern civilization economic royalists carved new dynasties. New kingdoms were built upon concentration of control over material things. Through new uses of corporations, banks and securities, new machinery of industry and agriculture, of labor and capital—all undreamed of by the fathers—the whole structure of modern life was impressed into this royal service.

There was no place among this royalty for our many thousands of small businessmen and merchants who sought to make a worthy use of the American system of initiative and profit. They were no more free than the worker or the farmer. Even honest and progressive-minded men of wealth, aware of their obligation to their generation, could never know just where they fitted into this dynastic scheme of things.

It was natural and, perhaps, human that the privileged princes of these new economic dynasties, thirsting for power, reached out for control over government itself. They created a new despotism and wrapped it in the robes of legal sanction. In its service new mercenaries sought to regiment the people, their labor and their properties. And as a result, the average man once more confronts the problem that faced the Minuteman.

The hours men and women worked, the wages they received, the conditions of their labor—these had passed beyond the control of the people, and were imposed by this new industrial dictatorship. The savings of the average family, the capital of the small businessman, the investments set aside for old age—other people's money—these were tools which the new economic royalty used to dig itself in.

Those who tilled the soil no longer reaped the rewards which were their right. The small measure of their gains was decreed by men in distant cities.

Throughout the Nation, opportunity was limited by monopoly. Individual initiative was crushed in the cogs of a great machine. The field open for free business was more and more restricted. Private enterprise became too private. It became privileged enterprise, not free enterprise.

An old English judge once said: "Necessitous men are not free men." Liberty requires opportunity to make a living—a living decent according to the standard of the time, a living which gives man not only enough to live by, but something to live for.

For too many of us the political equality we once had won was meaningless in the face of economic inequality. A small

group had concentrated into their own hands an almost complete control over other people's property, other people's money, other people's labor—other people's lives. For too many of us life was no longer free; liberty no longer real; men could no longer follow the pursuit of happiness.

Against economic tyranny such as this, the citizen could only appeal to the organized power of Government. The collapse of 1929 showed up the despotism for what it was. The election of 1932 was the people's mandate to end it. And under that mandate it is being ended.

The royalists of the economic order have conceded that political freedom was the business of the Government, but they have maintained that economic slavery was nobody's business. They granted that the Government could protect the citizen in his right to vote but they denied that the Government could do anything to protect the citizen in his right to work and live.

Today, my friends, we stand committed to the proposition that freedom is no half-and-half affair. If the average citizen is guaranteed equal opportunity in the polling place, he must have equal opportunity in the market place.

These economic royalists complain that we seek to overthrow the institutions of America. What they really complain of is that we seek to take away their power. Our allegiance to American institutions requires the overthrow of this kind of power. In vain they seek to hide behind the flag and the Constitution. In their blindness they forget what the flag and the Constitution stand for. Now, as always, the flag and the Constitution stand for democracy, not tyranny; for freedom, not subjection; and against a dictatorship by mob rule and the overprivileged alike.

The brave and clear platform adopted by this convention, to which I heartily subscribe, sets forth that government in a modern civilization has certain inescapable obligations to its citizens, among which are protection of the family and the home, the establishment of a democracy of opportunity, and aid to those overtaken by disaster.

But the resolute enemy within our gates is ever ready to beat down our words unless in greater courage we will fight for them.

For more than 3 years we have fought for them. This convention in every word and deed has pledged that that fight will go on.

The defeats and the victories of these years have given to us as a people a new understanding of our Government and of ourselves. Never since the early days of the New England town meeting have the affairs of Government been so widely discussed and so clearly appreciated. It has been brought home to us that the only effective guide for the safety of this most worldly of worlds is moral principle.

We do not see faith, hope, and charity as unattainable ideals, but we use them as stout supports of a nation fighting the fight for freedom in a modern civilization.

Faith—in the soundness of democracy in the midst of dictatorships.

Hope—renewed because we know so well the progress we have made.

Charity—in the true spirit of that grand old word. For charity literally translated from the original means love, the love that understands, that does not merely share the wealth of the giver, but in true sympathy and wisdom helps men to help themselves.

We seek not merely to make government a mechanical implement, but to give it the vibrant personal character that is the embodiment of human charity.

We are poor indeed if this Nation cannot afford to lift from every recess of American life the dread fear of the unemployed that they are not needed in the world. We cannot afford to accumulate a deficit in the books of human fortitude.

In the place of the palace of privilege we seek to build a temple out of faith and hope and charity.

It is a sobering thing to be a servant of this great cause. We try in our daily work to remember that the cause belongs not to us but to the people. The standard is not in the hands of you and me alone. It is carried by America. We seek daily to profit from experience, to learn to do better as our task proceeds.

Governments can err—Presidents do make mistakes, but the immortal Dante tells us that divine justice weighs the sins of the cold-blooded and the sins of the warm-hearted in different scales.

Better the occasional faults of a government that lives in a spirit of charity than the consistent omissions of a government frozen in the ice of its own indifference.

There is a mysterious cycle in human events. To some generations, much is given. Of others, much is expected. This generation of Americans has a rendezvous with destiny.

In this world of ours in other lands, there are some people, who, in times past, have lived and fought for freedom, and seem to have grown too weary to carry on the fight. They have sold their heritage of freedom for the illusion of a living. They have yielded their democracy.

I believe in my heart that only our success can stir their ancient hope. They begin to know that here, in America, we are waging a great war. It is not alone a war against want and destitution and economic demoralization. It is more than that. It is a war for the survival of democracy. We are fighting to save a great and precious form of government for ourselves and for the world.

I accept the commission you have tendered me. I join with you. I am enlisted for the duration of the war.

ADDRESS OF HON. JOHN N. GARNER, ACCEPTING THE NOMINATION FOR VICE PRESIDENT

Mr. Chairman, friends, my words shall be as few as they shall be fervent and sincere. I am a soldier, and my duty is to follow where the commander leads. I accept the rules of war as laid down in the platform.

I am not insensible of the high honor which has been conferred upon me. This confidence which my fellow countrymen have reposed in me I accept as a solemn trust; and I am not unmindful of the responsibility which goes with that trust.

I gladly accept the nomination for the Vice-Presidency now tendered to me for the second time. The sense of personal satisfaction in this honor is enhanced and heightened by the thought that I am again to be on the ticket with Franklin Delano Roosevelt.

I shall stand with him in the months ahead as I stood with him before the voters of this country in 1932—as I have stood in sharing with him since March 4, 1933, the obligations and duties and responsibilities which the Constitution imposes.

Franklin Delano Roosevelt is my leader; my Commander in Chief. In this presence, before the multitude, and with the stars of heaven to bear witness to my covenant I renew the pledge of fealty I gave 4 years ago.

In Franklin Delano Roosevelt the hopes of a nation have been reborn. Despair has given place to confidence. Despondency and gloom have made way for happiness. Laughter again is heard in the land.

We are now, as it were, midway in our course. Great as are the things which have been accomplished to bring order out of chaos in which we found the country in March 1933, much remains to be done.

There must be no return to old conceptions denominated as the Old Deal. And what do we mean by the Old Deal? We mean a political system which fosters an economic order giving special privilege to a few favored ones through the sacrifices of the many. By the New Deal we mean simply an adaptation of the laws of the country so that the greatest good will come to the greatest number—the protection of the rights of that vast majority of our populace, men, women, and children—to whom the Old Deal meant want, hardship, despair, and degradation.

Our people have not forgotten the wretchedness to which these sins of omission and commission of 12 years of the Old Deal had plunged the country when the New Deal was ushered in on a March day in 1933. But the dawn of a new day was at hand. The time for a change had come. The country welcomed a new leader. And I cheerfully bear wit-

ness here and now to the loyal support of New Deal measures and principles accorded in Congress by certain of our friends of the opposition. With voice and vote many brethren of Republican persuasion have shown how they could in time of national peril rise above partisanship and heed the call for help of a stricken country.

We still ask for the support of all those who believe as we do that the function of government is to protect the many from the selfishness of the few, to guarantee to all the means of livelihood and participation in the things that make life good and noble and worth the living.

That is our platform. Upon that platform I stand, and I am proud to stand with our leader—a leader who has never faltered in his course and never once lost faith that in the sovereign will of the American people rests true wisdom in government and the way to security, peace, and happiness.

In that faith I put my trust. In that faith I pledge anew my allegiance to Franklin Delano Roosevelt.

ADDRESS OF HON. JAMES A. FARLEY, CHAIRMAN OF THE DEMOCRATIC NATIONAL COMMITTEE, OPENING THE DEMOCRATIC NATIONAL CONVENTION, PHILADELPHIA, PA., TUESDAY, JUNE 23, 1936

In inaugurating this convention I am conscious of a great responsibility. The occasion which brings us together is one of the most momentous in the history of our country.

The continuance of the New Deal is the issue. The question before the Amercan people is clear-cut and cannot be disguised. That question is: Shall we continue the New Deal, which has rescued our country from disaster and despair, or shall the Government be turned back to the Old Dealers, who wrecked it?

There you have the issue stripped of all camouflage.

The gravity of this issue is the measure of our responsibility as we assemble here today. Is the Nation to move forward or is it to turn backward to the Old Dealers of such recent and bitter memory?

Fortunately for us and for the country, we know now that the Old Dealers stand right where they have always stood. The convention at Cleveland, both in manner and method, revealed once more that old habits are not abandoned.

I am not trying to stir the members of the committee, which has served so faithfully, or the delegates to this convention into any frenzy of excitement by stressing the gravity of what lies ahead of us, and which makes this campaign different from the ordinary political struggle inseparable from a Presidential election.

I merely wish to impress on all of you the significance of the task to which we are committing ourselves. I want to point out that while the political skies seem fair for our party and our destined candidates, and all of us believe that the country will echo our desires in unmeasured enthusiasm, and a record majority, confidence in the outcome is not enough. The consequences of the coming election are vital to the future of this Nation. Because of their gravity, no one of us dares do less than his utmost toward swelling the majority that will testify to the national desire that the processes of recovery, initiated and carried on by Franklin D. Roosevelt, shall not be interrupted. That verdict must be so overwhelming, so conclusive, so compelling, that nobody can doubt that the country is united in its determination that there shall be no backward step in our progress.

Our party will remain in power so long as its ideals and purposes do not deviate from the straight path of public service.

We are a fortunate party; first in the high patriotism and caliber of our President; second, in that we are on the right side, both morally and economically. The minority party has, by force of circumstance, been compelled to adopt a platform unsurpassed in the history of party declarations for platitudes and vague promises. Some day they pledge themselves to accomplish what our administration has already accomplished. Some day they will put the farmer in the same economic position that the New Deal has put him, but never do they say how they are going to do it. Some day they are going to establish business on a basis comparable with that upon which our conduct of national affairs has placed it; but first they would go back to the system that brought on the great panic. Some day the great corporations are to be assured of all the favors they enjoyed under Republican rule, and at the same time everybody is to have equal opportunity and unbounded prosperity.

And their some-day candidates, through this platform, will tell the country, as a distracted mother tells her fretful babies, they will have the moon for which they have been futilely reaching and wailing because they cannot reach it.

They are going to relieve poverty without spending money, provide jobs without it costing industry anything, and bring happiness and contentment to everybody—some day.

As chairman of the Democratic National Committee it has become my happy duty to call this convention to order; to present the recommendations of the committee for the convention's consideration of temporary officers to conduct the deliberations of this body until the convention itself shall complete the permanent organization. Then I shall relapse into my status as a delegate from the State of New York.

Before I relinquish this gavel I wish to make a brief report on the work of the national organization since it assumed direction of the party's affairs at the 1932 convention. That convention inaugurated a new era in our country's affairs. Through the masterful work of the candidates of the 1932 convention and the Congresses which were elected in sympathy with them, our country has been lifted out of the worst depression in our history onto a fair highway that leads to permanent prosperity. Ordinarily, as you know, the national committee of our own and of the minority party fall into a deep sleep at the close of a convention and hibernate for 4 years. Following the precedent established by my predecessor, the Democratic National Committee has taken a different course, actuated by the belief that a Presidential campaign, with all that it means to our Nation, is not something to be hurried through in a few hectic weeks.

As a matter of fact, we could not have remained idle, even if we had so desired. As soon as they thought that partisan politics made it necessary, the party we had ousted from control of the Government began sniping at the policies they had applauded and participated in. They were grateful for these policies when our country was undergoing the extreme crisis of the disaster their President and their administration had permitted to come upon us.

As soon as the huge financial interests that have been the backbone of every Republican administration of recent years had been rescued from the depths of loss and again began to make money, they exerted their pressure, furnished the funds, and engaged in a crusade of vituperation and detraction in an effort to destroy the faith of the people in the President. He had brought them out of their desperate state when they were helpless to do it themselves. But he was insisting that fortune for the few and poverty for the many did not spell prosperity, and they, feeling themselves threatened with the deprivation of the unearned and uneconomic favors and privileges they had enjoyed so long, inaugurated the movement for a return to the old system of everything for them and nothing for the plain people. Then it was that the minority party orators and the newspapers controlled by the big interests began telling our people that Franklin D. Roosevelt sought to be a dictator. Then it was that the laws Congress had enacted, and for which many of the Senators and Representatives of their own party had voted, were denounced as being intended to make our country a socialistic and communistic state. Then it was that they proclaimed that the measures undertaken and functioning successfully to bring back a restoration of business, decrease unemployment, and to take care of the jobless until such time as returning prosperity would reabsorb them into normal industry, were all the product of dreamers and visionaries.

Anybody unfamiliar with American politics would have gathered from these outcries that our hard-working, systematic, public-serving President was sitting in the White House with a war helmet on his head, booted and spurred,

and ready to lead a bayonet charge on Congress if they hesitated in carrying out his despotic orders.

Under these conditions we naturally had to get busy. I will not attempt to outline for you the activities of the organizations in the various sections of the country, but I do want to tell you that, without exception, the State Democratic authorities cooperated effectively and enthusiastically, and I want to thank them publicly for their loyalty, which in no small degree is responsible for the state of confidence in which we meet today. You are all familiar, I believe, with the work performed at national headquarters in Washington, and I feel authorized to express in your name our thanks to my colleagues at headquarters for the faithfulness with which they have discharged their task.

Perhaps I ought to mention in this connection another agency that has contributed much to the jubilant feeling we have in regard to the outcome of the election in November. Do I need to say that I refer specifically to the Republican convention in Cleveland? By their platform they would have assured our victory, I believe, even had our national organization remained dormant during the whole preconvention period. Confronted by the impossible task of reconciling the standpat views of the powers behind the minority party with their anguished necessity of making a pretense of liberalism, they turned loose the most extraordinary platform on record in this country.

Our friends, the enemy, had an opportunity to be sincere. If they had any regard for consistency, they would have renamed Herbert Hoover, who represents the classical attitude of their party, and then we would have had a direct and frank contest before the American people of the New Deal and the Old Deal. They passed him up despite his impassioned stampeding speech, which naturally failed. For you cannot stampede an elephant securely chained to the picket posts of evasion and straddling. They could have named Senator Borah, but he was earmarked with the stigma of liberalism. So they had to find a candidate whom they could present as conservative enough to meet the specifications of the Du Pont Liberty Leaguers in the East, while appearing fiercely liberal in the West.

Nobody takes the Cleveland platform seriously—not even our political adversaries. The leading Republican newspaper at the National Capital, in a painful effort to make the document sound like sense, said in its appraisal of the Republican declaration of principles: "On the whole, the platform avoids the mistake of being too specific, properly concentrating on principles." It mentions some of what it terms "not infrequent conflicts between an excellent generality and a stupid particularization." However, it sums up the grand total by assuring the Republican nominee that he has a complete license to forget the platform in this impressive language:

> The Republican Party has thus assured its standard bearer of the freedom of action, within a framework of principle, which a competent leader must be allowed.

There you have it. They were compelled by the same inexorable circumstance to produce a platform aimed to satisfy liberals and conservatives, the bold and the timid among the two conflicting elements of their party's make-up. Even when it came to choosing their Vice-Presidential candidate they had to follow the same hazardous course. The larger men refused the post, so they picked a gentleman, doubtless a good editor, who has never held public office, never strayed into fields other than his own business—even more widely unknown to the public than his chief.

Our governmental system directs the same qualifications for the Vice President as for the President for obvious reasons. Our own beloved Vice President has shown that the office is neither an ornament nor a sinecure. John N. Garner's long experience in the public service has been of inestimable value during the grave period of restoration. The Vice President presides over the United States Senate. He knows what the doings of that body mean and his ripened judgment is available when the Senate divides and his vote determines the final result.

It is no part of my function to suggest to the resolutions committee the platform upon which our candidates will run. But I do not think I am transgressing when I voice my belief that that document will be one to which they can commit themselves without laughing, and can swallow without choking. And, incidentally, it will be the only major party platform adopted this year of the sort.

Apart from everything else we have the advantage in this convention not only of knowing what we are striving for, but on whom we may depend to carry out the program. We are in the happy position of being enlisted on the popular side. It is the popular side because of what our administration has accomplished for the public welfare. Good government is the best politics. That was true when Jefferson founded our party, and the formula has not changed. Circumstances and conditions change. The immortal principles that have made us the freest, most secure people in the world remain changeless. Selfish interests may usurp authority for a time, but always there arises a figure clear-eyed enough to see the peril, wise enough to grasp the people's desires, and brave enough to hew the way through the barriers of influence and illicit power, and set us again on the right path.

For 3 years ours has been a people's government. It is our job to keep it a people's government.

That is what I meant when I spoke of the responsibilities incident to this gathering. We know how millions have been poured out to prepare the ground for an assault aimed to bring back the reeking period that piled up great fortunes for those on the inside, and finally brought the country to the verge of bankruptcy.

No pirate of the olden days chased a galleon that had escaped him more fiercely than will the backers of the Republican Party pursue the enterprise of getting back the prize they held so long.

The pursuing corsairs used whatever flag that served their purpose to close with their quarry. They did not fly the skull and crossbones banner, but raised the pennant under which the prize was sailing to disguise their plundering purpose.

Perhaps that illustrates the new plan of the Republican platform and the uniform of their captain—in the West with the epaulets of liberalism and in the East with the insignia of conservatism.

Behind the Republican ticket is the crew of the du Pont Liberty League and their allies, which have so far financed every undercover agency that has disgraced American politics with their appeals to race prejudice, religious intolerance, and personalities so gross that they had to be repudiated even by the regular Republican organization. They will continue to disown these snaky assaults and to seek to profit by them.

But the leaguers will never gain the prize. The real New Deal, sane and orderly—not the wild, visionary, socialistic, or communistic creation of its enemies' imagination—will sail on serenely to the goal of complete recovery, and at its helm that calm, capable, and courageous commander, Franklin D. Roosevelt.

THE NEGRO AS A CITIZEN

Mr. HAYDEN. Mr. President, under the authority granted by the Senate on June 18, 1936, I insert an address to be delivered by Hon. Harold L. Ickes, Secretary of the Interior and Federal Administrator of Public Works, before an anniversary meeting of the National Association for the Advancement of Colored People, at Baltimore, Md., June 29, 1936, entitled "The Negro as a Citizen", as follows:

> I am happy to be here tonight to address the twenty-seventh anniversary of the National Association for the Advancement of Colored People. In addition to my natural appreciation of the privilege of addressing you, I feel at home here. The things for which you stand and the broad purposes to which your association has been dedicated have been among my lifelong interests. I have always been sensitive about justice and fair play for those who were without a friend at court. More than once I have stood in the line of battle against those who would exploit the weak and persecute the helpless.
>
> For the past 27 years your association has been waging this kind of a battle. As a lifeguard you have patrolled the beach to safe-

guard the civic and personal liberties of members of the Negro race. You have fought disfranchisement, segregation, and lynching. Through mass protests, by appeal to the courts, and by arousing public opinion you have rendered a significant service not alone to Negroes but to the country as a whole. In cultivating a disposition to accord Negroes their full rights as citizens, you have helped all of us to remember the fundamental principles upon which the Nation is founded.

Some years ago it was my privilege for one term to serve as president of the Chicago branch of your association. During that time I had the opportunity of becoming intimately acquainted with your purposes and program. It was also my good fortune to be associated with some of the fine, forward-looking leaders of the Negro race, the friendship of many of whom I still value highly. Although I have not been officially connected with your organization for a number of years, I have watched its activities with great interest and sympathy. I wish to congratulate you upon the progress that you have made. Many of your achievements have not been heralded, but you have steadily pressed forward toward the goal of legal justice and civic rights for the Negro race.

Another reason why I am pleased to participate in this annual meeting in the State of Maryland is because of the similarity between the principles which you and I stand for and those which animated the founders of this great State.

I am sure that it is well known, at least to those of you who are Marylanders, that Lord Baltimore was characterized by great tolerance. It was his conviction that a man should be allowed to have his own convictions and beliefs. At a time when religious prejudice and bigotry were rife, even on the part of many who had migrated to these shores to escape the prejudice and oppression that made England intolerable, Lord Baltimore was a liberal. From this attitude of mind flowed many liberal tendencies in Maryland during its early history. I am sure it is remembered today with pride by many citizens of this State, both Negro and white, that this is the State which, in line with its finest traditions, gave to the world that great orator, statesman, and courageous Negro leader, Frederick Douglass. His life, perhaps more than that of any other single individual, has been the example which has challenged Negroes to press forward and achieve what at first seemed to be impossible. The principles for which he fought are the same as those for which you are struggling today—freedom, justice, and opportunity.

Thanks to Douglass and Lincoln and many others who gave their last full measure of devotion, the Union was saved, and we are rapidly achieving the goal of a united country—united not alone geographically and politically, but united in spirit, in purpose, in aspirations.

As we look backward over the road that has led us to our present position of leadership among world democracies, and then forward to the promised land of the future, we find two contrasting pictures. Until the recent past the spirit of adventure was our outstanding characteristic. We pushed back frontier after frontier while wresting a livelihood from a rich but none-too-friendly nature. And because of the very abundance of our natural resources and our lack of knowledge and technical equipment the process of gaining a livelihood resulted in wasteful exploitation.

Nor was exploitation confined to the natural resources of America; it was practiced also on our human resources. It was during this pioneer period that human slavery became a profitable enterprise. Helpless Negroes were stolen or enticed from their native soil in Africa and transported to these and other shores under conditions which would not be tolerated by the civilized world today. The same spirit of exploitation was manifest in the use of women and children in sweatshops and other fields where at hard tasks they toiled for long hours at inadequate pay.

This was a tooth-and-claw age, during which every man was for himself alone. The masses were sacrificed to swell the profits of the few. It was the ambition of practically every youth to gain material wealth at whatever cost. Some of our greatest fortunes were accumulated during those days, and we were not too particular what methods were used in their accumulation.

Notwithstanding that our frontiers have receded so rapidly, our industrial development has been so immense and so swift in its progress that we have been dazzled by a sort of economic mirage. We thought we were achieving real progress, when it was only an illusion. We have been unable to comprehend the significance of the change from the simplicity and ruggedness of our pioneer life to the complexity, refinements, and intimate interrelationships of our present era.

As our conception of democracy in earlier days was influenced by the characteristics and environment of those times, so must our notion of this era be in harmony with the age in which we live. Our old ideals were materialistic. Individuality and the rights of the few and of the strong were emphasized. According to our new concepts, the social aspects of life, the rights of the many, and our obligation to protect the weak will be given ever greater consideration.

This new conception is being translated into governmental policy and practice. President Roosevelt, in a recent address, laid stress upon the social responsibility of a democratic government when he said:

"Whether it be in the crowded tenements of the great cities, or on many of the farm lands of the Nation, we know that there dwell millions of our fellow human beings who suffer from the kind of poverty that spells undernourishment and underprivilege.

"If local governments, if State governments, after exerting every reasonable effort, are unable to better their conditions, to raise or restore their purchasing power, then surely it would take a foolish and short-sighted man to say that it is no concern of the National Government itself.

"Our country is passing through a period which is urgently in need of ardent protectors of the rights of the common man. Mechanization of industry and mass production have put unparalleled power in the hands of the few. No small part of our program today is to bring the fruits of this mechanization to the whole people."

It has been our habit so long to talk glibly about our outstanding ideals of health, our decent living conditions, our high standards of universal common-school education, our sense of justice for the masses, that we have actually imagined that we were realizing them. But to a large extent our boastings have been mere compensatory phantasies by means of which we have sought to deceive ourselves into believing that we are more righteous and social-minded than in fact we are, or that we are bent upon achieving that which in our hearts we do not even desire. We have talked so much about our sense of justice, about equal opportunity under the law, regardless of race or color or creed, that we have actually blinded our moral perception to the gross exploitation of weaker groups that has been going on under our very eyes.

If we except the Indians, of the many groups that have been exploited, beginning with pioneer days, Negroes perhaps have been the greatest sufferers. They had not had opportunities for an adequite education; they were the most helpless and the most docile. Yet the contributions they have made to the material upbuilding of this country are beyond calculation. Certainly it has been sufficient to justify them in claiming, without apology, the right to earn a decent share of our great wealth.

Under our new conception of democracy, the Negro will be given the chance to which he is entitled—not because he will be singled out for special consideration, but because he preeminently belongs to the class that the new democracy is designed especially to aid. It is to the advantage of Negroes, therefore, that they thoroughly familiarize themselves with the modified social and economic foundation upon which the new democracy is being built. This requires knowledge and understanding of the new forces brought into being by science and technology, and of the various social and political elements which are emerging as a result of greater understanding among men. In order to throw their moral strength and the weight of their influence on the side of the new liberalism and progressivism that is emerging from the welter of our political life, they must have sufficient intelligence and training to make a wise choice among social values. Unfortunately, we know too well that the educational opportunities enjoyed by Negroes are too meager and even in many cases too antiquated for them to develop the type of intelligence required for effective functioning in our keenly competitive democratic society. This makes it all the more important to develop a sound leadership such as this organization can supply.

I have said that the Negro has been probably the greatest sufferer during the period of our development when exploitation was the general rule. I wish to elaborate on this.

In the economic realm, the Negro has lived for generations on the very fringes. He has been required to work at jobs of the lowest grades, for long hours, at small pay. There has been slight opportunity or encouragement for him to break into the higher levels of employment or into new fields. As a rule, organized labor has refused to enroll him in its ranks. This discrimination has frequently resulted in his use as a strikebreaker. The general lack of educational facilities has been most acute in the vocational and economic realms. There has been neither proper vocational training, adapted to occupational needs, nor instruction in those important economic and social principles which should be the stock in trade of every worker. In some cases where, by means of apprenticeship or otherwise, he has become skilled in certain trades he has been refused a license to engage in that trade.

In the exercise of the suffrage that is guaranteed him by the Constitution the Negro has met with many abuses and obstacles. In some localities he is callously disfranchised; in other places, for generations, he has been exploited by corrupt politicians, who have bought his vote or have made him promises which were never expected to be kept. And, finally, he has been the victim of taxation without representation.

Educationally the Negro on the average lags far below the accepted standards in those communities where separate schools for the Negro and white races are maintained. Studies made in the Office of Education of the Department of the Interior show (1) a lack of availability of educational facilities for Negroes; (2) inadequate financial support; (3) poorly prepared, poorly paid, and improperly selected teachers; and (4) ill-adapted educational programs. Here we have a sad commentary on our democratic principle of equal opportunity, especially when we realize the importance of education in our scheme of life and that Negroes are required to meet the same standards as other citizens.

The general social and civil status of Negroes reveals a picture quite as unsatisfactory as those which portray the economic and educational phases of their lives. Their high morbidity, their crime rate, their infant mortality, and their short life span may be attributed very largely to conditions of their environment. Their homes, for which they are charged exorbitant prices, both as buyers and renters, are located in the poorest and most insanitary sections of the community, without adequate streets, pavements, water supply, lighting, sewerage, drainage, or fire and police protection. In addition to malnutrition, due to the submarginal existence that so many of them lead, there is a lack of medical and hospital care, of prenatal and maternal care, as well

as a general absence of counterbalancing influences, such as recreational, welfare, and educational agencies and facilities.

When the extent to which Negroes have been the victims of prejudice, passion, ignorance, and discrimination is realized and the degree to which they have met with frustrations in their legitimate efforts to improve themselves and their race, their achievements merit our admiration. A race possessing less fortitude and faith would have fallen by the wayside.

I congratulate you on your patience, and on the fact that you have worked while you waited. I believe that your cheerful disposition, your faith, your loyalty, and your lack of resentment are some of the qualities that have brought you the success that already is yours. May I admonish you as a sincere friend to keep the faith. In spite of the wrongs that have been committed against you, do not become bitter. Hatred is a venom which poisons the blood and incapacitates the person who generates it. Resist wrong stanchly; fight injustice and discrimination.

I am convinced that the liberal-minded and farseeing among us will eventually realize that, as a people, we can be no happier or stronger than our most miserable and weakest group.

The doctrine of laissez faire in interracial relations has characterized national administrations since the reaction from reconstruction days. Under Franklin D. Roosevelt this attitude has changed. He has realized, as no other President since Lincoln seemed to realize, that the mere existence in the Federal Constitution of the thirteenth, fourteenth, and fifteenth amendments is no guaranty of their enforcement. Among his many humane and farsighted acts has been that of a vigorous policy of justice toward Negroes. His administration of relief, in which Negroes have received the same consideration as whites, has given the members of the Negro race a standing which they have not enjoyed since they became citizens. Of course, the prejudices that have been fostered and built up for 60 years cannot be done away with overnight, but the greatest advance since the Civil War toward assuring the Negro that degree of justice to which he is entitled and that equality of opportunity under the law which is implicit in his American citizenship has been made since Franklin D. Roosevelt was sworn in as President on March 4, 1933.

There is appearing today among Negroes a newer, abler, and more forthright leadership. It is a self-respecting leadership. They come not as suppliants or wards. It is gratifying to observe the approach of these leaders to the problems of the time and the sanity and justice of their demands for their race. It is perfectly proper that they should, as they do, regard themselves as citizens entitled to all the rights and privileges that go with that status. The record of Negroes throughout the history of America is one of which any group might well be proud. In every aspect of the Nation's life they have made significant contributions. And now, properly, the day has arrived when they are asking for a fulfillment to them of the promise of life, liberty, and the pursuit of happiness.

Negroes are demanding that the ideals and principles upon which the Nation was founded shall be translated into action and made to apply to themselves as well as to other citizens. They are not asking the Government to coddle them nor to direct their activities, but they do want the Government to assure them a fair chance and an equal opportunity in their desire to attain a fuller life.

Your Government at the present time is not insensitive to this plea, for it comports with its own conception of its responsibility. It is attempting to build a new social order and to set up higher ideals for all of its citizens. In helping the common man to achieve a life that is more worth while, this administration is seeking the greatest good for the greatest number of the people.

Especially are citizens asking today that human life and personality be accorded the respect that is due them. This is especially in point at this time when intolerance is on the upgrade and mob violence appears to be on the increase. That vile form of collective murder—lynch law * * * has broken out in our midst again. No language is too forceful to characterize these blights on America's honor. No measures of the Government would be too strong that effectively would stamp out such un-American practices. The President of the United States has put the weight of his voice and the prestige of his high office against these evil manifestations. Many organizations and numerous law-abiding citizens everywhere have protested. Mass murders, mob rule, and terrorism are subversive of our most cherished ideals as embodied in the Declaration of Independence and the Constitution. The weak, the helpless, and the unprotected elements in our population have a right to expect protection from their Government. If for no other reason that that of self-preservation, it is imperative that the Nation become aroused to this insidious danger that threatens it.

In addition to the protection of their lives, liberty, and property, citizens have a right to expect their Government to make it possible for them to improve their status along all lines—economic, political, and social. I am happy to tell you that the present administration is conscious of its responsibility in this regard also.

You are probably aware of the fact that no previous administration has provided employment in the various departments and agencies for so many Negroes as has this one. This employment ranges from the ordinary jobs to executive positions. It has been the policy in the emergency agencies to furnish positions without racial or other discrimination. Also, it has been the course of the administration to use its influence to assure a fair deal for the Negro on all Federal projects, including construction work on public buildings, river and harbor improvements, and dams. Insofar as I have been able, and I know this is the attitude of other Government officials, I have insisted and shall continue to insist on widening the occupational base for our Negro citizens, and on increasing the employment opportunities for skilled as well as for unskilled labor and professional work, with equal pay for equal work.

This same principle guides the administration in its relation to agriculture. It is our sincere desire, and many of our remedies have been designed with that in mind, that Negro farmers should have a better opportunity than they have had in the past. Under this administration, through the Farm Credit Administration, they have received credit on the same basis as others. I am informed that the Federal land banks consider Negroes among their best risks. It is the active hope of all of us that the evils of the share-cropper system shall be overcome and that as quickly as possible, through our land-use and rural resettlement programs, Negroes, along with thousands of other citizens, will be established as happy, self-respecting citizens on small, producing farms.

One of the most far-reaching enterprises of the Federal Government, and one from which Negroes will receive large benefits, is the slum-clearance program of the Public Works Administration. Hundreds of families soon will be taken from the slums of our cities and be given a better chance in life through the decent living conditions that will be made available to them.

Mention also should be made of the Social Security Act of the Roosevelt administration which carries provisions for old-age pensions, maternal and child-welfare benefits, unemployment insurance, aid for dependent and physically handicapped children, and aid to the blind. In view of the Negro's out-of-focus relationship to the social order and of his present economic status, these provisions are of particular significance to him.

There is no longer any question about the native ability of the Negro. Abundant proof exists that he is capable of performing all the functions required of a citizen in a democracy. But this capacity must be developed by the training of his intelligence through education. The fullest possible as well as the most modern education that he is able to absorb and use must no longer be denied him.

As the welfare of the people is more and more dependent upon the kind of Government we have and the way it works, it becomes increasingly important for the Government to have in its service the best talent that is available and to insist that that talent make the best possible use of the country's resources, both natural and human. And our resources will not be put to their best use unless it is in the direction of achieving the greatest good for the greatest number of our citizens, regardless of race or creed or color. Nor can this be done unless we remember always that, regardless of diversity of religion, or customs, or origin or race, we are one people under one flag.

EVIDENCES OF RECOVERY

Mr. HAYDEN. Mr. President, I wish to add a memorandum on the Evidences of Recovery which has been prepared at my direction:

EVIDENCES OF RECOVERY

Current fiscal reports of business, finance, and industry, together with various other indexes, reflect impressive gains when compared with similar reports of conditions as they existed in 1933. Recovery, according to the testimony of these figures, has been achieved in a marked degree.

As a point of beginning in the proof of this assertion, let us indulge in a comparison of the national income for 1933, with that of 1936. In 1933 the national income was $41,900,000,000, while it is estimated that the income figures for 1936 will be in excess of $60,000,000,000. This will provide an increase of 43 percent. These data are based upon estimates of the Bureau of Foreign and Domestic Commerce.

Bank deposits, which may be accepted as reliable barometers of conditions, show that on June 30, 1933, deposits in commercial banks, adjusted to eliminate interbank and Government deposits, totaled $27,000,000,000, while on December 31, 1935, such deposits had increased to $37,000,000,000, a gain of 37 percent.

The production of passenger automobiles and trucks, which had dwindled in 1933 to 1,900,000 units, increased 110 percent to 4,000,000 cars in 1935, and consequently produced an appreciable rise in the market value of the principal automotive securities.

Residential construction, which is a key industry and an economic weather vane, had fallen to $249,000,000 in 1933. With the impetus of restored confidence, Governmental financial assistance and insurance of private capital, this increased 90 percent in 1935 to a total construction valued at $479,000,000. Contracts awarded for residential construction during the first quarter of 1936 are 75 percent higher than those of the like period of 1935 and 210 percent greater than for the first three months of 1933.

While these gains were being made in private activities, the Government revenues also rapidly rose. During the last calendar year of the immediately previous administration the Federal revenues declined to $1,880,000,000. In 1935 Federal Government receipts were $3,856,000,000, a net increase of 105 percent.

As an evidence of recovery, take steel, for instance. A dispatch from Buffalo, N. Y., reports: "Buffalo steel works today are operating at 84 percent of their capacity, highest rate on record here. This increase means an output of 8,000 tons of ingots a day, enough to build a 25-story skyscraper." Though these be cold figures they signify a great chain of industrial activity, the employment of thousands of miners to dig the ore, the roar of giant

steam shovels, quarrying the limestone hills of Michigan, bustling activity in the Great Lakes ports, where the lake steamers take on their 12,000-ton cargoes, long lines of men trooping to work again in dozens of industries that depend upon steel; 14,500 men are required in Buffalo alone to handle the raw product; dozens of other plants add to their pay rolls to fill the increasing volume of orders for sheet metal, wire, metal furniture, rails, building girders, auto parts, and hundreds of other articles of manufacture. Railroad tonnage multiplies as this huge commerce moves to its destination. Employment spreads in a thousand industries, in an ever-widening circle as the stricken colossus, Steel, restored to strength by the Roosevelt recovery administration, goes back to work in earnest.

Like evidences of recovery prevail in every important field of business endeavor, but before seeking to learn how the changes have been brought about let us, at this time analyze the conditions prevailing in 1933, and survey the comprehensive program that was inaugurated to remedy these conditions.

THE PROBLEM OF RECOVERY IN 1933

The national income, which has been cited as indicative of recovery, had declined from the peak level of $80,000,000,000 in 1929 to less than $41,900,000,000 in 1933.

This meant that the purchasing power of the Nation had been cut in half, with a proportionate curtailment in demand for goods. Farm products and manufactured goods accumulated and became unsalable surpluses.

The carry-over of cotton, which was less than 3,500,000 bales in 1926, more than doubled in 1933, reaching a total of 8,000,000 bales. The unmarketable wheat carry-over, which in 1926 was 104,000,000 bushels, streaked upward in 1933 to a total of 400,000,000 bushels. The dark days of 6-cent cotton and 34½-cent wheat linger unforgettably in the memory of the American farmer. As a result of the lack of demand for agricultural products, gross farm income had declined from $11,480,000,000 in 1926 to the point where in 1933 it was $6,406,000,000.

Naturally this had its effect on industry. Just how direct an effect it was can be ascertained by a comparison of the value of manufactured products in 1929 of $70,000,000,000 with the 1933 valuation of but $31,358,000,000. Also the index of wholesale commodity prices fell off from 95 in February 1929 to 59 in February 1933, or a decline of 38 percent.

With the slackening of demand and the mounting accumulation of unmarketable surpluses in practically every line of business, commercial failures increased in bounds. In 1932, 31,822 cases of bankruptcy were noted involving liabilities of more than $928,000,000. Acute financial distress resulted.

The wholesale closing of banks, collapse of industries, and the epidemic of foreclosures on farms and homes, the staggering increase in unemployment were all byproducts of such conditions.

The imminence of national financial collapse and ensuing chaos demanded swift, drastic action. That action, it was patent, could come from but one source—the Federal Government.

PRINCIPAL RECOVERY FACTORS—THE ADVENT OF THE ROOSEVELT ADMINISTRATION

First, a bank holiday was proclaimed and these institutions closed, to be reopened only by license issued by the Secretary of the Treasury.

The Reconstruction Finance Corporation came to their assistance by authorizing investments and loans. Since March 4, 1933, including loans for depositors of closed banks, such assistance has amounted to $2,600,000,000.

To further insure stability of banks and restore the confidence of the frightened depositors, the Federal Deposit Insurance Corporation was organized. Depositors in institutions insured by the Corporation are insured against loss up to $5,000. That these steps achieved the intended result is apparent in the gains in deposits enjoyed by financial institutions as a result of the renewal of public confidence in the safety and integrity of banks.

Next in order was an assault on the forces that had paralyzed agriculture and threatened its future. To this end the Agricultural Adjustment Act was passed. Under this act rental and benefit payments in excess of $1,135,000,000 were disbursed to farmers through March 31, 1936.

The Commodity Credit Corporation advanced $550,000,000 on the security of farm products to facilitate the orderly marketing of cotton, corn, and naval stores.

The Farm Credit Administration from May 1, 1933, to March 31, 1936, closed 750,000 farm-mortgage loans for $2,000,000,000 and advanced in short-term credit and loans to cooperatives approximately $1,600,000,000.

Coincident with these helpful operations the F. C. A. reduced interest rates and scaled down mortgages before refinancing, when such a scale-down was advisable and warranted.

Following the receipt of this aid the gross farm income rallied and in 1935 totaled $8,110,000,000, which was an increase of 52 percent over 1932. Farm foreclosures in 1935 were but 44 percent of the 1933 foreclosures. This agricultural recovery has been reflected in many lines of business.

The necessity for alleviating the distressed real-estate market, in which every month many thousands were losing their homes as a result of foreclosure and the complete absence of mortgage money, was the next gigantic problem to be attacked. In 1926 there were 77,854 foreclosures as compared with 276,025 in 1932, or an increase of 254 percent. With such conditions existing it was inevitable that construction, especially residential construction, should be halted. That such was the case is evidenced by the fact that while in 1926 the value of residential construction was $2,671,000,000, the total for 1933 had shrunk to $249,000,000.

To assist in correcting this condition the Home Owners' Loan Corporation was formed. Since its inception through April 2, 1936, the Corporation had refinanced 1,004,206 mortgages, involving $3,041,000,000. These properties were classified strictly as "distressed", and were not acceptable as mortgage risks by other lending institutions. Without the aid of the H. O. L. C. they must have been inevitably lost to their owners.

In order to promote the recovery of the building trades and allied industries, as well as to release the flow of mortgage credit, the Federal Housing Administration was set up. That the F. H. A. is fulfilling its mission in the recovery program plan is apparent. Since its inception to April 30, 1936, this organization insured 1,017,638 loans made by private financial institutions for the purposes of modernizing and repairing real property. The value of these notes totaled $365,000,000. In addition, 65,586 mortgages were accepted for insurance, having a value of $265,000,000. Of these mortgages 34 percent were for new construction.

The uptrend in real estate and construction apparent today may be attributed directly to the influence of the Government upon the mortgage business. That this influence is as pronounced as it is helpful is seen in the total for residential construction for the first quarter of 1936 which is 210 percent higher than it was for the first quarter of 1933.

Direct relief for the destitute prior to 1932 was viewed as being the responsibility of State, local, and private agencies. But with the tremendous growth of unemployment engendered by the curtailment of production, the failure of plants, and the lack of finances for new enterprises from 1929 to 1933 the burden became too great for the resources of these agencies. Again it was a problem that was up to the Government.

In order to provide direct and work relief and for public works, Congress made available $10,849,000,000. This figure is in accordance with the daily statement of the United States Treasury for May 15. Expenditures from these funds, as of the same date, have amounted to $8,459,000,000.

The hopeless outlook confronting the young men in 1933 in their vain search for employment was conducive to crime and demoralization.

Emergency conservation work, popularly known as the Civilian Conservation Corps, was put into immediate operation in April 1933 to relieve such acute conditions of distress and unemployment.

Peak employment provided by the C. C. C. reached 544,000, and through March 31, 1936, it is estimated that 1,475,000 men have been enrolled. The work accomplishments of the Civilian Conservation Corps through March 31, 1936, are valued at approximately $579,000,000.

The popularity and work accomplishments of this agency are sufficient testimony that C. C. C. is thoroughly performing its task and carrying on the work for which it was organized.

The Federal Emergency Administration of Public Works, better known as the P. W. A., has expended approximately $1,000,000,000 for the construction of schools and other public buildings. Other major disbursements from the funds allotted this agency are $620,000,000 for streets and highways; $335,000,000 for sewer projects; $387,000,000 for reclamation, water power, and flood control; $314,000,000 for bridges and other engineering structures.

In addition to providing relief and employment these expenditures have enabled factories engaged in the production of materials to continue in profitable operation and increase production and employment. It is estimated that approximately 60 percent of the P. W. A. funds expended to date have been for material purchases.

The restoration of purchasing power through relief payments, public works, and loans financed by Federal Government borrowings is directly responsible for the favorable trends of business and employment. As a result of these policies, factory employment was 43 percent higher in March 1936 than in March 1933 and factory pay rolls 104 percent higher.

Steel ingot production for March 1936 exceeded that of March 1933 by 273 percent.

The Federal Reserve Board Index of Industrial Production for March 1936 was 62 percent above that of March 1933. Department store sales in March 1936 furnish still another evidence of recovery, being 54 percent greater than sales in March 1933.

RECOVERY

But at what cost has this admitted recovery been achieved?

According to the daily statement of the United States Treasury for May 15, 1936, expenditures for recovery and relief from June 30, 1933, to May 15, 1936, were $11,466,000,000 and were incurred for the following purposes:

Agricultural aid	$1,978,000,000
Relief	5,138,000,000
Public works	3,321,000,000
Aid to home owners	481,000,000
Others	548,000,000

Recovery and relief expenditures of $11,466,000,000 (as classified by the United States Treasury) can be compared with the increase in the national debt of $10,524,000,000. The obvious and correct conclusion is that the increase in the national debt is almost entirely chargeable to the emergency expenditures of the Federal Government.

There are, however, additional factors that must be considered in order to obtain the complete and accurate picture of the costs of recovery.

The first is the Federal Government's contingent liabilities, which were, as of February 29, 1936, $4,658,000,000; but it must be considered that while these liabilities are guaranteed by the Government, they are likewise well secured by mortgages and further by the assets of the Government agencies. It is doubtful and debatable if there will be ultimately any loss on these accounts.

Then, too, there are two important assets which must enter into the analysis of the costs of recovery and the net increase of the national debt brought about by the recovery program. The first of these is the increase in the Treasury cash—that is, as the Secretary of the Treasury has aptly phrased it, "the increase in cash in the Government's cash register from $221,000,000 of March 4, 1932, to $2,866,000,000 on March 31, 1936." More graphically stated, there are now $13 in the Treasury till for every $1 that was there prior to the assumption of control by the present administration.

The second offset is the gain in recoverable assets, accumulated over the same period.

The Government has an interest in certain agencies and corporations, some of which it owns entirely and others in part. From March 4, 1933, to March 31, 1936, the gain in value of such ownership is estimated to be approximately $2,044,000,000.

If these are deducted from the increase in the gross public debt, it will be seen that despite what have been termed "tremendous outlays of Government cash", there has actually been a net increase in the debt of but $5,858,000,000.

A further profit that should enter into the consideration is that which was derived from the reduction of the gold weight of the dollar. This is known as the gold stabilization fund and amounts to $1,800,000,000. Since these funds have been assigned for a specific purpose, no such deduction has been attempted.

While the debt has increased 50 percent, the Government, by sound refinancing, has managed to effect a sizable reduction in interest rates on Government loans so that interest charges have only increased by less than 9 percent from March 4, 1933, to March 31, 1936. This constitutes a charge of approximately one one-thousandth of the current national income. In other words, of every thousand dollars of the present national income, only $1 has to be absorbed to take care of the increase in interest.

In conclusion, the question, Has the cost of relief and recovery impaired the national credit? should be answered.

No better reply can be made than to cite the present status of Government securities. Whereas in 1932 Government bonds reached the low level of $91 and had a yield greatly in excess of today's, nevertheless, as of April 1936, the average price of Government bonds was $107.

You may reach your own conclusions. I have mine—this Government, of the people and by the people, has been restored to the people and will go forwar,d under the leadership of President Franklin D. Roosevelt.

PROSPERITY REGAINED

Mr. HAYDEN. Mr. President, under the authority to print an editorial, I offer one from the National Young Democrat entitled "Prosperity Regained" and the statistics which were printed to accompany the editorial.

[From the National Young Democrat]

PROSPERITY REGAINED

Due appreciation of possession is more fully realized after loss.

Prosperity is essential to all. It means increased dividends to the businessman, better prices to the farmers, higher wages to the laborer, and a job at a living wage to others.

The wealth of a nation is measured by the prosperity of its citizens, provided that prosperity is true. The privileged few may enjoy prosperity at the expense of the great majority. This is false prosperity that bodes disaster for all.

False prosperity during recent Republican administrations lured the Nation to the brink of disaster. The money changers ruled supreme. Businessmen were told by the Republican leaders that a new day had arrived. They were led to believe all would continue well. Like all things built upon a false foundation, that so-called prosperity crashed in 1929.

Business structures crumbled under Hoover's administration. Banks failed, and life savings were lost. The price of farm products slumped. Wages of labor were slashed. Millions stalked the streets in idleness and faced starvation. The Nation refused to listen longer to the siren song of prosperity just around the corner.

A new leader assumed control of the distressed Nation on March 4, 1933. He was Franklin Delano Roosevelt. He promised to chase the money changers from the temple; to seek justice for all and give special privilege to none, and to promote the greatest good for the greatest number. He offered the American people a new deal.

There was sincerity and understanding in the voice of this leader. Confidence and hope were inspired. The people recognized Roosevelt as a great humanitarian; one in whom they could place trust. A new day dawned.

The President faced the difficult task of regaining something that had been lost to the Nation—a true prosperity. He set about to bring order out of chaos. Under his leadership, banks were reopened and currency stabilized. Wheels of business started turning again. Fair wages and shorter hours became a reality for labor. Business showed profits instead of losses. Prices of farm products increased and agriculture was revitalized. Thousands returned to jobs at better wages.

The American people have drawn a winning hand under the New Deal. Business has been rescued from bankruptcy. Homes and farms have been saved for the owners. Youth has been given new hope for the future. The feeble and aged have been assured comfort during their remaining days. Ambition has been revitalized in a once-disillusioned Nation.

The American people will not turn back. After a great battle the victorious general realines his battle front and concentrates his gains. He makes ready for the counterattack and to continue his drive forward. President Roosevelt has been the great general in the war against the depression. He has restored prosperity. The people have retained confidence in his leadership. They stand ready to follow him in the fight for justice, equality, and continued prosperity.

It is beyond conception to think the people will endanger the hard-won gains by placing trust in the false prophets who once betrayed them. The battle cry of the Nation shall be:

Forward with Roosevelt—prosperty regained must be sustained.

PROSPERITY REGAINED—PROOF OF IT

THE NATION'S WEALTH AND INCOME

			Percent gain
National wealth:			
1932		$247,300,000,000	
1935—estimate		314,000,000,000	23
(Department of Commerce)			
National income:			
1932		39,545,000,000	
1935—estimate		54,417,000,000	30
(Department of Commerce)			

AGRICULTURE

Farm income:			
1932		5,337,000,000	
1935		8,110,000,000	52
Increase first 4 months 1936 over same 1935 period, 5 percent.			
(Department of Agriculture)			
Prices received			
Commodity:		1932–33	1935–36
All cattle	head	$19.74	$34.09	72
Corn	bushel	.331	.577	74
Cotton	pound	.065	.111	70
Wheat	bushel	.38	.838	120
Hogs	head	$4.21	$12.68	200
Rice	bushel	.419	.624	48
Tobacco	pound	.105	.185	43
Milk	100 lbs	1.27	1.71	34
Rye	bushel	.276	.384	39
Peanuts	pound	.015	.032	63
Barley	bushel	.22	.361	113
(Department of Agriculture)				
Farm value of above commodities:			
1932–33		$4,822,816,000	
1935–36		7,386,330,000	130
(Department of Agriculture)			

NATURAL RESOURCES

Oil production:			
1932	barrels	785,159,000	
1935	do	993,942,000	26
Increase first 4 months 1936 over same 1935 period, 13 percent.			
(Bureau of Mines, Department of the Interior)			
Copper:			
1932	pound	$0.56	
1935	do	.925	66
(Bureau of Mines)			
Silver:			
1932	ounce	$0.28	
1935	do	.44	57
(U. S. Treasury Department)			
Lumber:			
1932	feet	13,105,000,000	
1935	do	18,464,000,000	40
Increase first 3 months 1936 over same 1935 period, 33 percent.			
(National Lumber Manufacturers Association)			
Electricity:			
1932—Output in thousands of kilowatt-hours		77,442,112	
1935—Output in thousands of kilowatt-hours		93,420,266	20
Increase first 4 months 1936 over same 1935 period, 12 percent.			
(Edison Electric Institute)			

CONSTRUCTION

Building construction:			
1932		$1,255,708,400	
1935		1,844,544,000	47
Increase first quarter 1936 over same period 1935, 83.3 percent.			
(F. W. Dodge Corporation)			
Steel:			
1935—May 4, percent of capacity		42.5	
1936—May 4, percent of capacity		70.1	64

PROSPERITY REGAINED—PROOF OF IT—Continued

THE NATION'S WEALTH AND INCOME—continued

INDUSTRY

		Percent gain
Retailing:		
A. Retail sales:		
1933	$25,030,000,000	
1935	32,606,000,000	28
(Department of Commerce)		
Increase of March 1936 sales over sales of March 1935, 13 percent.		
(Business Week)		
B. Advertising, radio:		
1932	$57,000,000	
1935	87,523,848	52
(Broadcasting Yearbook)		
Increase of first 3 months 1936 over same 1935 period, 4 percent.		
(Business Week)		
Banking:		
A. Bank clearings:		
1932	$241,342,499,713	
1935	297,172,288,516	23
(Commercial and Financial Chronicle)		
Increase first 4 months 1936 over same 1935 period—10 percent.		
(Commercial and Financial Chronicle)		
B. Bank failures:		
1932—number of banks closed	1,456	
1935—number of banks closed	34	
(Federal Deposit Insurance Corporation)		
Wages—profits:		
A. Pay rolls (103 industries):		
1933	$11,480,000,000	
1935	14,660,000,000	20
Increase first quarter 1936 over same period 1935, 8.9 percent.		
(Department of Labor)		
B. Industrial activity:		
1933—May 1	37.5	
1936—May 1	77.5	106
(The Iron Age Index of Capital Goods Activity)		
C. Steel ingots:		
1932— May 1, percentage of capacity	20	
1935	42.5	110
Percentage of capacity May 1936, 70.1; increase of 64.		
(American Iron & Steel Institute)		
D. Industrial profits (161 corporations):		
1932—Percent of 1926 base	12.2	
1935—Percent of 1926 base	50.0	300
Increase of first 3 months 1936 over same 1935 period, 33 percent.		
(Standard Statistics Co., Inc.)		

THE EXECUTIVE IN OUR GOVERNMENT

Mr. HAYDEN. Mr. President, under leave to print, granted me by the Senate under date of June 18, I desire to insert in the RECORD a speech to be delivered by Emil Hurja, of the Democratic National Committee, at Ely, Minn., on June 21, 1936, entitled "The Executive in Our Government."

It has never been my privilege to visit Ely before, and I am happy to come here, especially upon an occasion so reminiscent of my own childhood in the neighboring State of Michigan. Midsummer day is still, as it was then, a high time of the year for me. I have been happy in meeting so many old friends here, friends of my own youth and friends of my father and mother.

My visit here by chance comes at a critical time in our own national picture. The day I left Washington the Republican Party had completed the nomination of its Presidential and Vice-Presidential candidates. Tomorrow in Philadelphia the party of which I am proud to have been a member ever since I was old enough to vote opens its convention to restate its aims and renew its faith in its battle for human freedom under the banner of a great and liberal leader, President Franklin D. Roosevelt.

I wonder often if, in the welter of political claims and counterclaims, of oratory and ballyhoo, of all the manifestations of our recurring political field day that comes upon us every 4 years, we ever stop to think and consider how close really to the average man and woman is the office of President of the United States. To those who live remotely from the seat of government, he seems far, far away. To the lowliest voter in the most remote county, he seems indeed as far away and inaccessible as the moon and stars. But the tie is there, nevertheless. The Presidency is the people's office. It belongs to them. They all vote for him. In fact, there is no other office than that of President for which all the people of every State and every county and every township cast their vote; and if we were to go into the matter a little more thoroughly, we would find that in American history the executive branch of the Government is in truth the most effective representative that the average man and average woman have. If you read your history closely, I am confident it will reveal that to you. It was true of Jefferson; it was true of Lincoln; it was true of Cleveland; and it was true of Theodore Roosevelt, that great exponent of progressive thought whose memory will remain fresh a long, long time in this great Northwest. I was reading the other day of an incident that happened to President Woodrow Wilson at a time when he was president of Princeton University. He was traveling westward in a train, and between Harrisburg and Pittsburgh he entered into conversation in the smoking car with a couple of United States Senators. The Senators began to criticize Theodore Roosevelt, who was President at that time. "Dr. Wilson", one of them remarked to him, "one of the great mistakes ever made was when the founders of our Government placed in the Constitution the provision allowing the President to send messages to Congress. That man Roosevelt proposes things we don't want and then sends in messages so that we hear from our constituents and have to pass the measures because the people want them." Mr. Wilson calmly replied: "Isn't that what you are there for?" Theodore Roosevelt was the medium through which the popular will of his time found expression in government. Woodrow Wilson was the medium through which the popular will of his time found expression, and today President Franklin D. Roosevelt is the medium through which the popular will of today, the conviction and hope of the average man and average woman, has found expression in progressive and liberal legislation.

Today virtually the only means through which the common man can give voice to his aims and aspirations for political purposes in the larger and national sense is through his vote for the President. And when selected by the ballots of a free people, the President owes no responsibility to the Congress—in fact, to no one save the people themselves.

When you stop to consider that the Senators and Congressmen are selected by the votes of their own constituencies, and represent those constituencies, you can realize that often this representation is localized and confined to their own especial needs. For this reason the truly national character of representation is lacking in the Congress, and the people as a mass must look to the national leadership of the President. Independent and thoughtful representation, as a rule, grows less effective as the size of the constituency is reduced. The smaller the constituency, the more selfish the viewpoint has become almost politically axiomatic.

And today, my friends, you will find criticism of the policies of President Roosevelt predicated by many of his hostile opponents on just such a narrow and localized view. They say he is visionary; they say he is violating his constitutional authority; they declare he is breaking down the fabric of the Government by advocating legislation which they deny is for the larger national interest and the well-being of the country's citizens. How utterly idle are such criticisms!

When President Theodore Roosevelt retired from his tenure as President, and wrote down his thoughts into his autobiography, he revealed to the world that the critics of his day put him on the pillory for just exactly the same things that President Franklin D. Roosevelt's critics today are endeavoring to besmirch his administration. I would like to read you an extract or two from this autobiography. "In theory," President Theodore Roosevelt said, "the Executive has nothing to do with legislation. In practice, as things now are, the Executive is, or ought to be, peculiarly representative of the people as a whole. As often as not, the Executive offers the only means by which the people can get legislation they demand and ought to have. Therefore * * * a good Executive must * * * perform his executive duties with an eye single to public welfare." There are his words, written down in his memoirs for all the world to see. What revealing words!

"With an eye single to the public welfare." That is word for word what President Franklin D. Roosevelt might write today to answer the poison pens of his critics, and the defamers of the Roosevelt administration. I shall try to develop this thought a little later on, to show you exactly what has been done in the public welfare during the administration of President Roosevelt in a little more than 3 years, but now I would like to quote you a few more passages from the autobiography of Theodore Roosevelt. Here's what he said: "* * * In the desire to serve the plain people it was my theory that the Executive power was limited only by specific restrictions and prohibitions appearing in the Constitution. My view was," President Roosevelt—Theodore Roosevelt—continued, "that every executive officer in high position was a steward of the people bound actively and affirmatively to do all he could for the people and not to content himself with the negative spirit of keeping his talents undamaged in a napkin. * * * I did not usurp power, but I did greatly broaden the base of Executive power. In other words, I acted for the public welfare. I acted for the common well-being of all our people, whenever and in whatever manner was necessary."

That's what Theodore Roosevelt said, and if we put those very words in the mouth of President Franklin D. Roosevelt they would be as fitting and complete an answer to the critics and baiters of today as they were 30 years ago, when T. R. was being assailed.

Now, public memories are generally said to be short, but I feel certain that there are many among you who can never forget the serious and tragic days of late 1932 and early 1933 when we were experiencing the fruits of 12 long years of rapacious plunder in government, with the very Government itself engaging in the reckless exploitation of the people.

I have only to refer to the banking situation to give you the contrast between then and now. Let's go back to 1927 or thereabouts and take the case of a small bank in northern Michigan, northern Wisconsin, or northern Minnesota. The banks had loaned out their savings deposits in good, sound mortgages on farms or other improved property, and kept their other deposits in what a bank

examiner would call a quick asset, or an investment on which money could be realized quickly. Now a small-town banker likes to have a good New York or Chicago connection. So he makes arrangements with the big-city bank to be their correspondent and speaks proudly to his clients that he is the local representative of the so-and-so bank in New York. By and by, and mind you, he is a good banker in the professional acceptance of the term, he gets a call from the New York bank, not from the bank itself but from its security affiliate.

"You've got $50,000 on deposit with us. Why don't you put some of that into good sound bonds, instead of carrying it all in cash? We've got some bonds that we are interested in; we've investigated them, and the company's all right." The New York banker fails to tell his country-banker cousin that they get 6- to 15-percent commission in selling the bonds, but as the bonds are listed in the stock exchange and the daily papers always carry the prices at which they sold the day before, it is easy for the bank examiners to find out what they are worth. At any rate, the country bank buys $40,000 worth of bonds from his high-toned New York banker. And then when the New York bank has sold its bonds they quit paying any attention to its actions on the stock exchanges. The result is that when the bonds sink to 60 cents on the dollar, the assets of the bank are reduced by $16,000. The next time the examiner comes along, he says to the banker: "Mr. Smith, your assets are slightly impaired, I suggest that you call in your loans to your local businessmen and don't make any more real-estate loans." "No," he says, "don't extend credit to anyone. Pull in your horns, the banks have to stay liquid." And that is the way the vicious circle of the financial wizardry of the Hoover administration got started, growing day by day into a whirlpool that sucked away the savings of hundreds and thousands of people, and brought down upon the thrifty, saving, honest people of this country one of the blackest periods in its history. Banks closed, not because of money that the country banker loaned to Tom, Dick, or Harry in his home town, but because of the depreciation in the bond account, bonds that his city-slicker big banker had sold him. Now, many of the mortgages that the banker had arranged were in turn sold to insurance companies, who had learned by a study of the records that most people were honest and if given credit, would pay it off. So that when the whirlpool set in, it threatened to sweep before it not only the banks, the savings accounts, the building and loan associations but the insurance companies as well.

Another important development of the late days of the Hoover administration which in these days of improved business may pass unnoticed was the collapse of the credit of municipal governments all over this whole land of ours. City after city was on a scrip basis, unable to pay its peace officers, its teachers, or even its sanitary officers. Why? Because they were unable to collect taxes from the home owners. The average man with even a small modest home was so hard pressed he had to pass on the other side of the street when he saw the tax collector coming.

When the Home Owners' Loan Corporation the other day announced that it had finished its job of saving 1,000,000 homes from foreclosure, one of its most important achievements was the releasing of over $225,000,000 for taxes for cities of this country. The average city in the United States—and that goes for the biggest of them—couldn't buy a fire truck on credit in late 1933, so depressed was the status of municipal credit at that time.

And please remember that when a city cannot collect its taxes its credit is gone; and when a city's credit is gone its bonds find few buyers in the world's financial markets. Insurance companies, trust funds, and banks are the biggest buyers of and holders of municipal bonds, and because of the wholesale collapse of municipal credit in the United States the very existence of many institutions of this character was threatened.

Now, that was the story, that was the picture, when Franklin D. Roosevelt became President. No President ever took office under worse conditions. The sky was dark and utter collapse of the country threatened.

President Roosevelt acted quickly. He formulated a program. The patient was in pretty serious condition and something had to be done at once, not next day or next week or next month, but right now. I don't have to tell you how the American people responded to the quick, vigorous program of President Roosevelt; and when the year was up what had been accomplished—accomplished just in the realm of the banking interests—the private bailiwick of the same interests that today are crying to the skies that Roosevelt is undermining the Constitution with his legislative recommendations and Executive acts. That's a fair question: What had been accomplished?

First of all, he broadened the activities of the Home Owners' Loan Board, and instantly the distressed home owner who couldn't get a renewel of his loan anywhere, bank or insurance company, was taken care of. This Home Owners' Loan Corporation then set out to help the banks that had closed—to free money with which to pay the depositors. They set out to give banks much-needed cash, and they gave the insurance companies the same kind of relief. Then the Government widened the powers of the Reconstruction Finance Corporation, so that the frozen assets of the banks could be thawed out and the banks provided with funds with which to go about their business. These two organizations—the Home Owners' Loan Corporation and the Reconstruction Finance Corporation—did a lion's share of the early relief to bank depositors and to building and loan associations. They gave the first impetus to the recovery, not of business alone but recovery of that more important thing—the confidence of the people. Things weren't as black as they had been. President Roosevelt had brought a little light into what surely has been a dark and dismal situation.

Then, under President Roosevelt's personal direction, the legislative branch of the Government set out to correct the evils that existed, so that there wouldn't be a recurrence of the conditions that brought about this black page in the financial history of the country. The first was a securities-exchange bill which provided for regulation of exchanges and also for the registration of all securities that any company, or even country, could issue and market to American investors. This same bill also, if I remember correctly, severed the security affiliates from the banks, so that no longer would the banker's private selling organization be given confidential information. The security affiliate could no longer profit on the country banker by knowing how much money he had in the New York vaults, and in any event the full facts had to be available to all on whatever security or bond was offered.

That was a vital improvement. Then the Democratic Congress passed a bill providing for the guaranty of all deposits below $5,000. That was a needed corrective to the lack of confidence in banks and bankers, and the people responded to it. Other improvements were made in the banking laws and the laws governing the Federal Reserve Board, so that today we have a better banking system and more confidence in it on the part of the mass of people than at any time in our history. And bank deposits today are larger in the United States than at any time in our whole history. What has done it? Recovery of business and recovery of confidence on the part of the people.

And now today, subjected to the villification and abuse of self-centered and selfish groups, what can President Franklin D. Roosevelt say in justification of his program. I would like to supply the words. And I would take these words: "I acted for the common well-being of all our people, whenever and in whatever manner was necessary." They are an adequate answer, and these words, these very words, mind you, come from the pen of Theodore Roosevelt, when his acts as President were being applauded by the masses and when he was under constant attack of the selfish groups that today are leading the attack with the confidence that comes of a full stomach.

You hear today and you will hear more in the coming 4 months of the "crisis" that impends for the big manufacturing companies if President Roosevelt is reelected. "What will become of us", they cry. Let us look at the record of what became of the steel industry, for example, in the period between 1933, when the Republican Party had left us with inheritance of despair, and 1935, when the Democratic Party had had 2 years in which to make a start on its recovery program. Let us look at the record of steel, of several companies in that business, to see what the years brought forth. You in this section are interested in steel, for during the past two to four generations your men have given of their brawn, their spirit, and their very lives to bring forth from the earth the raw material from which steel is made.

In 1933 the United States Steel Corporation was over thirty-six and a half million dollars in the red. In 1935 United States Steel Corporation earned net over a million dollars. What's the difference between 1933 and 1935? Just this—a little over thirty-seven and a half million dollars better business.

For the Bethlehem Steel Corporation the difference between the losses of 1933 and the profits of 1935 was $13,000,000. For the National Steel Corporation the difference between the "prosperity" of Hoover and the "depression" of Roosevelt was $8,000,000 better business. And it's the same story for every company in the steel business and for other lines of business as well.

I am confident that the thinking residents of Minnesota, the liberal-minded citizen who has stood shoulder to shoulder with the policies and program of President Franklin D. Roosevelt during the past 3½ years, will stand by him on November 3. I am confident that, despite mistakes and delays which have occurred, his program will go on, and go on with the full and loyal support of Minnesota's enlightened electorate.

INDUSTRIAL DEMOCRACY IN STEEL

Mr. HAYDEN. Mr. President, under the authority granted by the Senate on June 18, 1936, I insert an address to be delivered by Mr. John L. Lewis, July 6, 1936, entitled "Industrial Democracy in Steel", as follows:

I salute the hosts of labor who listen. I greet my fellow Americans. My voice tonight will be the voice of millions of men and of women employed in America's industries, heretofore unorganized, economically exploited, and inarticulate. I speak for the committee for industrial organization, which has honored me with its chairmanship and with which is associated 12 great national and international unions. These unions have a membership in excess of 1,000,000 persons, who to a greater or lesser degree enjoy the privileges of self-organization and collective bargaining. They reflect adequately the sentiment, hopes, and aspirations of those 30,000,000 additional Americans employed in the complex processes of our domestic economy who heretofore have been denied by industry and finance the privilege of collective organization and collective participation in the arbitrary fixation of their economic status. Let him doubt who will that tonight I portray the ceaseless yearning of their hearts and the ambitions of their minds. Let him who will, be he economic tyrant or sordid mercenary, pit his strength against this mighty upsurge of human sentiment now being crystallized in the hearts of 30,000,000 of workers who clamor for the establishment of industrial democracy

and for participation in its tangible fruits. He is a madman or a fool who believes that this river of human sentiment, flowing as it does from the hearts of these 30,000,000, who with their dependents constitute two-thirds of the population of the United States of America, can be dammed or impounded by the erection of arbitrary barriers of restraint. Such barriers, whether they be instrumentalities of corporate control, financial intrigue, or judicial interdict, will burst asunder and inevitably destroy the pernicious forces which attempt to create them.

I salute the members of my own union as they listen tonight in every mining community on this continent. From the Warrior River in the Southland up through the great Appalachian Range to the island of Cape Breton, they listen. Across our parched midwestern plains to the slopes of the Rockies and the Cascades, and to the far province of Saskatchewan, they are at attention. To them, whose servant I am, I express my pride in their courage and loyalty. They are the household troops of the great movement for industrial democracy, and from their collective sentiment and crystallized power I derive my strength. In their daily calling the mine workers toil with the specter death ever at their side, and the women of the mining camps share their Spartan fortitude. Enduring hardship, inured to danger, contemptuous of death, breathing the air of freedom, is there anyone who believes that the men of the mines will flinch in the face of the battle for industrial democracy which now impends in America?

The American Iron and Steel Institute last week published a full-page advertisement in 375 newspapers, at an estimated cost of one-half million dollars. Its purpose was to justify the outmoded labor policy of the institute and to announce the determination of the steel corporations to oppose the campaign now in progress for the organization of the workers in the iron and steel industry. That statement is sinister in its implications; it is designed to be terrifying to the minds of those who fail to accept the theory that the financial interests behind the steel corporations shall be regarded as the omnipresent overlord of industrial America. That statement amounts to a declaration of industrial and civil war. It contravenes the law! It pledges the vast resources of the industry against the right of its workers to engage in self-organization or modern collective bargaining. The announcement has fallen short of its purpose. The bolt has missed the target. Its impact upon the public is best exemplified by a statement published on July 4 from the facile pen of Mr. Walter Lippmann, famed commentator and interpreter of public events, which appeared in the columns of a New York newspaper friendly to the policies of the steel empire. Mr. Lippmann says, in part, as follows:

"There is a growing conviction that the steel industry is a conspicuous example of how free competition and independent management have been suppressed by private regimentation. Certainly it would be no exaggeration to say that the price structure of the steel industry during the depression has exhibited all the obvious symptoms of some sort of centralized control; that steel prices, as evidenced by their remarkable rigidity and their notable similarity, have not behaved as one would expect them to behave if supply and demand were allowed to operate in a free market. And now, on top of this, we find the American Iron and Steel Institute undertaking to formulate a labor policy for all the allegedly independent and competing steel plants of the country, announcing from a central point how all the managers of all these enterprises will deal with their employees."

The conservative Washington Post, published by Mr. Eugene Meyer, on July 5 editorially said, in part, as follows:

"Before the present tension increases, therefore, it would be well for the steel industry to realize that the public is vitally interested in the apparent intention to dictate exactly what form of organization its employees may be allowed."

The American Iron and Steel Institute boasts that it includes 95 percent of the steel production of the country and represents an associate corporate investment of $5,000,000,000. This gigantic financial and industrial combination announces that its members are ready to employ their resources to the full to prevent the independent organization of their employees. It contravenes the law!

It may be admitted that the corporations associated in this institute speak with one voice. In the so-called competitive bidding of these combinations on Government contracts, it has repeatedly appeared that prices submitted were uniform even to the third decimal. The press has stated that the rejection of bids and readvertising brought the same unanimity on submitted prices. And now the institute has undertaken to voice for its members a common policy in dealing with all the workers in this industry. It is idle to moralize over the abstract relations between an employer and his employee. This is an issue between an industry clearly organized on its management side and the 500,000 men upon whose toil the whole structure depends. The question is whether these men shall have freedom of organization for the purpose of protecting their interest in this colossal economic organism.

The institute says that it favors the right of organization among its employees without coercion from any source. What coercion can the representatives of organized labor exert upon the workers in these plants and what appeal can they make to them except the appeal that they bring themselves within the organized labor movement for their own protection and for the common good of those who toil? The institute does not propose to meet that argument; it does not propose to trust in the independent action of the steel workers; it does not intend to grant them the free liberty of organization. Interference and coercion of employees trying to organize, come from the economic advantages held by the employer. In the steel industry it is manifested in an elaborate system of spies, and in a studied discharge of those who advocate any form of organization displeasing to the management. It is shown by confining all yearning for organization to make-believe company unions, controlled and dominated by the management itself. This coercion is finally shown in the implied threat of a blacklist which attends the announcement of a joint and common policy for all the steel corporations of this country.

Why shouldn't organized labor throw its influence into this unequal situation? What chance have the steel workers to form a free and independent organization without the aid of organized labor? What opportunity will they have to bargain collectively through representatives of their own choosing except by the formation of an organization free from management control?

These company unions are pious pretexts for denying the steel workers the right of organization. Their constitutions and by-laws are drawn by lawyers for the company. No changes can be made without the company approval. The officials are selected under company supervision. No method of independent wage negotiation is provided. No wage contracts have in fact been made between the companies and their employees under the company union plan.

The statement of the institute is an open warning to representatives of recognized and firmly established labor unions that if by any legal and peaceful methods—public meetings, personal solicitations, or otherwise—they are so bold as to attempt to persuade steel workers to become members of recognized, standard labor unions, the brutal and ruthless forces of the steel oligarchy will be unloosed against them. From bitter experience we know what this means. It means that meetings of steel employes will be disrupted by thugs and hoodlums employed by the steel corporations; that the organizers themselves will be brutally beaten; that the police and judicial authorities of steel manufacturing communities, who are designated and dominated by the steel companies, will be used to arrest labor-union organizers, to imprison them on false charges, to maltreat them cruelly while imprisoned, and in many cases forcibly to drive them from the community.

Moreover, it is to be emphasized that when the pronouncement of the Steel Institute states it fears industrial strife and dislocations may develop, it really means that as the organizing campaign of our committee is meeting with success, the steel corporations themselves, through their private legions of armed guards, despicable undercover spies, and agents provocateurs will deliberately provoke strife and bloodshed, and attempt to place the blame for its occurrence upon the representatives of legitimate labor.

In this connection I wish to add with all earnestness at my command that if any strike, violence, or bloodshed occurs as a result of the present effort of our committee to organize the steel workers it will not arise from our organizers or their activities. We shall pursue our purpose relentlessly but legally and peacefully.

I wish also solemnly to warn those who represent the steel industry that their unlawful, ruthless tactics of former years will not be tolerated by our committee. This organization drive in the steel industry will be conducted in full, open gaze of the public; or, in other words, through the radio and the press, the public will be continuously informed.

We have also taken measures to protect our people. We shall also bring to justice anyone in the steel industry who is guilty of lawlessness. This does not mean merely the subordinate officials of the steel corporations, their armed guards, or other hirelings or mercenaries. It means that we shall hold to accountability those who are really responsible—bankers, directors, and officials of the steel corporations—those who really formulate policies and methods—from J. P. Morgan & Co., which controls the United States Steel Corporation, down through other bankers, directors, and officials of less powerful but important steel corporations, to the lowest member of the hierarchy.

The statement of the steel industry calls attention to the fact that under their company-union plans no dues are required from employees. The company pays all of the expenses of these miserable subterfuges. They pay these expenses to secure an advantage over their employees. The cost of maintaining a company union is trifling compared to the savings it affords in pay rolls. These companies assert a determination to see that their employees belong to no labor union which maintains itself by dues. Smug in their own control over all the labor within their plants, they profess to see nothing but a racket in any independent, autonomous, self-supported organization of their workers. The stake involved is not the small contribution that may be made by the employees to the union but in the pay rolls, where, on any basis of fair bargaining, millions would be added to the wage envelopes of the workers. This is the stake—this and the right of labor to have a voice in the fixation of its hours and working conditions, and to enter into a state of economic and civil freedom befitting men who perform the labor in this great industry.

Although the industry has produced thousands of millionaires and hundreds of multimillionaires among bankers, promoters, so-called financiers, and steel executives, it has never throughout the past 35 years paid a bare subsistence wage, not to mention a living wage, to the great mass of its workers.

The industry has constantly sought to give the impression that it pays exceptionally high wages, and so far reaching and efficient are its means of publicity that this idea is widely accepted.

Actually there is no basis for this belief. When comparisons are made between the earnings of workers in the steel industry and the earnings of workers in other industries of a comparable character, the standing of the steel industry is at best no more than mediocre and at worst no less than disgraceful.

Thus, in contrast with hourly earnings of 65.6 cents in the steel industry in March 1936, bituminous coal mining in the same month was paying 79.3 cents; anthracite mining, 83.2 cents; petroleum producing, 77.5 cents; and building construction, 79.8 cents. These are all industries which, as regards severity of labor and working conditions, might be compared with the steel industry.

The wages paid its common unskilled workers is a good test of the liberality of an industry's wage policy. Put to this test, the steel industry makes an extremely bad showing. This is made clear by the fact that the steel industry, with hourly earnings of 47.9 cents in March 1936, ranks no higher than fourteenth, and in the matter of weekly earnings with $16.77, occupies twentieth place out of the possible list of 21 industries for which returns are given by the National Industrial Conference Board.

Still greater proof of the backwardness of the steel industry in its wage policy is shown by the returns of the 21 industries studied by the National Industrial Conference Board as to changes in actual and real weekly wages during the period 1923–36. In this comparison the steel industry ranks last both as to actual money wages and real wages.

On the other hand, the profits of the industry have been relatively as enormous as its wage payments have been small. Greater payments have not been made to wage and salary workers because the large monopoly earnings realized have been used to pay dividends on fictitious capital stock, to add physical values in the way of plant extensions, and to multiply the machines that displace human labor.

Under the wildest flight of imagination, what greater injury could be done to steel workers by labor unions or any other legitimate agency than is evidenced by this financial exploitation by private bankers and promoters?

By way of sharp contrast to the policy of bankers, promoters, and directors, it may be said that the Committee for Industrial Organization in organizing the steel workers is animated by no selfish motives. Its fundamental purpose is to be of service to all those who work either by head or hand in the mines, quarries, railroads, blast furnaces, and mills of the steel industry.

Our committee would bring to the steel workers economic and political freedom; a living wage to those lowest in the scale of occupations, sufficient for the support of the worker and his family in health and modest comfort, and sufficient to enable him to send his children to school; to own a home and accessories; to provide against sickness, death, and the ordinary contingencies of life. In other words, a wage sufficient for him to live as an independent American citizen with hope and assurance in the future for himself and his family. Above this basic wage, our committee believes that differentials should be paid to other workers according to skill, training hazard, and responsibility.

There is but one other fundamental motive which the Committee for Industrial Organization has for unionizing the steel industry.

It is simple and direct. It is to protect the members of our own organizations. We know, although we are now free men and women, that so long as millions of other industrial workers are without economic and political freedom, a condition exists which is a menace to our freedom.

No greater truth of present-day significance was ever stated by a President of the United States than the declaration made by President Roosevelt in his speech at Franklin Field to the effect that America was really ruled by an economic dictatorship which must be eliminated before the democratic and economic welfare of all class of our people can be fully realized.

Along with the evolution and dominance in the economic affairs of the country of large corporate units engaged in the production and distribution of raw materials and manufacturing products on a national scale, such as those corporations of the steel industry today, there has also concurrently developed a highly concentrated control over the money, banking, and credit facilities of the country. Its power, as the result of exhaustive congressional investigations, has been shown to rest in the hands of a small inner group of New York private bankers and the financiers symbolized and dominated by the New York banking house of J. P. Morgan & Co.

By acting as fiscal agents for our large national corporations this group has been able to place its own representatives on their boards of directors and to determine, as in the case of the United States Steel Corporation, their financial and operating policies. Our basic financial, manufacturing, mining, transportation, and utility interests have thus been brought under domination of this financial cabal.

In its earlier manifestations, from the beginning of the century to the World War, this financial dictatorship was named by those who vainly but gallantly fought against it—Congressman Lindbergh, the elder La Follette, President Theodore Roosevelt, Justice Brandeis, President Wilson, Senator Norris, and a score of other crusaders for democracy and humanity—as the Money Trust, or "the invisible government."

Profiteering during the World War greatly augmented the sources and power of this group. Its corporate and political control was also greatly extended by the speculative excesses of the so-called new era of 1923–29.

In his inaugural address of March 4, 1933, President Roosevelt, in reviewing essential reforms, referred to the fundamental significance of this group by the declaration that the money changers must be driven from the temple. The Banking and Currency Committee of the United States Senate, after several years of careful investigation, later reported, during the summer of 1934, that during the post-war decade this financial oligarchy had usurped the wealth stream of the Nation to its very capillaries.

An economic dictatorship has thus become firmly established in America which at the present time is focusing its efforts upon retaining the old system of finance-capitalism which was in operation before the depression and thus preventing the attainment of political and industrial democracy by the people.

Organized labor in America accepts the challenge of the omnipresent overlords of steel to fight for the prize of economic freedom and industrial democrary. The issue involves the security of every man or woman who works for a living by hand or by brain. The issue cuts across every major economic, social, and political problem now pressing with incalculable weight upon the 130,000,000 people of this Nation. It is an issue of whether the working population of this country shall have a voice in determining their destiny or whether they shall serve as indentured servants for a financial and economic dictatorship which would shamelessly exploit our natural resources and debase the soul and destroy the pride of a free people. On such an issue there can be no compromise for labor or for a thoughtful citizenship. I call upon the workers in the iron and steel industry who are listening to me tonight to throw off their shackles of servitude and join the union of their industry. I call upon the workers in the textile, lumber, rubber, automotive, and other unorganized industries to join with their comrades in the steel industry and forge for themselves the modern instruments of labor wherewith to demand and secure participation in the increased wealth and increased productive efficiency of modern industrial America. The more than a million members of the 12 great national and international unions associated with the Committee for Industrial Organization will counsel you and aid you in your individual and collective efforts to establish yourselves as free men and women in every economic, social, and political sense. I unhesitatingly place the values represented by 30,000,000 human beings engaged in industry and their 60,000,000 dependents as being above and superior in every moral consideration to the five billions of inanimate dollars represented by the resources of the American Iron and Steel Institute or to the additional billions of inanimate dollars that perforce may be allied with the empire of steel in the impending struggle which the institute, in the brutality of its arrogance, seeks to make inevitable.

AGRICULTURE AND THE TRADE AGREEMENTS PROGRAM

Mr. HAYDEN. Mr. President, under the authority granted by the Senate on June 18, 1936, I insert an address by Mr. Lynn R. Edminster, Chief Economic Analyst, Trade Agreements Division, before the Twelfth Annual Session of the American Institute of Cooperation, at University of Illinois, Urbana, Ill., June 18, 1936, as follows:

I am grateful to the American Institute of Cooperation for this opportunity to meet with you here in the heart of the great Corn Belt and to discuss the trade-agreements program as it affects the interests of American farmers. It so happens that this meeting is being held within a short radius of the Illinois farm where my own boyhood was spent, in a locality where still reside some of my closest relatives and a host of friends of childhood days. In coming here to speak on a matter that so intimately concerns agriculture, I am sure, therefore, that I am returning to a region where I can feel at home and among friends; and I am likewise confident that those who may not find it possible to agree with all that I shall have to say will nevertheless appreciate that my interest in the problems of agriculture springs from the grass roots and not from the story books.

The phase of the agricultural problem that I am here to discuss is that relating to foreign trade. On this question of international trade in its relation to American agriculture there would appear to be, broadly speaking, three main schools of thought.

First, there are the isolationists, the people who would simply have us abandon international trade. Of these there are several varieties, but the general refrain is the same for all. As applied to agriculture, what they say, in effect, is that we must take steps as rapidly as possible to rid ourselves of all dependence upon foreign countries as sources of supply of agricultural products and as markets for our farm surpluses. They would accordingly have us concentrate our efforts upon development of a home market which would be supplied exclusively from domestic sources and which would constitute practically the sole outlet for our farm output. If any agricultural foreign trade survived, it would be only that which was incidental or unavoidable.

Typical of this point of view is the "buy American" campaign. However patriotic the slogan "Buy American" may sound, it is obvious that those who sponsor it are, wittingly or unwittingly, opposed to foreign trade, since in order to sell to foreign countries it is necessary to buy from them. When these great self-sacrificing patriots ask us to buy American, they mean that we should deliberately refrain from buying products of other countries that we might otherwise buy. Of course, to the extent that we do this, we must expect to sell less to foreigners. Buy American is just

another way of saying: "Don't sell abroad; if you can't sell profitably at home, don't sell at all; just whistle."

Similar in general tenor, but more directly related to agriculture, is the agitation that has developed for abandonment of attempts to restore foreign markets for our exportable farm surpluses and for concentration instead upon an ambitious program looking toward a vast increase in domestic industrial uses of farm products. The assumption back of this agitation is that not only the farmers but the country as a whole can thus be freed from what is claimed to be an intolerable bondage imposed by dependence upon foreign markets and foreign sources of supply. Now, let me say right here, lest I be misunderstood, that I am not suggesting that all those currently engaged in efforts to find increased industrial outlets for farm products belong to this group. On the contrary, I feel certain that most of them do not. Most of them, no doubt, are simply interested in carrying forward experimentation in this field in the interest of scientific advancement for the general improvement of human well-being. And, of course, there can be nothing but praise for that.

What I do challenge, however, is the assumption that such a program offers a real solution of the present farm problem and, on that premise, that the program should therefore be subsidized by maintenance of high tariffs designed to cut off all semblance of foreign competition. The cost of such a tariff program to agriculture during the years immediately ahead, in terms of forfeited export outlets for farm products, would be exceedingly heavy and the ultimate outcome uncertain. For agriculture to exchange the certainty of so heavy a burden for the uncertainty that such a program would so enlarge the home market for farm products as to make our farmers independent of world markets would seem to me to be a very poor bargain. If progress can be made in finding new industrial outlets for farm products, supplementing but not displacing efforts to restore foreign markets, that will be so much to the good. But if the possibilities of science are to be put forward in this connection simply as a means of confusing the issue and of turning us away from a common-sense course with regard to international trade, that is a much more serious matter.

I am in complete accord with Secretary Wallace when he says: "I do not think we should rely exclusively on the possibilities of a sudden industrial discovery opening up a need for the products of thirty or forty million acres as a solution for the farm problem overnight. * * * I do not want to belittle industrial experiments, but I want to be sure the American farmers count no chickens before they are hatched."

The second school of thought with regard to agriculture's interest in international trade is the school which recognizes and stresses the importance of restoring foreign markets, but fails to perceive the distinction between sound and unsound methods of attaining that objective. Though the ideas to be found in this school assume a variety of forms, the characteristic which is common to all is a failure to recognize that there is no synthetic or short-cut method of restoring trade on a sound and lasting basis; that in order to sell more abroad we have got to buy more from abroad; and that the way to insure that result is to reduce our tariff and at the same time induce foreign countries to reduce theirs.

Of course, it is true that we can increase our agricultural exports without reducing our own tariff if we are willing to give them away or do something which approaches that result. We can, for example, begin lending foreigners the money with which to pay for such exports. We have tried that before and because we were unwilling to face the implications of our creditor position we found it exceedingly expensive. Unless we are willing to accept goods and services in repayment of loans and of interest thereon, we had better proceed on this line with great caution.

Another way that we can at least approximate the gift method of export stimulation is by resorting to a comprehensive system of export subsidies. This idea of a two-price system has had, and continues to have, widespread support in the farming regions, from leaders whose sincerity and integrity cannot be called into question. There may be isolated cases where reliance upon the dual-price method can be justified as a temporary measure. But as a major solution of the agricultural problem I am convinced that it would prove grievously disappointing to farmers themselves. I do not rest this conviction on any academic qualm as to the good or evil of the subsidy system but simply upon the question of whether it will get results remotely commensurate with the costs. I am convinced that it will not, especially if it is not accompanied by measures of production control.

One difficulty, and an extremely serious one, in connection with this type of solution lies in its assumption that foreign countries will gladly receive our subsidized exports in whatever quantities we may see fit to offer them, if only they are offered at bargain prices. That, however, is a naive and a false assumption. Doubtless there are some few countries that would be glad to receive a great many of our surplus farm products at bargain prices. Doubtless also there are some agricultural products, notably cotton, produced only in a limited number of countries, which would presumably be welcomed at bargain prices by many countries. But the experience of the past few years has clearly shown that countries which have found it possible to produce at home any substantial proportion of their requirements of any given agricultural product do not welcome, and will not tolerate, dumping of foreign supplies upon their home markets. Most countries have immediately at their disposal the necessary administrative machinery with which to defeat efforts to dump surpluses upon them. Hence the notion that we can, so to speak, jimmy our farm exports into any and every country—to borrow Chester Davis' pungent word for it—is actually founded on a false hope. It is the importing country that holds the whip hand, not we. How far, for example, are we likely to get with such a program for commodities such as wheat, pork and lard, and tobacco?

But that is not the only difficulty. For even if we assume that exports of some farm products would be comparatively free from antidumping restrictions in importing countries, we are confronted with yet another complication. Stimulated by subsidies, the acreage planted would rapidly increase, the rapidly increasing production would result in ever-increasing export surpluses, and these increasing surpluses could be gotten rid of, if at all, only through subsidies mounting from year to year until the whole situation became intolerable. To mine our soil on a gigantic scale for the doubtful privilege of virtually giving away farm products to those foreign countries that would be willing to take them would be the height of human folly.

If a program of that sort contained real promise of promoting a genuine and sustained prosperity for agriculture, few would wish to oppose it. But its chief significance, it seems to me, is that it arouses false hopes and diverts attention from what is the real heart of the problem of restoring foreign markets. The real problem is to increase foreign purchasing power for our exports by buying more goods and services from abroad and, to that end, to bring about a mutual reduction of the barriers that now impede trade. There is no short cut in this matter that will not bring us to grief. We cannot have our cake and eat it. To sell more we must buy more.

Another phase of this same general type of thinking is the notion that by resort to a policy of entering into exclusive tariff bargains with foreign countries and discriminating aggressively against all other countries we can somehow force our way back into international markets while, at the same time, permitting only slight dents to be made in our own protectionist armor.

You have recently been hearing much about this sort of thing. It is a notion held by many of the same persons who attach great faith to a general system of export subsidies. It differs from the export subsidy method chiefly in that it would substitute a blackjack for a jimmy. I shall have more to say about this method in a moment when I come to discuss the principles on which the trade-agreements program has been conducted.

The third school of thought on this question of agriculture and international trade is the school which not only holds to the view that expansion of our foreign trade is vitally important to agriculture but which sees the true implications of the problem involved in restoring trade. This school recognizes the limitations inherent in short-cut and synthetic solutions. It is thoroughly familiar with the manifold difficulties that impede rapid and spectacular progress toward the desired end. For these very reasons it concentrates all the harder on the real essentials of the problem. These essentials are, in a word, to reduce trade barriers both at home and abroad in such manner as to increase the total volume of world trade as a whole, our own included. Those who are working along this line exclude from the start the notion that the real interests of the United States will be promoted if we resort to methods which are likely to precipitate a further decline of world trade. They are more interested in bringing about a positive increase in the volume of our foreign trade than they are in merely procuring for us a larger share of a declining world trade. They reject at the outset the "dog-eat-dog" method of reviving our foreign commerce.

When the administration undertook 2 years ago to deal aggressively with the problem of foreign trade, the situation was about as bad as it could be. World trade had fallen to only about a third of its former value and to only about three-quarters of its former volume. Our own foreign trade had fared even worse, having declined, in terms of gold value, to only about one-fourth its 1929 value and to about 60 percent of its 1929 volume. The result was that even our share of the rapidly declining world trade had fallen from about 14 percent to less than 10 percent. In actual dollars and cents that means a tremendous loss. Under the cumulative impact of nationalistic policies, international trade had collapsed. Nation after nation had sought refuge during the depression in measures of economic exclusion whose inevitable effect was to intensify the malady with which all were afflicted. We had played our part by raising our tariffs higher and higher in complete disregard of our position as a creditor country and one interested also in expanding its export trade. Instead of undertaking to increase the capacity of foreign countries to pay their debts and at the same time to buy our products, we moved in precisely the opposite direction. At the same time we goaded them into adopting severe retaliatory measures against our commerce.

In setting out to reverse this tide of economic disaster we were confronted with two types of barriers abroad: First, severe restrictions maintained on imports generally by countries which have heretofore been important markets for our exports; and, second, discriminatory practices placing our commerce at a disadvantage compared with that of other countries. In short, we had to contend with the twofold problem of mitigating obstructions and of removing discriminations placed in the way of our trade. The methods which we have subsequently followed have been set forth most fully, perhaps, in the recent speech of Secretary Hull before the Twenty-fourth Annual Meeting of the United States

Chamber of Commerce. I can do no better than briefly to reiterate some of the points which he emphasized on that occasion.

First, as to reducing high trade barriers: When we embarked upon the task of scaling down these barriers there were technically two courses open to us. We could make a unilateral reduction of our tariff and hope that other countries, most of whom had recently far outstripped us in the resort to devices utterly paralyzing to international trade, would follow suit. But there was no assurance that they would do this, or do it in a way sufficiently helpful to our own trade. The other course open to us was to negotiate reciprocal agreements providing for mutual reductions of barriers, and that is the course we chose.

In June 1934 Congress enacted the Trade Agreements Act. The act authorized the President, for a period of 3 years, to enter into trade agreements and, for that purpose, to modify within strictly defined limits customs duties and other import restrictions. All of the appropriate divisions of the Government have been called upon to participate in a series of interdepartmental committees set up to carry on the enormously complex and difficult work of preparing for and assisting the negotiations. Moreover, full opportunity is given the business community and the general public to present their views, either orally or in writing, to a special interdepartmental committee established for that specific purpose, namely, the Committee for Reciprocity Information. When intention to negotiate an agreement is publicly announced, notice is given of the dates for hearings and submission of briefs, and any interested person may testify. This testimony is carefully digested, and, together with data supplied by the participating Government agencies, is constantly at the disposal of those who are in charge of the negotiations.

There is no star-chamber procedure in this matter, though there have been charges to the contrary. All interested persons have opportunity to be heard. Of course, it is impossible, in the subsequent course of events, to conduct the actual negotiations in public. The process of higgling and haggling over rates and the gradual shaping of the agreements must necessarily take place behind closed doors. But that is not greatly different from a practice which Congress itself has long found indispensable in working out the details of tariff and other legislation. I refer to the practice of entering into executive sessions. Nor is it dissimilar to procedure followed by quasi-judicial bodies such as the United States Tariff Commission, the Federal Trade Commission, and the Interstate Commerce Commission in discharging the functions entrusted to them by Congress. In this connection it is essential to bear in mind, moreover, that the powers granted in the Trade Agreements Act are strictly circumscribed by the Congress, and, further, that those conducting the negotiations are most zealous in their endeavor to administer the act cautiously, conservatively, and in strict accord with the expressed intent of Congress.

At this point I pause to interject a word concerning the attitude toward agriculture of those in charge of the negotiations. I was myself, until recently, a member of the Foreign Trade Agreements Committee, representing the Agricultural Adjustment Administration, and I am still a regular attendant at the meetings of that committee. I know whereof I speak, therefore, when I say that never, from the inception of the trade-agreements program, have I observed anything but the utmost concern on the part of those in charge to make it serve the real interests of agriculture. Such differences as may have arisen have been in matters of detail. Everyone having a responsible connection with the program has been zealous in his desire to assure that the terms of the agreements entered into with foreign countries shall be genuinely helpful to the farmers of this country. Notwithstanding criticisms of the agreements in some agricultural quarters, I believe the results of the program to date reflect this concern for agriculture.

The second problem with which we have had to deal is that of securing the removal of discriminations against our commerce. To that end the Trade Agreements Act authorizes the President to withhold from countries discriminating against our commerce the benefits of the concessions which we grant to the particular country with which we conclude an agreement. This is one of the least understood phases of the whole program. We are told by some that our concessions should not be generalized but should be made exclusively to the country with which we bargain. Such critics do not seem to realize that we grant equality of treatment only to those countries which grant it to us; that we refuse to extend it to those countries which do not. Neither do they appear to realize that if we withheld the benefit of our tariff reductions from foreign countries which treat us fairly those countries would be impelled to discriminate against our trade. Those who would have us depart from this policy of reciprocal fair treatment and enter upon exclusive bargaining, and hence a resort to a discriminatory policy, are deluding themselves.

Quite apart from the fact that we have no legal authority to proceed in that manner, it cannot be too greatly emphasized that we ought not to do so even if we could. Nothing could be better calculated to bring us to grief. I know of no surer way of expediting the contraction of world trade which has already brought us to the present pass. Every exclusive concession which we granted would be a discrimination against every other nation and an invitation to retaliation and counterdiscrimination. We would be giving countenance to a system which, when applied by other countries in their agreements with third countries, would all too often result in permanent discriminations against our commerce. There is no reason to suppose that we could always be first on the scene to get exclusive concessions for our products. Quite as often we might find our products already subject to handicaps arising from prior concessions granted exclusively to some other country.

There is simply no end of confusion to that process. It means discrimination, counterdiscrimination, instability, chaos. Its method is the predatory one of mutual destruction. It is the way that many other nations, harder pressed than we, have recently been following to their own sorrow. It is the most virulent phase of the disease which has already played havoc with world trade. It is precisely to check this disease and to get us back on the road to expansion of trade that we have instead followed the policy of equality of treatment.

I turn now to the record of what has been accomplished. Agreements have been concluded with 14 countries—Cuba, Belgium, Haiti, Sweden, Brazil, Canada, Netherlands, Switzerland, Colombia, Honduras, Guatemala, Nicaragua, and within the past month, France and Finland. With several other countries negotiations are in progress. It is impossible, in the time at my disposal, to enumerate individually the multitude of concessions that have been obtained for our commerce. They affect literally hundreds of commodities, both industrial and agricultural. To take but a single instance, Canada: Between 1929 and 1934 our exports to Canada, based on our own official figures, had dropped from approximately $900,000,000 to a little over $300,000,000. Under the trade agreement Canada granted us duty reductions on products of which her imports from the United States amounted to $419,000,000 in the Canadian fiscal year ended March 31, 1930, and $106,000,000 in the year ended March 31, 1935. If we recover even a substantial share of this lost trade, think what that will mean.

We are constantly pressed for figures to show the beneficial effects of the program thus far on our export trade. Actually, none of the agreements, except the Cuban, has been in effect long enough to enable us to judge fairly of their ultimate effects. Nevertheless, we do already have gratifying evidences of trade expansion. Our total exports to Cuba were almost two and one-half times in 1935 what they were in 1933. Our agricultural exports to Cuba likewise more than doubled. Our exports to Belgium increased by $12,000,000 during the first 11 months under the Belgian agreement, as compared with the same months of the previous year. Our exports to Sweden increased by over $3,000,000 during the first 8 months. Canadian imports from the United States increased during the first 3 months of the agreement by 9.2 percent, compared with the same months of last year, but the items on which we received concessions increased by 24.1 percent. Large increases are also recorded for Brazil.

In the agricultural group increases are recorded in many directions. Fruits and vegetables, pork products and lard, cereals, and grain products. These and other products show encouraging increases of shipments to the agreement countries. Pork products may be cited by way of detailed illustration. During the first 3 months of 1936 our exports to Canada of hams and shoulders increased over 30 times, of other pork, pickled or salted, about two and one-half times, as compared to the same period of 1935. Lard exports to Canada increased by one-half. In contrast, however, total exports of these various pork products actually declined during the first 3 months of 1936, as compared with the same period of 1935. In the first year of trade under the agreement with Cuba, as compared to the year preceding, our exports of hams and shoulders, bacon, and lard practically doubled, while exports to other countries were declining. Concessions on pork products have likewise been obtained from Belgium, Colombia, Honduras, Guatemala, and Haiti.

Such are a few of the concrete evidences of what has happened to date. Even without definite statistics, however, there are some things of which we can be certain. We know that these agreements, as soon as they go into effect, greatly reduce the tax and other burdens levied upon a large segment of our trade with the signing countries. We know, moreover, that eventually, and insofar as other factors permit, this reduction of barriers cannot but result in an extension of trade, not only between the United States and the contracting countries but among all countries who fall within the scope of most-favored-nation treatment. It should require no last-minute statistics to enable any intelligent person to understand that.

In order to obtain trade concessions we have had to grant concessions in return. In so doing we have exercised the utmost care to insure that no serious damage is inflicted upon established American industries. That, however, has not prevented criticism. Some have accused us of conducting the program largely for the benefit of agriculture and at the expense of deserving American industries dependent upon continuance of high-tariff protection. Others say that we have not done enough for agriculture, or have even sacrificed some branches of it. Actually, of course, we have sought unremittingly to negotiate agreements helpful to both industry and agriculture.

At this point I desire to give particular mention to one phase of the opposition which it is sought to stir up against the program. I refer to the efforts to turn farmers against the program by citing the increases that occurred in agricultural imports in 1935. By a sort of insidious inference, it is sought to create the impression that these imports in 1935 were not only due in large measure to the trade-agreements program but that they will continue, and even expand, to the great peril of agriculture unless the program is abandoned.

The truth is, however, that the whole situation in 1935 was abnormal and that the trade-agreements program had almost nothing to do with the case. There was, to be sure, a large increase in agricultural imports in 1935. From $858,511,000 in 1934 they

increased to $1,105,761,000 in 1935. That is an increase of some $247,000,000. Such figures sound alarming, and they have been bandied about in the farming regions until they are beginning to wear threadbare. When you come to look into them, however, their greatly magnified significance collapses.

What are the facts? In the main they are very simple. In 1934, some of you may recall, we had the most devastating drought in our entire history, one such as we are not likely to have again for another hundred years. The result was a reduction of some 50,000,000 tons, or about half, in our total feed supply. The corn crop alone was reduced by a billion bushels. Thousands of head of livestock were shipped to the slaughterhouses to escape starvation. Prices of feedstuffs rose to the point where imports began entering over the tariff. Though the drought was in 1934, its effects on domestic supplies and imports fell mainly in the calendar year 1935. Hence it is the 1935 import figures which reflect the increases in shipments coming in to eke out domestic shortages. Considering how badly imports of feedstuffs were needed by farmers themselves, it is really astonishing that the quantities brought in amounted finally to only about 7 percent of the drought reduction. The new 1935 crops greatly eased the situation, but they did not become available until nearly the end of the year. Generally speaking, imports of feedstuffs fell abruptly or ceased as soon as the new crops became available. Imports of livestock have declined less because it takes longer to restore livestock numbers.

Now when you come to look at that $247,000,000 increase in imports that we have been hearing so much about, what do you find? You find that some $75,000,000 of this increase was in wholly noncompetitive products entering this country free of duty, such as coffee, rubber, bananas, and so forth. That leaves $172,000,000. Of this $172,000,000, less than $29,000,000 is accounted for by items on which we reduced duties prior to the end of 1935. Moreover, most of this $29,000,000 is accounted for by sugar, imports of which were subject to quota under control legislation adopted in the interest of domestic sugar industry. The remainder of the $172,000,000 is accounted for almost entirely by the drought, and the current import figures indicate that the effects of the drought are rapidly receding except in the case of livestock. In a nutshell, the increased agricultural imports in 1935 were due primarily to the drought, secondarily to economic recovery which led to increased imports of noncompetitive raw materials and foodstuffs, and scarcely at all to trade agreements.

Nor have trade agreements played an important part in the agricultural import situation in 1936. Some few additional tariff reductions on agricultural products have gone into effect since the first of the year, notably in the Canadian agreement, and imports of some items have increased somewhat. But the amounts coming in have not been such as to have any appreciable effect on domestic prices, or to change materially the total picture. The efforts being made to create a public impression to the contrary simply do not square with the facts.

I have recently had occasion, for example, to look very closely into the situation with respect to two items on which considerable agitation has been aroused, namely, cattle and cheese. I find no evidence at all to support the claims that the recession in prices of these commodities in recent months is due to tariff concessions made in trade agreements. While the facts with respect to these two commodities differ in detail, the main burden of the evidence in both cases is the same. What has happened is that supplies greatly in excess of last year's have been coming into the market from domestic sources; and while there have also been increases in imports, they have been trivial by comparison and insufficient by themselves to have any appreciable effect on domestic prices.

With respect to cattle the sharpest recession has been in prices of fed cattle. The major causes of this recession have been two: First, the very large increase over last year in the number of steers in the cattle slaughter supply; and second, the great increase over last year in the pork supply. As to cattle supplies, what happened was that, after a year of short feed supplies resulting from the 1934 drought, during which time prices of steers rose to a high level and those finishers fortunate enough to possess feed made large profit margins, cattle finishers went in for feeding in a big way last fall and planned their 1936 operations with a view to selling their finished animals early rather than holding them for the late summer and fall markets. We have lately been witnessing the results. In February the number of steers in federally inspected slaughter was 36 percent greater than in February 1935; in March, 28 percent greater than a year ago; in April, 42 percent greater—the largest steer slaughter for April since records thereof began to be available in 1921. This has resulted in an exaggeration of the normal seasonal downward trend of steer prices, all of which was forecast by the Department of Agriculture as early as last fall.

As stated, increased pork supplies have also been a factor. In 1935 supplies of pork were the smallest in 25 years, and there was much substitution of low-grade beef for pork in sausage manufacture. But in March and April of this year hog slaughter was far in excess of a year ago. The increase in total meat supplies during the first 4 months of 1936 over a year ago amounted to about 16 percent.

It is these factors, and not the limited and carefully safeguarded reduction of the cattle duty in the Canadian trade agreement, which explain the recent decline of prices from the abnormally high level attained in 1935 following the 1934 drought. Actually the tariff reduction on cattle, applying only to animals weighing over 700 pounds, was limited to a number equivalent to but three-fourths of 1 percent of our average annual slaughter, or about 156,000 head, and even on these the reduced rate remains higher, for most animals, than it was under the highly protective Fordney-McCumber Tariff Act of 1922. To suppose that this slight tariff concession to Canada has had any appreciable effect on cattle prices in the United States requires a great strain on the imagination.

I am not unaware of the contention that has been made that imports at the reduced rates have shown a tendency to be concentrated in the earlier months of this year instead of following a normal seasonal distribution, and that for this reason they have had considerable effect on prices. But again, I find little evidence to support this notion. Even in April, when the number of animals coming in reached the highest point, the total imports of all kinds of cattle, those on which the duty was not reduced, as well as those on which it was, amounted to no more than perhaps 4 or 5 percent of our total slaughter. Since many of these imported animals did not go to slaughter, the number actually entering into slaughter was perhaps no more than 3 percent of total slaughter and the number on which the duty was reduced perhaps no more than 2 percent. If there had been no imports at all, federally inspected slaughter in April would still have been almost 20 percent greater than in April 1935. Moreover, there is good reason to believe that the imports would have been practically as large even if there had been no reduction whatever in the duty.

The story with respect to cheese runs in somewhat the same terms, but time does not permit me to go into it so fully. Between June and December 1935 prices of Cheddar on the Wisconsin Exchange rose from 12 to 17 cents a pound. Thereafter they began a decline which brought them to around 13 cents a pound in April and May of this year. Because the duty on Cheddar was reduced somewhat beginning January 1 of the present year, it has been convenient to attribute the decline in price to the reduction in the duty. But the facts do not bear this out. Imports did, to be sure, increase during the first quarter of 1936. But even so, they were equivalent to but 2.2 percent of domestic cheese production. Meanwhile, there was an increase in domestic production such that stocks on May 1 were running about 20 percent in excess of what they were a year ago and about 27 percent in excess of the 5-year average.

Thus, analysis of the factors influencing price trends in the case of both cattle and cheese shows that the tariff has had practically nothing to do with the case. It is a natural temptation for those who have been opposing these duty reductions to seize upon the coincidence, in time, of duty reductions and declining prices to argue that one caused the other. But when you actually examine the facts, the evidence is overwhelming against any such conclusion. To argue that such slight additions to our total supplies of these particular commodities as have resulted from imports are a matter of serious significance to the industries affected is like straining at a gnat. It makes clear one thing, at least, and that is that not all of the gnat catchers and butterfly chasers in this country are college professors.

Those who do not wish this country to tolerate even the slightest degree of competition from imports of any agricultural product that can be grown at all in the United States should pause to consider the costs of such a policy. What do they expect to accomplish thereby? Do they really wish to return to the state of affairs that prevailed under the Hawley-Smoot tariff regime? If so, perhaps our cheese producers will be content to receive the 8 or 9 cents a pound for Cheddar to which the price fell during the depression, at a time when imports were reduced by our tariff to a driblet too small to be seen with the naked eye. By the same token our cheese producers will, of course, look askance at the 14 cents a pound which they are getting today (quotation for the week beginning June 5, 1936), their spirits completely crushed by contemplation of the fact that a little Canadian Cheddar is getting into the country. Or it may be that the cattlemen will prefer the $4.80 a hundred pounds which they were getting for good grade beef steers in Chicago in February 1933, at a time when imports were almost completely shut out, to the $8 or $9 a hundred which they have been getting during the past 2 months.

If the exclusion of even the smallest trace of imports is so vital to these and other branches of domestic agriculture, why was it that prices sank so low during the heyday of the prohibitive Hawley-Smoot tariff regime?

The answer is plain. The prosperity of such industries does not hinge upon the question of whether imports amounting only to a trivial fraction of our total production are admitted into this country or whether they are excluded. The adverse influence upon domestic prices of such trifling additions to our total supplies arising from imports is as nothing compared with the favorable influence on prices of a return of prosperity and the inevitable rise of domestic purchasing power which will result. It is precisely in order to restore trade and thus to revive industry and employment that we are engaged upon the trade-agreements program. In the Canadian agreement and in every other agreement that has been signed the greatest care has been exercised to assure that no reasonably efficient and well-established American industry shall be injured. Our primary concern is the restoration of trade, economic activity, and employment. As fast as we attain these objectives, industries such as the cattle industry and the dairy industry will be large gainers, irrespective of any tariff cut which

allows a slight addition to our total supplies from increased imports. To fasten attention exclusively on one factor in the situation and lose sight of all the others is to fail to perceive the real interests of these industries themselves.

The unvarnished truth concerning this whole agricultural import matter is that the bulk of the agricultural products which can be produced in this country at less than a prohibitive cost have long since been barred out of our markets by high tariffs. Well over half of our agriculture imports normally is comprised of products like rubber and coffee that cannot by the remotest stretch of the imagination be called competitive. Most of the remainder consists either of products such as sugar and flaxseed, of which we do not produce enough for our needs, notwithstanding the high duties we impose on them, or else of products imported because of special considerations of quality or because of seasonal or other special factors.

The farmers of this country have long had almost complete possession of the domestic market for those agricultural products which could be grown in this country in sufficient quantities and without too great a cost. No one, so far as I know, seriously proposes that it should be otherwise. We could, however, go further and undertake to produce every dollar's worth of imported agricultural products or substitutes for them that can be grown at any cost in this country. That is what some would have us do. But such action would certainly not solve the farm problem. It would instead aggravate it. We would still have a vast farming area—probably 30,000,000 to 40,000,000 acres—geared to producing for export. Either we must find outlets for these surplus acres or produce less. That explains why the trade-agreements program, far from being a threat to agriculture, is so emphatically calculated to promote its real interests. And that is why we are counting on the farmers of this country, for their own sake as well as for the sake of the country as a whole, to stand stanchly behind this trade-agreements program while we tread our way cautiously but resolutely along the difficult road that leads toward a restoration of economic health for the entire country.

HON. BENTON FREMONT

Mr. HAYDEN. Mr. President, under leave to print granted me on June 18, I desire to insert in the RECORD the following interesting correspondence between Judge Francis Carr, of Redding, Calif., and Hon. BENNETT CHAMP CLARK, United States Senator from Missouri, as follows:

REDDING, CALIF., *June 20, 1936.*

Hon. BENNETT CHAMP CLARK,
United States Senate, Washington, D. C.

DEAR SENATOR CLARK: Knowing your interest in matters of general political concern, I am sending you herewith a clipping announcing the candidacy for Congress, in the Second California District, of Benton Fremont, distinguished scion of your own illustrious predecessor in the United States Senate, Thomas Hart Benton.

Mr. Fremont has always indicated a very lively interest in political matters and has won for himself a reputation for integrity and devotion to the public welfare. He is coming to Washington on his way back from the Philadelphia convention, and I should like very much to have you meet him.

With kind regards, believe me,

Sincerely yours,

FRANCIS CARR.

[From the Red Bluff (Calif.) News]

BENTON FREMONT FILES FOR CONGRESS

Benton Fremont, grandson of Gen. John Charles Fremont, "the pathfinder", and one of the California delegates personally selected by President Roosevelt to attend the recent Democratic convention, has filed as the Democratic candidate to Congress from the Second District of California.

The Second District is virtually an empire in itself, nearly 1,000 miles long, covering one-third the area of California, and including in its boundaries vast mining, timber, and water projects and the historic mother lode, source of the great gold saga.

Romantic western history is revived by Fremont's announcement. Service to California has been a trust in the Fremont family since General Fremont first led his ragged, half-starved band of adventurers over the wilderness trails and brought Spanish territory into the United States Union.

This historic venture was backed by the faith in California of another great American, Thomas Hart Benton, for 30 years Democratic Senator from Missouri, intimate friend and adviser of President Jackson. Senator Benton's treatise on senatorial practice is still the accepted guide in the Capitol.

General Fremont married Senator Benton's daughter, Jessie—their grandson, Benton Fremont, bears their joint names. The dominant desire of Senator Benton's life was to see rail transportation established on the wilderness trails which Fremont had blazed. Benton risked his fortune, as Fremont risked his life, that California might become part of America. Their descendant has carried on the tradition they set.

Benton Fremont is a construction engineer by profession, but behind all his commercial work there has been a lifelong training for the office to which he now aspires. During the war he handled munitions contracts in Washington, thus laying the foundation for the strong friendships he now enjoys with national leaders. As a final preparation for a congressional seat, he has ranched for the last 6 years in Sonora, Tuolumne County, familiarizing himself with the Second District's particular problems, giving generously of his private funds and political influence to help his neighbors.

When not in Sonora, Fremont spends his time in Washington, and also keeps in further touch with California affairs through his San Francisco residence, where his young son, John Charles Fremont, IV, is being educated for part of the year.

The home, Fremont Acres, which Mr. and Mrs. Fremont have built 8 miles outside Sonora, is famous for its beauty and hospitality—a typical California home of the good old days.

UNITED STATES SENATE,
Washington, D. C., July 6, 1936.

Hon. FRANCIS CARR,
Redding, Calif.

MY DEAR JUDGE CARR: Thanks, indeed, for your letter of June 20. I appreciate your kindness in writing me, and have had a great deal of pleasure in meeting Mr. Benton Fremont, who will be a candidate for Congress from the Second California District.

I was very happy to meet Mr. Fremont, not only for the sake of his pleasing personality but because both of the names which he bears are rooted very deeply in the history and affections of the people of Missouri. Colonel Thomas Hart Benton was one of the first two Senators from Missouri and is universally established as the greatest of the long line of distinguished men who have followed him, representing Missouri in the Senate. I am personally very proud of the honor of being one of the least of those who followed the great Benton in the public life of Missouri.

It is not too much to say that Senator Benton gave the explicit character to the Jackson administration almost as much as did the immortal Jackson himself.

After serving Missouri faithfully in the Senate for 30 years, Benton courageously went to his political death for the principle of saving Missouri to the Union. After his death his spirit marched on and held the State of his adoption to the side of the Union in the War between the States, which was probably determinative in that struggle. If Missouri had seceded, it is almost certain that Kentucky would have seceded and that Tennessee would have been united in support of the Confederacy. The spirit of Benton marching on after his death saved Missouri to the Union and prevented, in my judgment, the loss of Kentucky and all of Tennessee. While Benton was defeated for reelection to the Senate after 30 years' service, yet years later, when the State of Missouri had the privilege of selecting the two greatest men to be placed in the Hall of Fame in the Capitol of Washington, the Legislature of Missouri, without a dissenting vote, selected Thomas Hart Benton as the first to be placed in that chamber of immortals.

Colonel Benton is enshrined in the hearts of the people of Missouri and of the Nation as one of the very greatest men who ever sat in the Senate of the United States.

I think it is deeply significant to have Mr. Fremont, the grandson of General Fremont, active this year in the cause of the Democratic Party in California. General Fremont, the son-in-law of Senator Benton and the husband of the Senator's favorite child, was a gallant and romantic figure in American history. He was the first nominee of the Republican Party for the Presidency of the United States. I like to think that if General Fremont were alive today that he, like Senator Benton, would be on the firing line for the Democratic Party in this election as they always were in their own lifetime for liberal principles and human rights. It is significant, indeed, that a man who bears in his veins the blood of Benton, who was the father and champion of the opening up of the West, and of General Fremont, the romantic explorer who did so much to open up the westward development and settlement, should in this year be representing California and crusading for the Democratic ticket for the principles of which his great forebears always stood.

I am certain that if Mr. Fremont puts the question of his candidacy properly before the people he will find a measure of acceptance that will be surprising. He will, no doubt, point out the value to his constituency of representation in Congress that is sympathetic to the human aims and purposes of the Roosevelt administration. Let us all remember the words of Benjamin Franklin, which I believe so aptly epitomizes the desire and efforts of President Roosevelt during the past 3 years:

"The man who does things makes many mistakes, but he never makes the biggest mistake of all—doing nothing."

There, I believe, is at once the creed and the justification for another 4 years for President Franklin D. Roosevelt.

Sincerely and cordially yours,

BENNETT CHAMP CLARK.

EDUCATION—WHAT THE NATIONAL ADMINISTRATION HAS DONE FOR SCHOOLS

Mr. HAYDEN. Mr. President, under leave to print granted me on June 18, I desire to insert in the RECORD the following statement on the subject Education—What the National Administration Has Done for Schools, prepared by the Educational Division of the Good Neighbor League:

From the beginning of this Nation it was recognized that one of the most important bases, if not the most important, for the perpetuation of a democratic government is an informed and intelligent electorate. Hence, the original States and every new State that was admitted into the Union made it an early and chief concern to establish a free public-school system.

So vital was education regarded in a scheme of self-government that the little red schoolhouse, as it multiplied throughout the

country, came to be looked upon as a symbol of liberty and enlightened institutions. It was a point about which all political factions could rally, and it became an inevitable ornament of all patriotic oratory. Even after the great migration of population to the cities had diminished its numbers, it persisted as a phrase by which its larger successors and the general idea of education might be fittingly characterized.

But the economic depression which struck the country at the end of the last decade was no respecter of persons or institutions. It hit the just and the unjust, the worthy as well as the worthless, and the school system suffered a blow which but for the intervention of the Federal Government through the Roosevelt administration might have seriously crippled it for years to come. Unable to collect taxes due, States, counties, and municipalities all over the Nation had to retrench even in the case of this valued activity. In most of the States it was the last economy to be put into effect, but, even so, necessity in many situations forced the closing of schools, the discharge of teachers, and default on salaries where teachers were not dismissed.

Paralysis of this keystone of the social structure was thus threatened at the very time when it was most necessary that it should function at its best. Already, before retrenchment became inevitable, school facilities had not been adequate to take care of all the children and youth, and extensions were being planned. In 1925 there had been spent on public elementary and secondary school construction $433,000,000, but because of the business depression this had declined to only about $211,000,000 in 1932.

The response of the Roosevelt administration to the economic crisis as affecting education has been not only to save the public-school system from threatened impairment but to enlarge its facilities and extend its operations; to revive the spirits of the workless by giving them instruction; to comfort discouraged unemployed parents through bringing their small children into clean and wholesome surroundings; to enable young men and women to begin or continue their education instead of being turned back to swell the multitude of idle; and by all these things to preserve the processes for making good citizens and to drive out despair with hope.

Put down a red dot at every spot in the United States where the emergency agencies have repaired or built a school; where they have kept a school from being closed; where they have paid teachers; where classes for adult education have been carried on; where nursery schools have been set up; where college students have been helped to go on with their studies—do this and the map of the United States will have the appearance of a spreading fruit tree in full bloom.

The administration early took hold of the threat of educational chaos and, through the Public Works Administration, the Federal Emergency Relief Administration, the Civil Works Administration, and other agencies, began to supply the assistance required to prevent the impairment and breaking down of the public-school systems in the various States and Territories. The P. W. A. provided funds by loans and grants for the building of schoolhouses; F. E. R. A. provided funds for the continuation of rural schools and through its emergency-education program for adult education, nursery schools, and aid to college students; and C. W. A., during its existence, assisted in the building, repairing, or improvement of school buildings.

Under the C. W. A. and F. E. R. A. one school building in every five in the whole United States was improved in some way. Fifty thousand schools were involved at a total cost of about $50,000,000. The educational programs of F. E. R. A. are now being carried on under the Works Progress Administration.

The contribution of the Public Works Administration to the rescue of the public schools has been in the way of making outright grants, loans and grants, or loans only, for construction of buildings. As of February 29, 1936, assistance of one or another of these three kinds has been given to 2,813 public schools situated in 48 States and 2 Territories. The loans and grants for all educational buildings amounted to $284,000,000, and the total estimated cost of the buildings is $466,000,000, leaving $182,000,000 to be provided by the States. Besides the public schools loans and grants were made to 219 colleges and universities, 35 libraries, and 21 other educational institutions.

Every section of the country was affected by these P. W. A. allotments, which ranged in size from a grant of $600 for a one-story frame building in Edom, Tex., to loan and grant of $8,285,000 to Los Angeles for repairs, replacements, and reconstruction of 130 school plants. A grant of $1,326,000 enabled Chicago, whose school funds had been exhausted, to resume work on five unfinished high-school buildings. Kansas City, Mo., and Kansas City, Kans., have received together $1,057,000 in grants toward the completion of school buildings to cost $2,900,000. What is almost an original little red schoolhouse, a building which has been in use for 150 years at Lyme, Conn., is to be replaced by a new structure as the result of a P. W. A. allotment. Schools are under construction in Alaska and Hawaii.

More than half of the public-school construction being carried on in the United States today is being financed through the P. W. A., the expenditures not only affording employment to thousands of workmen, making a market for building materials but also adding millions of dollars to capital investment. In the end much of the $284,000,000 advanced, that part represented by loans, will come back to the Federal Government.

In addition to aiding in the construction of schools the Federal Government is assisting in financing those already built. By a recent act of Congress the Reconstruction Finance Corporation is authorized to do this to the extent of $10,000,000. Up to the first of March 1935 this had been taken advantage of by six school districts to the extent of approximately $500,000.

The R. F. C. also made a loan to the city of Chicago of $22,300,000 for the payment of teachers' back salaries, but through Chicago businessmen taking up the loan this was paid back within a few weeks.

In the fall of 1933 the situation of many of the rural schools throughout the country was critical. In hundreds of cases school districts had exhausted all available financial resources and all their credit and were faced with the necessity of closing and turning both pupils and teachers out. Cognizance was at once taken of this development by the Federal Relief Administration in its educational program, and separate grants of money were made to 33 States during the spring of 1934 for the purpose of carrying on schools in rural districts and in towns of under 5,000 inhabitants.

Toward the end of 1934 the need for this kind of aid was broadened because of the severe drought in certain States which had put the schools in such a plight that they could not keep going without outside help. Grants made by the Federal Emergency Relief Administration for the purpose of keeping rural schools open amounted to $14,878,385 for the school year 1933–34 and $6,922,537 for the school year 1934–35, or a total of $21,800,922.

Thus, a total of more than $350,000,000 of emergency relief funds were allotted through P. W. A., F. E. R. A., and C. W. A. to assist the public schools to weather the economic storm. But preservation of this traditional foundation of good citizenship and democratic institutions was not the only problem in education which the crisis thrust upon those in authority for solution. Loss of income through unemployment was bad enough in its effect on the health and comfort of millions, but the psychological influence of long-continued idleness was even more baleful. The latter affected not only responsible heads of families whose livelihood had been lost but also millions of youths recently graduated from high school and college whose expectation of finding gainful occupations had been disappointed and other thousands whose intention to go to high school or college had been frustrated.

All these classes, as day after day and week after week went by without their being able to recover their position in life or gain a start in it, were likely to become oppressed with a sense of futility. If utter discouragement seized upon so large a mass of people the social consequences would be incalculably harmful. The young particularly, becoming bored with nothing to do and hopeless of the future, would leave home in search of something better, or at least different, and thus cut loose from a stable anchorage be transformed into vagrants and perhaps criminals. Such a development was indeed pretty well advanced in the early days of the depression.

The administration early set about the correction of this menacing situation. The Civilian Conservation camps were organized to take care of young men who were jobless and likely to become wanderers, and then under the Federal Emergency Relief Administration, later to be the Works Progress Administration, a comprehensive emergency education program was organized to provide for those whose needs were not met by the public schools. This embraced adult education for unemployed and other adults with the purpose of giving them additional practical training and to keep up their morale; literacy classes to teach adults to read and write English with understanding; vocational training for adults; vocational rehabilitation to help those who are crippled or otherwise physically handicapped to become self-supporting; nursery schools to care for under-school-age children of unemployed parents; and funds for part-time jobs for needy students who would otherwise be compelled to give up their studies. The student-aid feature was later transferred to the National Youth Administration.

In the field of adult education 1,650,000 were enrolled in classes and 500,000 have been taught to read and write. Professional teachers selected from those unemployed taught the classes so that a twofold benefit of work relief and education ensued. The operation also revived the spirits and gave new courage to both the teachers and to the pupils who ranged in age from 16 to 82. Thousands of letters of appreciation have been sent by those who received instruction to the F. E. R. A. and many have been addressed to the President himself. One aged woman, who before receiving this instruction had never been able to read and to whom the world of the printed word had been closed, penned a short message, saying simply, "Thank you for curing me of my blindness." One of the greatest joys which came to fathers and mothers among the adults who learned to read and write was that of now being able to communicate with their children who were away from home and to read their letters without having to call in someone from outside.

The need for literacy instruction is strikingly indicated by the census of 1930, which revealed that 4.3 percent of the population of the United States, or 4,283,753 persons over the age of 10 years, are unable to read or write in any language. It is estimated that 8,000,000 more are unable to read or write well enough to understand or make themselves understood clearly.

In nursery schools during 1934 and 1935, 60,000 children between the ages of 2 and 4 years were given healthful surroundings and hygienic attention. The schools were established for the most part in industrial cities, mining districts, subsistence homesteads, and family transient centers. From October 1933 to October 1935 the amount spent on adult education and nursery schools was $32,922,259.

The student-aid program to provide funds for part-time jobs for students working their way through college was begun in February 1934 and has now been spread over 1,602 colleges in 48 States, giving assistance to 104,501 students. During the first year it aided 94,331 students in 1,466 colleges representing every State in the Union. Funds for the program were allotted to each State upon application by the State relief administration, each State being entitled to Federal aid for 12 percent of the total enrollment in its colleges as of a certain date at the rate of $15 per month for each student. The allowance to students is not a gift but is in return for work performed either for the institution they are attending or off the campus in the community where it is situated. Since the total number of institutions of higher learning in the United States is 1,649 the 1,602 colleges where student-aid was being given at the close of 1935 means that there is almost unanimity in acceptance of the program.

In addition to the aid thus given to undergraduates, funds have been provided for graduates taking a postgraduate course for master's or doctor's degrees. At the end of December last year 118,889 students in 1,600 colleges and universities in 48 States were receiving assistance to continue their studies, 4,781 postgraduate students in as many institutions were being aided to study for degrees and 166,347 high-school students were enabled to remain in school. The total of needy students who were thus kept from having to abridge or abandon their education was at that date 290,017. From October 1933 to March 1935 expenditures on student aid have amounted to $11,842,130.

Summarized, here is what the national administration has done for schools and education:

Fifty thousand school buildings, or one in every five in the United States, repaired or improved in some way under Federal Emergency Relief or Civil Works Administrations.

Two thousand eight hundred and thirteen public schools in 48 States built, added to, or repaired with assistance from Public Works Administration to the amount, as of March 21, 1935, of $284,000,000.

Public Works Administration assistance given to 219 colleges and universities, 35 libraries, and 21 other educational institutions.

More than half of the public-school construction in the United States being financed through P. W. A.

Rural schools in 33 States enabled to keep going by grants from Federal Emergency Relief Administration funds.

Five hundred thousand illiterate adults taught to read and write as result of adult educational program.

Sixty thousand needy children under school age cared for in nursery schools.

Two hundred and ninety thousand high-school, college, and graduate students helped to continue their studies.

WHITMAN CENTENNIAL

Mr. HAYDEN. Mr. President, under leave to print granted me on June 18, I desire to insert in the RECORD the following statement by Senator LEWIS B. SCHWELLENBACH relative to the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission, together with a letter addressed to Senator SCHWELLENBACH by the President of the United States:

THE WHITE HOUSE,
Washington, July 7, 1936.

Hon. LEWIS B. SCHWELLENBACH,
United States Senate, Washington, D. C.

DEAR SENATOR SCHWELLENBACH: Please accept my thanks for your courtesy in sending me a certificate of membership in the Whitman Centennial, Inc. But for the labors of Marcus Whitman and his associates the history of our great Northwest might have been written in entirely different terms. The work which Whitman did in establishing the mission at Waiilatpu contributed not a little to the permanent development for the United States of the old Oregon Territory.

I send hearty felicitations to all who participate in the centennial celebration.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

Mr. PRESIDENT: The establishment of the Waiilatpu Mission, near what is now Walla Walla, Wash., in 1836, by Dr. Marcus Whitman, brought the first white women from the United States into the Northwest.

In 1836 Marcus Whitman, young physician from Wheeler, N. Y., and the Reverend Samuel Parker were sent by the American Board of Commissioners for Foreign Missions to the Northwest to investigate the number of Indians and the advisability of establishing missions among them. Together they went to Green River, Wyo. Here they attended a gathering of Indians, among which there were many from Oregon, and it was decided that Dr. Whitman should return East to form a missionary party to work among the Indians in the far West.

Dr. Whitman and Rev. S. Parker were not the first missionaries in the Northwest. Catholic teaching had been carried on from Hudson Bay posts long before that time, and the Methodist missionary, Jason Lee, and party, had reached the Oregon country, locating near the present site of Salem, Ore., in 1834.

But Dr. Whitman, in organizing his missionary party looked to the establishment of American homes in the West. On February 18, 1836, Marcus Whitman married Narcissa Prentiss at Angelica, N. Y., and on March 3 they started on their wedding trip across the continent in company with the Reverend and Mrs. H. H. Spalding and William H. Gray. The Spaldings had been married in 1833.

Both Mrs. Whitman and Mrs. Spalding were women of refinement. Mrs. Whitman had studied at Miss Willard's School for Girls at Troy, N. Y., and was a teacher. She was 28 years old. Mrs. Spalding, 29, had studied with her husband at Lane Theological Seminary, where she had won commendation.

Dr. Whitman, first medical missionary to the Northwest, was a graduate of the College of Physicians and Surgeons of the Western District of New York at Fairfield. He was 34 years old, 5 feet 11 inches tall, and of unusually vigorous type, according to descriptions. Rev. H. H. Spalding, 33, was a graduate of Western Reserve College at Hudson, Ohio, and had studied at Lane Seminary in Cincinnati.

Mrs. Whitman and Mrs. Spalding were the first white women to make the trip overland across the continent, to establish homes with their husbands, thus marking a new epoch in western development.

The overland journey required 6 months, mainly on horseback, their food much of the time being buffalo meat, fish, and wild berries, supplemented by milk from the cows which they had brought with them. Details of this journey are vividly described in a diary kept by Mrs. Whitman, which is now carefully preserved in the Whitman college library at Walla Walla, Wash.

As the group approached the Hudson's Bay Co. fort on the Columbia River, Fort Walla Walla, on September 1, 1836, they were delighted with the gardens and appearances of civilization and spontaneously burst into a gallop, according to the diary. They were welcomed at the fort and extended every courtesy during a several days' stay, after which they journeyed on to Vancouver to decide upon permanent locations. After conference with Dr. John McLaughlin, famous factor of the Hudson's Bay Co. at Vancouver, Dr. Spalding determined to go among the Nez Perce Indians and establish a mission along the Clearwater River at Lapwai. Dr. Whitman chose to work among the Cayouse and Walla Walla Indians, establishing the mission Waiilatpu, the place of the rye grass. It was located at the junction of a creek, later named Mill Creek because of the sawmill which Dr. Whitman built in the mountains 18 miles above the mission and the Walla Walla River, 25 miles from Fort Walla Walla. It may be said that the Cayouse Indians were known to be more treacherous than the Nez Perce Indians and Dr. Whitman was warned of this by Dr. McLaughlin before he began his work among them.

Returning to his mission site, Dr. Whitman entered with vigor upon the task of building a crude cabin of cottonwood logs wherein he and Mrs. Whitman began housekeeping on December 12, 1836. About the same time the Spaldings occupied an equally crude log house, but these homes marked the real beginning of American civilization on the Pacific coast.

Dr. Whitman then turned his attention to making his mission self-supporting insofar as possible, and in addition to teaching the Indians, in which Mrs. Whitman assisted, he developed the establishment by construction of the sawmill up Mill Creek, a grist mill, blacksmith, school building, and also developed about 200 acres of land, part of which was planted to orchard.

In the little log home on March 14, 1837, the first American child of white parentage was born to Dr. and Mrs. Whitman, Alice Clarissa. When she was but slightly more than 2 years old she fell into the swift stream flowing close to their cabin and was drowned.

WHITMAN'S RIDE ACROSS THE CONTINENT IN 1842 MADE THE UNITED STATES OREGON CONSCIOUS

In 1837 William Gray returned east for additional workers and brought west with him a bride and three other workers who went into other fields in the Oregon country.

While the Waiilatpu Mission grew and developed, work among the Cayouse Indians was difficult. They were resentful of the coming of the white men. Differences of opinion arose as to the best method of conducting work at the missions, and as a result, in February 1842, the prudential committee of the American board ordered the work at Waiilatpu discontinued, transferring Dr. Whitman to another location. This word was received by Dr. Whitman on September 1, 1842, but before this time action by the committee had been rescinded, a decision having been reached that the mission must be maintained not only because of its work among the Indians but because of its strategic location on the immigration route from the east.

Dr. Whitman, however, not knowing of the later action, determined to go east, and on October 3, 1842, left the mission station for a winter journey across the Rocky Mountains which the bravest would hesitate to undertake.

Historians disagree as to the purposes of his eastern trip, but it is not necessary to side with either group. Some claim that his main purpose was to save the Oregon country to the United States; others maintain that his sole purpose was selfish in that it was merely to save his mission.

The Oregon country at that time was jointly occupied by the United States and Great Britain. The treaty of joint occupancy was adopted by the nations in 1818, renewed in 1828 and again in 1838, with no prospect of immediate determination of ownership. People of both nations were free to do business and settle in the country, with the understanding that when the treaty eventually expired the country should belong to that nation which had the most settlers. The employees of the Hudson's Bay Co., which was doing a big fur business with the Indians, far outnumbered

the Americans in the Oregon country prior to the coming of the missionaries.

Whitman's ride east focused attention on the Oregon country, as everywhere he went he talked of the Northwest. Immigrants, planning to head west, banded together in the spring in 1843 in Missouri for the long journey. Whitman is known to have overtaken them, and inasmuch as he was the only one familiar with the trails, to have piloted them across the mountains. Whether or not he was in the slighest degree responsible for the gathering of that great train which marked a turning point in the destiny of the Oregon country, it cannot be disputed that he rendered exceptional service in piloting them and did as much if not more than any other individual in furthering the settlement of the Oregon country by Americans.

THE MISSION BECAME A REGULAR STOPPING PLACE ON OREGON TRAIL

The controversy of whether or not he conferred with President Tyler and Secretary Webster, convincing them as to the advisability of colonizing the section, and the further controversy as to whether he actually motivated the forming of the wagon train of 1843 need not be engaged in. Known facts on which historians agree are sufficient to prove that Whitman aided materially in the colonization work, whether intentional on his part or not. He drew attention to the Oregon country, he aided the wagon train by leading it after overtaking it, and later on, at his station, he assisted future immigrants. The mission became a regular stopping place and supply point on the Oregon Trail. Payment was required for supplies because of limited finances, but immigrants whose supplies were depleted and who were without funds were not turned away unaided.

Following the wagon train of 1843 there was a steady influx of immigrants over the Oregon Trail so that citizens of the United States far outnumbered the British on June 15, 1846, when the Northwest boundary line was established at the forty-ninth parallel.

Then came the massacre.

Measles broke out at the mission in the fall of 1847, and spread rapidly among both whites and Indians in the valley. Some of the Indians always had resented the coming of the whites, although some were truly loyal to the Whitmans. Those who distrusted them were stirred by the epidemic which was unfamiliar to the tribesmen and they feared that the white man was practicing evil magic among them. Numbers of the Indians died from the disease through failure to carry out explicit instructions, and the more the doctor treated them the more surely were they convinced he was killing them by some evil method. Their distrust of the white people who were coming into their region was aggravated by this new complication and their feeling against the whites centered upon Dr. Whitman.

On November 29, 1847, therefore, while the doctor was at his medicine chest, he was approached by two Indians, well known at the mission. While one spoke to him the other plunged his tomahawk into the doctor. This was followed by general bloodshed. Mrs. Whitman was shot through the chest, dying shortly thereafter. She was the only woman slain. Twelve men besides Dr. Whitman were killed. The 50 survivors, mostly women and children, were taken captive and held until December 29, when they were ransomed. The mission buildings were burned and the orchards ruined.

Whitman Centennial, Inc., organized in 1935, is undertaking to have a celebration at Walla Walla August 13 to 16 that will portray the early history of the West in pageantry and also exerting efforts toward the restoration of the Waiilatpu Mission so that a lasting benefit shall accrue from the activities of the centenary year of the coming of Dr. Marcus Whitman and his party to Waiilatpu.

The corporation consists of 15 trustees, representing the leaders in the community, business, educational, and religious life of Walla Walla. In addition a committee of 50 men and women in all parts of the United States has been appointed, consisting of 20 representatives of the American Medical Association, 10 of the Presbyterian Church, 10 of the Congregational Church, and 10 at large.

SECONDING NOMINATION OF FRANKLIN D. ROOSEVELT

Mr. HAYDEN. Mr. President, under the authority granted by the Senate on June 18, 1936, I insert an address by Hon. MATTHEW M. NEELY, United States Senator from West Virginia, before the Democratic national convention, Philadelphia, June 26, 1936, seconding the nomination of Franklin D. Roosevelt for President of the United States, as follows:

Mr. Chairman and members of the convention, as long as the rights, the aspirations, and the hopes of the common people live, respect, admiration, and love for President Franklin Roosevelt and Mrs. Franklin Roosevelt will never die. All the voluminous history of mankind from the morning of creation to the present hour will be searched in vain for a more valiant, efficient, faithful public servant than the dauntless democratic champion who will be nominated today by acclamation and reelected President next November by a majority so vast that it will stun the mind and stagger the imagination.

Our confidence that the result of this campaign will be favorable to democracy is the corollary of our conviction that the voters will ever remember what the Hoover administration did to them, and never forget what the Roosevelt administration has done for them.

The people at the polls will remember, among many other mournful things, that on the last day of Hooverism every bank in the United States was either closed or under extraordinary restrictions designed to save it from ruin; that industry was prostrate; commerce was paralyzed; business was dead and buried; destitution walked every street; suffering stalked every highway; want waited on every corner and piteously held out its fleshless hands for alms, while the hideous specter of starvation spread its vulturous wings over all the land and appalled the weak, unnerved the strong, chilled the blood of the bravest, and filled the hearts of the masses with unutterable consternation.

Who will ever forget that a stock-market crash under Mr. Hoover in 1929 in 2 days annihilated security values that exceeded by billions of dollars the entire cost of this country's participation in the great World War?

Between June 1929 and March 1933, Hooverism wrecked banks, shut down factories, locked up steel mills, harassed manufacturers, impoverished merchants, overwhelmed coal operators, pauperized coal miners, ruined farmers, and overran the land with armies of unemployed men, destitute women, and hungry children as numerous as the leaves on the trees, as countless as the sands on the shore of the sea.

During the last 3 years of the Hoover administration more than 1,500,000 city dwellers were robbed of their homes; more than 2,000,000 farmers were robbed of their last acre of land; more than 14,000,000 toilers were robbed of their jobs and started over the hill to the poorhouse in torture and tatters and tears.

Mr. Hoover promised the toilers work; he gave them idleness, want, and woe. He promised the people bread; he gave them stones. He promised his countrymen prosperity; he gave them adversity that bit like a serpent and stung like an adder.

And who will venture to covenant, who will dare to guarantee that Mr. Landon's campaign promises will be any better than those which were solemnly made and heedlessly broken by the great engineer?

The Hoover panic stopped the wheels of industry in 10,000 cities; it silenced the noise of activity in a hundred thousand factories; it put out the fires in a million furnaces; it brought idleness, destitution, and despair to millions of American homes; it exiled our optimism and sowed the seeds of pessimism in every State, in every county, and in every community under the flag; it gave us shadows for our sunshine, tears for our smiles, and sorrows for our joys. As a breeder of discontent Hooverism has never had a rival. As an extinguisher of furnace fires it has never had an equal since Noah's flood. As a monumental, miserable, blundering, blighting failure Hooverism is the supreme masterpiece of all the world.

And upon this reeking record of industrial disaster and economic woe; upon the silent ruins of the long-boasted Coolidge prosperity; over a broad and endless highway of unredeemed pledges, broken promises, and forgotten principles, now come the greedy, heartless forces of plutocracy, privilege, and plunder, which neither slumber nor sleep, and insult our intelligence, challenge our sanity, and outrage our sensibility by urging us to choose 4 more years of Hooverism—the personification of disaster, the horror of horrors, the abomination of desolation spoken of by Daniel, the prophet.

But what has the Roosevelt administration done?

In Holy Writ the creation of the universe, including everything from the tiniest grain of sand to the most stupendous star, is described in the sublime and simple language:

"In the beginning God created the heaven and the earth."

The immensity and beneficence of the accomplishments of the Roosevelt regime make their adequate description in existing circumstances a matter of impossibility. Therefore, let us in reverential emulation of the divine example content ourselves with merely mentioning a few of the outstanding facts concerning the brilliant achievements of this administration and leave the duty of unqualifiedly approving them in November to the fair-minded, generous, grateful voters of all political parties.

The value of corporation stocks owned by millions of American men and women has increased $31,000,000,000 since the day of President Roosevelt's inauguration. If this stupendous sum were equally divided among all the people in the United States, every man and woman and child would receive $237. By what kind of arithmetic will the members of the Liberty League and other political bourbons, who never learn and never forget, demonstrate that this amazing increase in the Nation's riches has not been a boundless blessing to the American people?

During this administration the farmer's oats have increased in value more than 64 percent, his cattle more than 66 percent, his wheat more than 100 percent, his land more than 100 percent, his corn more than 115 percent, his hogs more than 145 percent.

During the first Roosevelt year our national income from such sources as wages, salaries, dividends, and rents increased more than $6,000,000,000. The following year an additional increase of $5,000,000,000 was recorded. In 1935 our national income from these sources increased $8,000,000,000 more.

How disheartening these figures must be to the Liberty Leaguers, who constantly stand before the political wailing wall and vainly cry for more Hooverism and uselessly yearn for an issue upon which to obstruct the onward, rhythmic march of humanity under the leadership of President Roosevelt, who has substituted the Golden Rule for the rule of gold.

During this administration the output of the steel industry has increased more than fivefold. The hours of service of skilled workers in the mining industry have been reduced to 7 a day, and the workers' wages have been increased more than 70 percent. The compensation of the coal miners has been increased more than 60 percent.

Do not these facts and figures demonstrate that it would be perilous in the superlative degree for the people to exchange the Roosevelt administration for 4 more years of Hoover horror?

But greater than the Roosevelt administration's service to the farmers in increasing the price of their products; greater than the service of doubling and trebling the value of corporation stocks; greater than the service of promoting the prosperity of all our industries—greater than all of these services combined are the purely humanitarian accomplishments of the President and his Congress during the last 39 months.

For example, the employment of child labor in mines and factories at health-destroying tasks, which has cursed the world for ages, was abolished by the New Deal legislation of this administration.

The fact that the Supreme Court declared the National Recovery Act unconstitutional does not diminish the credit due the President for his bold and praiseworthy effort to abolish the slavery of those of whom the Master said:

"Suffer little children to come unto me and forbid them not, for of such is the kingdom of God."

More than 7,000,000 toilers who suffered enforced idleness under Mr. Hoover have been placed upon pay rolls during this administration.

The Home Owners' Loan Corporation, an agency born in the President's tireless brain, has saved a million dwelling houses from sale under the hammer and made it possible for their owners and their dependent ones to abide in them and continue to sing Home, Sweet Home.

The subsistence-homestead projects, the Civilian Conservation Corps, the Federal insurance of bank deposits, the social-security legislation, and a thousand other creations of the Roosevelt administration—

"That soothe and heal and bless,
Are scattered at the feet of man like flowers."

Today conclusive evidence of the priceless benefits of this administration are as apparent as the noonday sun in a cloudless sky. Returned and still returning prosperity is to be seen in the flame of the furnace and the fire of the forge; in the field of the farmer and the output of the manufacturer; in the smoke of industry that dims the sun by day and hides the stars by night. Roosevelt prosperity is to be heard in the ring of the anvil and the rumble of the locomotive; in the whir of the spindle and the click of the shuttle; in the sound of the hammer and the hum of the saw. From the wheat fields of the North to the cotton fields of the South; from the lumber camps of Washington to the orange groves of Florida; from the great financial empire of the opulent East to the greater agricultural kingdom of the golden West, Roosevelt prosperity, all-pervasive and irresistible, is with lavish hands bestowing its blessings and its bounties upon the children of men. This administration has housed the homeless, employed the idle, enriched the wealthy, fed the hungry, clothed the naked, and blessed the poor.

What Moses was to the children of Israel in their departure from bondage in the land of Egypt, what Joshua was to that favored people upon their entrance into the land of promise; what Charles Martel was to Christianity in the great contest between the Crescent and the Cross, what George Washington was to the American colonists, what Thomas Jefferson was to the cause of liberty, what Woodrow Wilson was to the cause of humanity Franklin D. Roosevelt has been to the American people in the greatest crisis that ever confronted any country since the morning stars sang together.

He has spiritualized our Government and banished much of its crass and baneful materialism forever. He has rekindled the fires of patriotism and righteousness in the hearts of a hundred twenty-five million American people. He is leading the way, as rapidly as humanly possible, to the realization of Pope's dream of the Messiah when—

"All crime shall cease
And ancient fraud shall fail,
Descending Justice lift aloft her scale,
Peace o'er the world her olive wand extend,
And white-robed Innocence from heaven descend."

West Virginia moves that the convention nominate by acclamation and that the people elect by unanimous consent for their next President that illustrious man who, in the time of fiery trial and frightful tribulation, has been—

"A spring of ice-cold water to the parched and burning lips of thirst;
A palm that lifts its coronet of leaves above the desert sand;
An isle of green in some far sea;
The purple light of dawn above the eastern hills;
A cloud of gold beneath the setting sun;
A fragrance wafted from an unseen shore;
A silvery strain of music heard within some palace wrought of dreams"—

Franklin D. Roosevelt, of the State of New York!

BUSINESS HAS REACHED NEW HIGH POINT

Mr. HAYDEN. Mr. President, under the authority granted by the Senate on June 18, 1936, I insert a statement by Hon. Daniel C. Roper, Secretary of Commerce, to the effect that business has reached a new high point:

SECRETARY ROPER SAYS BUSINESS HAS REACHED NEW HIGH POINT

DEPARTMENT OF COMMERCE,
Washington, July 8, 1936.

In a semiannual statement regarding current business conditions as revealed by Department of Commerce figures, Secretary Roper said today that the forward movement of business in June reached the highest point since March 1933. It has been consistently upward during the last 3 years despite occasional recessions.

"I have been encouraged by the continuing factor of broad improvement during the recovery period and particularly during the first 6 months of 1936, a situation that at this time seems to point to sustained momentum throughout the year", the Secretary said.

Among the trends cited by the Secretary were the following:

National income rose to approximately $53,000,000,000 in 1935, a gain of more than one-third over the $39,500,000,000 of income in 1932 with indications pointing to a further rise of perhaps 10 percent in 1936.

The trend of employment has been upward each month of this year since January and now stands at the highest point of recovery period with approximately 6,000,000 more employed than at the depression low of early 1933. Estimates on the net increase in new employables since the depression low range from one to two million.

Production of 2,450,000 automobiles in the first half of 1936 was 79 percent greater than the entire year's production of 1932, amounting to 1,370,678 and compared with 2,218,255 in the first half of 1935.

Steel production reached a 6-year high in June with production for the 6 months' period nearly three times as large as the same period of 1932 and one-third greater than in the first 6 months of 1935.

Electric power production set an all-time record in the first half of the year, due to an increase in both domestic and industrial consumption.

Compared with the first half of 1935, industrial production has advanced 11 percent; retail sales, 10 percent; freight traffic, 9 percent; cash farm income, 11 percent. The pronounced rise in retail sales is based largely on the gradual rise of consumer income and the willingness to spend more freely, the latter situation being evidenced particularly by the volume of sales of products of the type which are generally sold on the basis of deferred payments. The widespread improvement in retail sales indicates that the total volume for the year may reach $35,900,000,000 if the present rate of progress continues, compared with $25,597,000,000 in 1932.

The improvement in farm purchasing power is reflected not only in the marked expansion of farm income, but in the more favorable price situation. The 66-percent rise in prices of commodities sold by the farmer since 1932 has been accompanied by a rise in the cost of the goods he has bought of 17 percent. Thus the index of prices received advanced from 65 in 1932 to 108 in 1935, while the index of prices paid advanced from 108 in 1932 to 125 in 1935.

The downward trend of the wholesale price level which extended from January to the middle of May has been checked, and prices have moved moderately higher during recent weeks. The major factor in this movement has been the reversal of the trend of prices of farm products and foods which previously had been moving steadily lower.

Exports increased 4 percent from April to May, contrary to the usual seasonal trend, while imports receded 6 percent. These shifts resulted in a net merchandise export balance of $9,932,000, the first reported since January. Allowing for normal seasonal influences, exports reached 56 percent of the 1923–25 average in May, the highest level attained since May 1931 with the single exception of last November. Imports, after seasonal allowances, were 58 percent of the 1923–25 average. Increases in exports in May over those of a year ago were chiefly distributed among the nonagricultural products, although agricultural exports were approximately $5,000,000 larger in value. In 1932 exports had dwindled to $1,611,016,000 and by 1935 had risen to $2,282,874,000. Imports rose from $1,322,774,000 in 1932 to $2,047,485,000 in 1935.

Construction contracts awarded in 37 Eastern States increased from $1,351,159,000 in 1932 to $1,844,545,000 in 1935, while in the first 5 months of 1936 the total was $996,523,600, a gain of 81 percent over the comparable 1935 period.

Freight traffic continues to gain slowly with loadings for the first half of the year 9 percent larger than in the 1935 period. In the first 5 months of the year total loadings amounted to 13,803,858, compared with 10,931,027 in the same period of 1933. On June 1, Class I railroads had on order 25,748 freight cars, the largest total as of that date since 1930. Net operating income of railroads gained from $53,876,000 in the first 4 months of 1933 to $146,114,000 in the same period of 1936, a rise of 171 percent.

Foundry equipment orders in May were the largest since 1930, excepting the unusual month of March 1931 and the index stood at 165, or 65 percent higher than a year ago. The index of machine tool orders in May stood at 118.8 compared with 73.3 in the same month of 1935 and 15.3 in May 1933, while the value of the principal classes of farm machinery manufactured rose from $117,000,000 in 1932 to $331,998,066 in 1935, a gain of 184 percent, and there has been a further substantial increase so far this year.

Lumber consumption in 1935 was 18,235,000,000 board feet, a gain of 20 percent over 1933 and at the present rate of consumption, the 1936 figure will reach 20,000,000,000 feet.

Stock prices, based on 421 leading stocks, rose from an index of 48.4 in 1932 to 78.5 in 1935 and to 105.7 in the first quarter of 1936. The bond price index rose from 81.1 in 1932 to 102.3 in 1935 and to 107.6 in the first quarter of 1936. Earnings of 921 corporations, reported by Standard Trade & Securities, rose from $348,301,000 in 1932 to $1,785,532,000 in 1935, an advance of more than 380 percent.

GOVERNMENT FINANCING, 1935–36

Mr. HAYDEN. Mr. President, under the authority granted by the Senate on June 18, 1936, I insert an address by Hon. Henry Morgenthau, Jr., Secretary of the Treasury, giving a report on Government financing during the 1935–36 fiscal year, July 2, 1936, as follows:

Last night the Treasury closed its books for the fiscal year 1936, which includes the 12 months from July 1, 1935, to June 30, 1936. The Government has been operating during this period on a financial program laid down in the early months of 1935.

The stockholders of a business enterprise are interested in having at the close of each business year an accounting made to them by the financial officers of the company. It is customary to furnish them with facts and figures on the year's operations. The Government of the United States is your business. You are its stockholders.

Tonight I am going to report to you on the finances of the Government for the year just ended and give you the results.

The man who is responsible for the conduct of a business enterprise estimates just before the new year begins what the expenses will be and what receipts he can reasonably expect. He then plans the year's activities on the basis of these estimates.

FOUR BILLION DEFICIT EXPECTED

But the Government under the law has to estimate each fall its receipts and expenditures for a fiscal year which will not begin until more than 6 months later. Thus, nearly 2 years ago, in the fall of 1934, estimates were prepared for the fiscal year which began last July and which ended last night.

At that time, nearly 2 years ago, it looked as if our revenues would total just under $4,000,000,000 and our expenditures, excluding debt retirement, would amount to almost $8,000,000,000. On this basis we would have shown a net deficit for the year of almost $4,000,000,000.

You and I cannot always tell when we make our business plans what unforeseen and extraordinary events may increase our expenses or reduce our revenues. The manufacturer whose plant is situated in a flood area may have his calculations upset by a disastrous flood. His income may be reduced. His expenditures may be increased.

The business of the Government also is subject to unforeseen and extraordinary events. Scarcely had the present Congress met last January when two events completely changed the Budget outlook.

REVENUES CUT BY COURT

First, the prospective revenues were cut down as a result of the decision of the Supreme Court that the Agricultural Adjustment Act was unconstitutional. This meant a loss to the Treasury, in 1936, of nearly half a billion dollars.

Second, prospective expenditures were increased by an Act of Congress directing the immediate payment of the veterans' adjusted-service certificates. To provide for the payment of these certificates which, under their original terms, were not due until 1945, the expenditure program for 1936 was increased by $1,700,000,000.

Let us see what the results were.

The actual receipts coming into the Treasury during the year which ended last night aggregated $4,116,000,000. This is $316,000,000 more than came in during the fiscal year 1935, notwithstanding the loss of $444,000,000 through the elimination of processing taxes.

But revenue from other sources increased $760,000,000, a gain of 23 percent, due in large part to improvement in business and agricultural conditions.

Our revenues come mainly from two sources—income taxes and miscellaneous internal revenue. Of the income taxes corporation and individual income taxes amounted to nearly $1,500,000,000 for the year that just closed, an increase over 1935 of 30 percent. The miscellaneous taxes brought in over $2,000,000,000, an increase of 20 percent. Customs receipts rose 12 percent.

EIGHT BILLION FIVE HUNDRED MILLION DOLLARS SPENT IN A YEAR

We spent during the year $8,500,000,000, including debt retirement. Three and a half billion was for ordinary operation of the Government. Approximately $3,300,000,000 was for recovery and relief. The net excess of expenditures over receipts was $4,400,000,000.

But leaving out of consideration the payment to veterans of $1,700,000,000, the excess of expenditures over receipts for the fiscal year just ended is $2,700,000,000.

As we have seen, ordinary operating expenses accounted for $3,500,000,000, of which national defense took $750,000,000; annual continuing payments to veterans nearly $600,000,000; interest on the public debt another $750,000,000; agricultural aid, $500,000,000; and the other ordinary operating expenses of the Government, $900,000,000.

How were the recovery and relief expenditures of $3,300,000,000 divided? We expended for large permanent public works under the emergency program $800,000,000. Direct relief required just under half a billion. In addition we provided about a billion and a quarter for work relief in the form of smaller public works, most of them of permanent value, and nearly half a billion for C. C. C. camps. Aid to home owners and other miscellaneous expenditures took more than $250,000,000.

FEDERAL REVENUE INCREASED

Two important facts stand out. On the one hand is an increase in Federal revenue. On the other is a decrease in Federal expenditures aside from the payment to veterans.

As I have shown you, your Government spent $8,500,000,000 during the year which ended last night. We want you to know where the Treasury got this money. We had $1,800,000,000 cash in our general fund at the beginning of the year. Our revenue receipts were just over $4,000,000,000. The other $2,500,000,000 that we spent had to be borrowed.

As a matter of fact, we borrowed more than $5,000,000,000 net, but we have $2,700,000,000 left in our cash balance to meet the expenditures of coming months, including the redemption of the veterans' bonds.

The businessman takes inventory at the end of his business year. Let us do likewise. We have a gross public debt of $33,750,000,000. What have we in our inventory as offsets against this amount? We do not, as does the businessman, include additions to our plant. Our public buildings, our other public-works projects, and our land acquisitions are treated as outright expenditures; and while they are truly assets of the Government, they are not included in our financial statement.

TWO BILLION SEVEN HUNDRED MILLION DOLLARS NOW ON HAND

This first of our cash assets is the general-fund balance, the money we have in our cash drawer and on deposit in the bank. The general-fund balance yesterday was $2,700,000,000. The Government has another important cash asset. It is the $2,000,000,000 stabilization fund, which will ultimately be used to retire a like amount of public debt.

In addition, we have certain assets representing obligations due us, upon which the Treasury will realize cash and which will ultimately be available for debt retirement. These recoverable assets, loans to home owners, to farmers, to railroads, to banks and insurance companies, to States and cities, now total more than $4,000,000,000.

These three items, cash on hand, stabilization fund, and recoverable loans, provide an offset of $8,750,000,000 to the $33,750,000,000 public debt.

An outstanding development in connection with the Government's financing during the past 3 years is the fact that we have reduced the average rate of interest nearly one-fourth. This reduction means an annual saving of more than $260,000,000.

The Government has led the way in reduction of interest charges. The individual businessman has been able to follow in the footsteps of his Government in reducing his own interest charges and in refunding the debt of his own business.

CORPORATION INTEREST CUT

During the 12 months ended June 30, 1936, business corporations registered with the Securities and Exchange Commission more than $2,500,000,000 of securities for the refunding of indebtedness. The approximate average reduction in the gross rate of interest paid by these private business corporations was 1¼ percent, which would mean a saving to these corporations of more than $30,000,000 a year in interest charges.

All of us have a vital interest in the fiscal affairs of our Government. We may derive real encouragement and satisfaction from these facts: National income is rising; as a result Federal revenue is increasing; Federal expenditures are on the decline, and the Nation's business is continuing to show steady improvement.

LEGISLATIVE ACCOMPLISHMENTS OF THE ROOSEVELT ADMINISTRATION, 1933–36

Mr. ROBINSON. Mr. President, in conformance with the leave to print in the RECORD, page 10488, I submit the attached review of legislation:

(The digests, in part, have been taken from the New York Times.)

AGRICULTURE

SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

(Approved Feb. 29, 1936. Public Law No. 461, 74th Cong.)

To the purposes of the original Soil Conservation Act (approved Apr. 27, 1935, Public Law No. 46, 74th Cong.) the following are added: "(1) Preservation and improvement of soil fertility; (2) promotion of the economic use and conservation of land; (3) diminution of exploitation and wasteful and unscientific use of national soil resources; (4) the protection of rivers and harbors against the results of soil erosion in aid of maintaining the navigability of waters and water courses and in aid of flood control; and (5) reestablishment" as rapidly as practicable "the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms which prevailed

during the 5-year period, August 1909–July 1914." The powers conferred on the Secretary of Agriculture shall be used "to assist voluntary action" to effectuate these purposes, and shall not be used to discourage production sufficient to maintain "normal domestic human consumption" in the period 1920–29, taking into account increased population as well as trends in domestic consumption and the export market. Due regard shall be given to "maintenance of a continuous and stable supply of agricultural commodities adequate to meet consumer demand at prices fair to both producers and consumers."

Secretary shall cooperate with States, in the execution of State plans, by making grants.

A State shall receive payments if its plan is approved by the Secretary. The plans must provide for an administrative agency, approved by the Secretary, which includes participation by county and community committees or associations in the administration, and for reports to insure compliance.

Upon approval of any State plan for any year, the Secretary shall make an allocation, one-fourth of which shall be paid at time of approval and the balance in installments prior to end of the calendar year.

By November 1 of each year the Secretary shall apportion the funds among the States available during the next calendar year, taking into consideration the acreage and value of major soil depleting and major export crops, as well as "acreage and productivity of land."

To provide States adequate opportunity for executing their plans, the Secretary is authorized, until January 1, 1938, to make payments or grants to producers to effectuate the purposes of the act. The amount of the payment is to be determined by (1) the treatment or use of land for soil conservation, (2) changes in use of land, (3) the percentage of a producer's "normal production of any one or more agricultural commodities designated by the Secretary which equals that percentage of the normal national production of such commodity or commodities required for domestic consumption", or (4) any combination of the above.

Secretary is authorized to use county and community committees and agricultural extension service, or other agencies. He shall not enter into contracts with producers or acquire land.

Secretary may conduct surveys, investigations, and research regarding most effective accomplishment of purposes of the act.

Defines "agricultural commodity" as "any such commodity and any regional or market classification, type, or grade thereof."

Secretary is authorized to use part of appropriation for expansion of domestic and foreign markets, new or additional markets, or removal of surpluses.

Secretary shall use the Agricultural Adjustment Administration for the execution of this act when he deems it appropriate.

Authorizes a maximum appropriation of $500,000,000 for any fiscal year.

Amends the export-debenture provision of the A. A. A. Amendments Act of 1935 to permit the use of a portion of receipts from customs duties for making payments in connection with normal production for domestic consumption.

Reappropriates certain unexpended balances.

Appropriates $2,000,000 of Emergency Relief Appropriation Act of 1935 for wind-erosion control.

COMMODITY EXCHANGE ACT

(Approved June 15, 1936. Public Law 675, 74th Cong.)

The act shall be known as the Commodity Exchange Act. This act adds to the former Grain Futures Act the following commodities: Cotton, rice, mill feed, butter, eggs, and Irish potatoes.

The act defines the terms "cooperative association of producers", "member of contract market", "futures commission merchant", "floor broker", and "the Commission." Clarifies section 4 of the Grain Futures Act. The act gives the Commodity Exchange Commission power to eliminate any obstruction on interstate commerce caused by undue speculation in futures. Transactions which are bona-fide hedging transactions are exempt from regulation.

It shall be unlawful for members of contract markets, in connection with orders of any commodity in interstate commerce, to cheat, defraud, or deceive the customer, or to bucket the order. The act makes unlawful any transaction which is known in the trade as a "wash sale", "cross trade", "accommodation trade", or is a fictitious sale, or which is known in trade as a "privilege", "indemnity", "bid", "offer", "put", "call", "advance guaranty", or "decline guaranty", and makes unlawful any transaction which is used to cause any price to be reported, registered, or recorded which is not a bona-fide price. The act shall not impair State law applicable.

Future commission merchants are to be registered with the Secretary of Agriculture. The commission merchant must treat money, securities, and property of the customer as belonging to the customer. Any failure of a commission merchant to abide by the act or rules of the Secretary shall result in cancelation of his registration certificate.

Prohibits operation of a place of business where orders for future contracts are solicited or accepted unless such orders are to be executed by or through a member of a contract market. Makes unlawful the making of a contract for future delivery unless the person reports such transaction; books must be kept on all transactions. A board of trade may be designated as a contract market, and when so designated furnish the Secretary of Agriculture copies of their regulations, allow inspection, and keep records.

Regulations are set up for contracts of sale of commodities for future delivery in contract markets. Certain power and authority formally vested in a commission of three is transferred to the Secretary of Agriculture. Defines relations between contract markets and legitimate cooperative associations.

The degree of punishment for violations of this act or regulations set up by the Secretary of Agriculture is provided by the act.

TOBACCO COMPACTS BETWEEN STATES

(Approved Apr. 25, 1936. Public Law No. 534, 74th Cong.)

Congress gives its consent for States to negotiate a compact or compacts for the purpose of regulating and controlling the production of, or commerce in, tobacco. The State acts must be uniform and in no way conflicting. The act of the General Assembly of Virginia, approved March 13, 1936, is set out as an example for other States to follow in drafting their compact legislation. Congress reserves the right to withdraw its consent for the above-mentioned compacts. The consent of Congress for the use of compacts between States in controlling tobacco production is given to enable growers to receive a fair price for tobacco, and not for the purpose of fixing the price thereof.

For the purpose of administering this act there is authorized $300,000 to be appropriated to the Secretary of Agriculture. The Secretary is authorized to make advances to commissions established by States, these advances to be repaid to the Secretary, who in turn shall revert the money to the general fund of the Treasury.

The Secretary shall, upon request of the commission of any State or States, advise with one or more of the State groups upon the administration of the compacts.

The act requires that if three or more States, or any association whose membership includes two-thirds of the tobacco producers in three or more States, agree to regulate tobacco production by such compacts, then the tobacco production in Puerto Rico shall be regulated by the Secretary of Agriculture in the following manner:

The Secretary shall determine for each crop year the quantity of tobacco produced which is likely to be consumed in all countries over the world during such crop year. From this he shall determine the marketing quota for Puerto Rico; the ratio of tobacco produced in Puerto Rico and the United States shall continue to be the same as that ratio before the compacts were introduced.

The Secretary shall establish the quota for each farm in Puerto Rico for each crop year. The marketing quota established for Puerto Rico shall be subject to uniform adjustment during the crop year not exceeding 10 percent of said quota.

The Secretary shall set up regulations for issuing to each farm marketing certificates equal to its marketing quota. Provision is made for handling excess production of tobacco by any farm. Aid will be given to producers whose tobacco crop is destroyed by weather, disease, or fire.

The Secretary of Agriculture shall prescribe such rules and regulations as he may deem necessary to carry out the provisions of the act.

THE FARM CREDIT ACT OF 1935

(Approved June 3, 1935. Public Law No. 87, 74th Cong.)

Amends the Emergency Farm Mortgage Act of 1933, the Federal Farm Loan Act, the Agricultural Marketing Act, and the Farm Credit Act of 1933.

Permits land-bank commissioners to make loans secured by first or second liens on real property with maturities up to 43 years.

Enlarges the purposes for which land-bank commissioners may make loans to include all those for which the Federal land banks are authorized to make loans.

Makes the definition of the term "farmer" in the Emergency Farm Mortgage Act of 1933 identical with the term "farmer" as defined in the amended Federal Farm Loan Act.

Extends until February 1, 1940, the time within which loans can be made by the land-bank commissioner; removes the present limitation ($600,000,000) on the amount of bonds of the Federal Farm Mortgage Corporation which may be used in making such loans; and permits such loans to be made in consolidated farm-loan bonds, if acceptable to the borrower.

Reduces the interest rate paid by Federal land-bank borrowers whose loans were obtained through national farm-loan associations or were outstanding on May 12, 1933, to a maximum of 3½ percent per annum for all interest payable on installment dates occurring within a period of 1 year, beginning July 1, 1935, and to a maximum of 4 percent per annum for all interest payable on installment dates occurring within a period of 2 years, commencing July 1, 1936.

Authorizes Federal intermediate credit banks to discount paper for banks for cooperatives and to make loans to such banks.

Permits the issuance of consolidated debentures by Federal intermediate credit banks, following substantially the same procedure as that followed by the Federal land banks in the issue of their consolidated bonds.

Provides that the rate of interest on any loan made by the Governor of the Farm Credit Administration or a bank for cooperatives to any cooperative association on the security of commodities shall conform, as nearly as practicable, to the prevailing interest rate of commodity loans charged borrowers from the Federal intermediate credit bank of the district in which the principal office of the association is located.

Extends for an additional period of 2 years the authority of the land-bank commissioner, under section 30 of the Emergency Farm Mortgage Act of 1933, to make loans to joint-stock land banks in order to further their orderly liquidation.

THE SOIL EROSION ACT

(Approved Apr. 27, 1935. Public Law No. 46, 74th Cong.)

Recognizes that unless soil erosion can be controlled on farm, grazing, and forest lands the prosperity of the United States cannot be permanently maintained; declares it to be the policy of Congress to provide permanently for the control and prevention of such erosion and directs the Secretary of Agriculture to coordinate all Federal activities in that direction.

Authorizes him to conduct soil-erosion surveys, investigations, and research; to carry out preventive measures, including engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land; to enter into agreements with, or to furnish financial aid to, any agency, governmental or otherwise, for the purposes of the act; and to acquire lands, or rights or interests therein, by purchase, gift, condemnation, or otherwise wherever necessary to protect land resources against soil erosion.

Authorizes certain conditions to the extending of benefits under the act to lands not owned or controlled by the United States or any of its agencies.

Directs the Secretary of Agriculture to establish an agency to be known as the Soil Conservation Service to exercise the powers conferred by the act and authorizes the utilization of the Soil Erosion Service, making the latter's unexpended funds available until June 30, 1937.

THE LIVESTOCK BANKRUPTCY ACT

(Approved May 15, 1935. Public Law No. 60, 74th Cong.)

Amends the National Bankruptcy Act of July 1, 1898, so as to permit livestock raisers to take advantage of that act.

Enlarges the definition of "farmer", which has been restricted by the courts in some instances to include not only individuals primarily bona fide engaged in producing products of the soil, but also those who are primarily bona fide personally engaged in dairy farming, the production of poultry or livestock, or the production of poultry or livestock products in their unmanufactured state.

THE FARM MORTGAGE ACT

(Approved Aug. 28, 1935. Public Law No. 384, 74th Cong.)

Amends section 75 of the Bankruptcy Act of July 1, 1898, so as to permit farmers threatened with foreclosure, and unable to obtain relief through conciliation methods, to go into bankruptcy.

Provides, in a new subsection (s), written to conform to the Supreme Court's decision of May 27, 1935, holding the original 5-year moratorium law invalid, that any farmer failing to obtain a composition or extension, or if he feels aggrieved by a composition or extension proposal may ask to be adjudged a bankrupt. He may also ask the court that all his property wherever located, be appraised, and that his exemptions, as prescribed by State law, be set aside to him, and that he be allowed to retain possession, under supervision and control of the court, of all the remainder of his property, including his encumbered exemptions under terms and conditions set forth in the new act.

Authorizes courts to stay all proceedings against such a farm debtor for 3 years, during which time the debtor shall be permitted to retain possession of "all or any part of his property, in the custody and under the supervision and control of the court, provided he pays a reasonable rental for that part of the property of which he retains possession." The rental would be paid into court to be used, first, for payment of taxes and upkeep, and the remainder to be distributed among the secured and unsecured creditors and applied on their claims.

Provides that at the end of 3 years, or prior thereto, the property having been appraised, the debtor could regain unencumbered possession of it by paying into court "the amount of the appraisal of the property of which he retains possession, including the amount of encumbrances on his exemptions, up to the amount of the appraisal, less the amount paid on principal."

Directs that upon request in writing by any secured creditor or creditors holding a lien on the property, the court shall order its sale at public auction. The debtor would be allowed 90 days in which to redeem any property sold at such a sale by paying the amount for which the property is sold, with interest at 5 percent, to the court, and he may then apply for his discharge from bankruptcy, as provided for in the act.

THE FARM MORTGAGE REFINANCING ACT

(Approved Jan. 31, 1934. Public Law No. 88, 73d Cong.)

Created the Federal Farm Mortgage Corporation, with a capital of $200,000,000, to aid in the refinancing of farm debts.

Authorized the Corporation, with the approval of the Secretary of the Treasury, to issue and have outstanding at any one time bonds in an aggregate not exceeding $2,000,000,000, guaranteed both as to interest and principal by the United States.

Granted the Corporation permission to exchange such bonds, upon application of any Federal land bank, for consolidated farm-loan bonds of equal face value issued under the amended Federal Farm Loan Act and to exchange such consolidated farm-loan bonds held by it for bonds of the Corporation of equal face value.

Provided that the Corporation might purchase, for cash, such consolidated farm-loan bonds, make loans to Federal land banks on the security of such consolidated bonds, and invest its funds in mortgage loans under section 32 of the Emergency Farm Mortgage Act of 1933.

Granted authority to the Land Bank Commissioner until February 1, 1936, to make loans up to $600,000,000 on behalf of the Federal Farm Mortgage Corporation, either in cash or in bonds of the Corporation.

Made available a revolving fund of $40,000,000 to the Governor of the Farm Credit Administration.

THE CROP LOAN ACT

(Approved Feb. 23, 1934. Public Law No. 97, 73d Cong.)

Authorized the Governor of the Farm Credit Administration to make loans to farmers during 1934 for crop production and harvesting, and, to an extent not exceeding $1,000,000, to make loans for feed and livestock in drought- and storm-stricken areas.

Required as security for such loans a first lien on all crops growing, to be grown or harvested in 1934, or on livestock loans to bear interest at a rate not exceeding 5½ percent.

Appropriated $40,000,000 to carry out the act.

THE CROP LOAN RESOLUTION

(Approved Mar. 10, 1934. Public Resolution No. 16, 73d Cong.)

Appropriated $40,000,000 to carry into effect the Crop Loan Act of February 23, 1934, providing for loans to farmers for crop production and harvesting during 1934.

THE JONES-CONNALLY FARM RELIEF ACT

(Approved Apr. 7, 1934. Public Law No. 142, 73d Cong.)

Amended the Agricultural Adjustment Act so as to include six additional basic commodities—beef and dairy cattle, peanuts, rye, barley, flax, and grain sorghums—within its benefits and appropriated $200,000,000 out of the Treasury to enable the Secretary of Agriculture to finance surplus reduction and production adjustments with respect to these commodities, about three-fourths of this sum to be replaced through processing taxes.

Appropriated $50,000,000 to reimburse farmers for cattle slain in the eradication of tuberculosis, and enable the Secretary of Agriculture to make advances to the Federal Surplus Relief Corporation for the purchase of dairy and beef products for distribution for relief purposes.

THE JONES-COSTIGAN SUGAR ACT

(Approved May 9, 1934. Public Law No. 213, 73d Cong.)

Included sugar beets and sugarcane as basic agricultural commodities under the agricultural act; fixed the domestic production at 1,500,000 tons for beet sugar and 260,000 tons for cane sugar.

Authorized the Secretary of Agriculture to make allotments for importations of sugar from outside the continental United States and provided for processing taxes.

Allowed the Secretary of Agriculture to purchase not in excess of 300,000 tons from the surplus stocks of direct-consumption sugar produced in the United States' beet-sugar area at a price not in excess of the market price for direct-consumption sugar on the date of purchase and at an estimated cost of $25,000,000, and to dispose of this sugar by sale or otherwise, including distribution to any organization for the relief of the unemployed.

THE FARM MORTGAGE FORECLOSURE ACT

(Approved June 11, 1934. Public Law No. 305, 73d Cong.)

Amended section 32 of the Emergency Farm Mortgage Act of 1933 by striking out the words "which has been foreclosed at any time between July 1, 1931, and the date of the enactment of this act, or which is foreclosed after the enactment of this act." This amendment enlarged the lending authority of the Land Bank Commissioner under the act of 1933 to permit him to make loans to farmers for the purpose, among others, of enabling them to redeem and repurchase farm property owned by them prior to foreclosure, irrespective of the time when such foreclosure took place.

THE COTTON-CATTLE-DAIRY RELIEF RESOLUTION

(Approved May 25, 1934. Public Resolution No. 27, 73d Cong.)

Provided funds to enable the Secretary of Agriculture to carry out the purposes of the Jones-Connally Farm Relief Act of April 7, 1934, and also the Bankhead Cotton Control Act of April 21, 1934.

Made available to the Secretary of Agriculture the funds necessary to effect the purposes of the Bankhead Act, including the proceeds of the proposed cotton taxes.

Appropriated $150,000,000 to carry out the Jones-Connally Act, of which $24,000,000 would be used for disease control, $25,000,000 for purchasing of dairy products to be distributed for relief, $50,000,000 for purchasing of 2,000,000 head of cows to be distributed for relief, $44,000,000 for benefit payments to producers cooperating in the program to control production, and $6,000,000 for purchase and distribution of cattle from drought-stricken areas.

HOMESTEADERS' RELIEF ACT

(Approved May 21, 1934. Public Law No. 241, 73d Cong.)

Provided that any settler of homestead lands who, during the calendar years 1932, 1933, or 1934, found it necessary to leave his homestead to seek employment in order to obtain the necessities of life for himself or family or to provide for the education of his children, might be excused from compliance with the requirements of the homestead laws as to residence, cultivation, improvements, expenditures, or payment of purchase money.

THE GRAZING ACT

(Approved June 28, 1934. Public Law No. 482, 73d Cong.)

The passage of this act marks the culmination of years of effort to obtain from Congress express authority for Federal regulation of grazing on the public domain in the interests of national conservation and of the livestock industry.

It authorizes the Secretary of the Interior to provide for the protection, orderly use, and regulation of the public ranges, and to

create grazing districts with an aggregate area of not more than 80,000,000 acres. It confers broad powers on the Secretary of the Interior to do all things necessary for the preservation of these ranges, including amongst other powers, the right to specify from time to time the number of livestock which may graze within such districts and the seasons when they shall be permitted to do so. The authority to exercise these powers is carefully safeguarded against impairment by State or local action. Creation of a grazing district by the Secretary of the Interior and promulgation of rules and regulations respecting it will supersede State regulation of grazing on that part of the public domain included within such district.

Water development, soil-erosion work, and the general improvement of such lands are provided for in the act.

Local residents, settlers, and owners of land and water who have been using the public range in the past are given a preference by the terms of the act to the use of lands within such districts when placed under Federal regulation so long as they comply with the rules and regulations of the Secretary of the Interior. The act permits private persons owning lands within a district to make exchanges for federally owned land outside a grazing district if and when the Secretary of the Interior finds it to be in the best public interest.

THE FARM MORTGAGE AMENDATORY ACT

(Approved June 22, 1936. Public Law No. 752, 74th Cong.)

Amends the Emergency Farm Mortgage Act of 1933, as amended, so as to authorize the Reconstruction Finance Corporation to make loans, in an aggregate not exceeding $125,000,000, to or for the benefit of drainage, levee, irrigation, and similar districts, mutual nonprofit companies and incorporated water users' associations organized under the laws of any State or Territory, and for the benefit of political subdivisions of States or Territories which have or propose to acquire projects devoted chiefly to the improvement of lands for agricultural purposes.

Provides that such loans shall be made for the purpose of enabling any such district, political subdivision, company, or association to reduce and refinance its outstanding indebtedness incurred in connection with any such project, or to purchase, acquire, construct, or complete such a project. Stipulates that the terms of this act shall not permit additional or new land to be brought into production outside of the present boundaries of any established or reorganized irrigation district.

THE TOBACCO INSPECTION ACT

(Approved Aug. 23, 1935. Public Law No. 314, 74th Cong.)

Seeks to establish and promote the use of standards of classification for tobacco and provide and maintain an official tobacco-inspection service.

Authorizes the Secretary of Agriculture to investigate the marketing of tobacco and establish official standards for its grading; to demonstrate the official standards and prepare and distribute samples of these grades at reasonable charges for such service.

Empowers the Secretary of Agriculture to designate those auction markets where tobacco moves in commerce, but provides that before taking such action he shall determine the wishes of tobacco growers, who must approve such action by two-thirds majority of those voting on the question. At markets so designated, after not less than 30 days' public notice, no tobacco may be offered for sale until graded by an authorized representative of the Secretary.

Provides that the Secretary of Agriculture shall order such reinspection, or appeal inspection, of tobacco as he may deem necessary for confirmation or reversal of certificates issued under the act.

Authorizes the Secretary to collect, publish, and distribute, by telegraph, mail, or otherwise, without cost to the grower, timely information on the market supply and demand, location, disposition, quality, condition, and market prices of tobacco.

THE FARM RESEARCH ACT

(Approved June 29, 1935. Public Law No. 182, 74th Cong.)

Directs the Secretary of Agriculture to conduct research into laws and principles underlying basic problems of agriculture in its broadest aspects; research relating to improvement of the quality of and the development of new and improved methods of production, distribution, and new and extended uses and markets for agricultural commodities and byproducts, and also research relating to the conservation, development, and use of land and water resources for agricultural purposes.

Appropriates for this purpose $1,000,000 annually for 5 fiscal years beginning July 1, 1935, and $5,000,000 for each fiscal year after July 1, 1940.

Provides for further development of the cooperative extension system by appropriating $8,000,000 for such extension work in agriculture and home economics for the fiscal year 1936, and for each succeeding fiscal year $1,000,000 additional until the total appropriations shall amount to $12,000,000 annually, the appropriation to continue in the latter amount for each succeeding year.

HOMESTEAD SETTLERS

(Approved May 22, 1935. Public Law No. 64, 74th Cong.)

Provides that any homestead settler during 1935 who is compelled to leave his homestead to seek employment in order to obtain the necessaries of life or to educate his children may be excused from compliance with the law governing residence, cultivation, etc., for that year.

(Approved Apr. 20, 1936. Public Law No. 527, 74th Cong.)

Any homestead settler or entryman who, during the calendar year 1936, should find it necessary, because of economic conditions, to leave his homestead to obtain the necessaries of life for himself or family may be excused from compliance with the requirements of the homestead laws as to residence, cultivation, improvement, expenditure, or payment of purchase money.

Any homesteader who is unable to make payment on purchase price of land on account of economic conditions shall be excused from making any such payment during the calendar year 1936 upon payment of interest in advance at the rate of 4 percent per year on the principal of any unpaid purchase price.

INCREASE CAPITAL STOCK OF COMMODITY CREDIT CORPORATION

(Approved Apr. 10, 1936. Public Law No. 489, 74th Cong.)

The Secretary of Agriculture and the Governor of the Farm Credit Administration are authorized and directed to take all necessary steps to increase the capital stock of the Commodity Credit Corporation by $97,000,000; and the Reconstruction Finance Corporation is authorized and directed to acquire $97,000,000 of the nonassessable capital stock of the Commodity Credit Corporation.

AIR MAIL

THE EMERGENCY AIR MAIL ACT

(Approved Mar. 27, 1934. Public Law No. 140, 73d Cong.)

Conferred on the Postmaster General full authority to conduct the Air Mail Service directly by giving him authority to receive from the War Department the necessary planes, equipment, and air fields, and enabling the War Department to spend postal air-mail funds while the Army Air Corps operated the routes.

Enabled the Army to pay subsistence and other allotments to pilots and mechanics on air-mail duty.

THE AIR MAIL ACT OF 1934

(Approved June 12, 1934. Public Law No. 308, 73d Cong.)

Authorized the Postmaster General to award contracts for transportation of air mail for initial periods not exceeding 1 year to the lowest responsible bidders tendering sufficient guaranty for faithful performance.

Reduced air-mail postage rates from 8 cents to 6 cents an ounce.

Authorized the President to appoint a commission of five to make an immediate survey and report to Congress not later than February 1, 1935, recommendations of a broad policy covering all phases of aviation.

Provided that where the Postmaster General held a low bidder was not responsible or qualified, the latter should have a right of appeal to the Comptroller General, whose decision would be final.

Stipulated that the base rate of pay which might be bid and accepted in awarding such contracts should in no case exceed 33⅓ cents an airplane-mile for transporting a mail load not exceeding 300 pounds, the rate to be increased to a maximum load of 40 cents an airplane-mile for heavier loads.

Prohibited the sale, assignment, or transfer of contracts without approval of the Postmaster General, who may grant extension of routes for a distance not exceeding 100 miles.

Barred the Postmaster General from awarding contracts for air-mail routes or extending such routes in excess of an aggregate of 29,000 miles or from arranging schedules on these lines which would necessitate flying more than 40,000,000 airplane-miles annually.

Empowered and directed the Interstate Commerce Commission after notice and hearing, to fix and determine by order fair and reasonable rates for carrying the air mail, but not in excess of the rates provided for in the act, and at least once a year to review the rates in order to be assured that no unreasonable profit is resulting.

Authorized the Postmaster General to designate certain air-mail routes as primary and secondary and directed him to include at least four transcontinental routes and the eastern and western coastal routes among the primary routes.

Allowed low bidders 30 days in which to qualify for service under their contracts.

Outlawed holding companies, making it unlawful after December 31, 1934, for any person holding an air-mail contract to buy, hold, own, or control, directly or indirectly, an interest in any other aviation properties except landing fields, hangars, and ground facilities necessarily incidental for the performance of the air-mail contract.

Prohibited interlocking directorates and limited to $17,500 annually the salaries of officers, directors, or regular employees of air-mail contractors.

Directed the Secretary of Commerce to prescribe maximum and minimum flying hours for air-mail pilots and to determine the speed, load capacity, and safety features of mail planes.

Prohibited any contractor from holding more than three air-mail contracts after October 1, 1934.

THE AIR MAIL CONTRACT ACT

(Approved Feb. 21, 1935. Public Law No. 12, 74th Cong.)

Postpones from March 1, 1935, to April 1, 1936, the provision of section 15 of the Air Mail Act of June 12, 1934, that no contract for any primary air-mail route should be awarded to or extended for a contractor already holding contract for one primary route.

Makes no other change of any kind in the legislation previously enacted governing the carriage of air mail, but obviates the letting of new contracts for a brief period pending action by Congress on the report of the Commission which was authorized to report recommendations for a national aviation policy.

ANTITRUST

PROHIBITION OF PRICE DISCRIMINATION

(Approved June 19, 1936. Public Law No. 692, 74th Cong.)

This act amends the Clayton Antitrust Act (U. S. C., title 15, sec. 13).

It shall be unlawful to discriminate in price between buyers of commodities of like grade and quality, or to injure or destroy competition; provided that nothing herein contained shall prevent differentials which make due allowance for quantities in which such commodities are sold or delivered. However, the Federal Trade Commission shall have power to set quantity limits, after due hearing, where such quantity buying tends to create a monopoly. The act does not prevent price changes from time to time in response to perishable goods, seasonal goods, etc.

Upon proof being made that there has been discrimination in price, the burden of rebutting the evidence shall be upon the person charged with the violation.

The act forbids the payment or allowance of brokerage, either to the other principal party or to an intermediary acting in fact for or under the control of the other principal party, to the purchase and sale transaction.

Any compensation allowed a customer in connection with processing, handling, sale, or offering for sale of any products must be allowed all other customers on proportionately even terms.

It shall be unlawful to discriminate in favor of one purchaser against another of a commodity bought for resale by furnishing any service connected with processing, handling, and/or sale of commodity.

This act shall in no way affect litigation pending before the courts or orders of the Federal Trade Commission set in motion from the Antitrust Act previous to this amendatory act. If the Federal Trade Commission believes any person is guilty of violating this amendatory act, it may reopen the original proceedings and may restate the charges.

Under this act it shall be unlawful for any person knowingly to grant a discount, rebate, allowance, or advertising-service charge over and above any such similar charge available at the time of such transaction to said competitors in respect to a sale of goods of like grade, quality, and quantity; to sell or contract to sell goods in any part of the United States for the purpose of destroying competition or eliminating a competitor.

Nothing in the act shall prevent a cooperative association from returning to its members, producers, or consumers the whole or any part of the net earnings or surplus resulting from its trading operations in proportion to their purchases or sales from, to, or through the association. Maximum penalty for violation of this act is set at $5,000 fine or imprisonment for 1 year, or both.

APPROPRIATION REFORM

THE PERMANENT APPROPRIATIONS ACT

(Approved June 26, 1934. Public Law No. 473, 73d Cong.)

Provided that a larger number of specified permanent annual appropriations shall be subject to annual consideration and appropriation by Congress.

Effective July 1, 1935, abolished the Army recreation fund and covered its balance into the Treasury.

Required that unclaimed moneys in trust funds be deposited into and disbursed from a special trust fund account authorized to be established by the act, but certain trust-fund accounts, including retirement and insurance funds, are exempted from the operations of this provision.

Prescribed bookkeeping methods to be employed in handling outstanding checks of the Federal Government.

Required the Comptroller General of the United States to make a survey of certain appropriations and funds in the custody of Government officers, in which the Government is financially concerned, and to report to Congress annually his recommendations for changes in existing law.

BANKING

THE EMERGENCY BANKING RELIEF ACT

(Approved Mar. 9, 1933. Public Law No. 1, 73d Cong.)

Confirmed all previous proclamations of President Roosevelt and the late Secretary Woodin issued during the bank crisis that confronted the inauguration of the new Democratic administration.

Vested in the President and made applicable to peacetime emergencies the tremendous World War powers of regulation over transactions in credit, currency, gold and silver, including foreign exchange, fixing maximum penalties of $10,000 fine and 10 years' imprisonment for violators.

Empowered the Secretary of the Treasury to require delivery at the Treasury of all gold and gold certificates held by anybody in the country.

Authorized the President, without invoking the war powers, to fix restrictions on the banking business of Federal Reserve members.

Allowed the Comptroller of the Currency to appoint conservators for any national bank when considered necessary to conserve its assets; enabled a conservator to set aside for withdrawal by depositors on a ratable basis such amount as the Comptroller decided might be safely used; permitted the Comptroller to allow banks under conservators to receive new deposits, which would be segregated and subject to withdrawal without restriction; and permitted the reorganization of national banks upon the approval of the Comptroller, and, as the case might be, either of depositors of 75 percent of total deposits or holders of two-thirds of the outstanding stock, or both.

Provided for the issuance of preferred stock by national banks and for the purchase of preferred stock of national and State banks and for loans upon the security of such stock by the Reconstruction Finance Corporation when necessary to supply funds for organization or reorganization of such banks.

Authorized issuance of Federal Reserve bank notes redeemable in lawful money of the United States, these notes to be issued to the value of 100 percent Government obligations deposited as security and to the value of 90 percent of the notes, drafts, bills of exchange, and bankers' acceptances deposited as security.

Permitted Federal Reserve banks to make bank-note advances to member banks on time or demand notes secured to the satisfaction of the Reserve bank, but not ordinarily eligible, this section having a maximum time limit of March 3, 1935.

Authorized Federal Reserve banks to make 90-day bank-note advances to any individual, partnership, or corporation on promissory notes secured by Federal obligations.

THE BANKING ACT OF 1933

(Approved June 16, 1933. Public Law No. 66, 73d Cong.)

Provided for the coordination of Federal Reserve open-market activities, for the prevention of speculative uses of credit, for regulation of interbank control, for the insurance of deposits in member banks, for regulation of their operations, for separation of security affiliates, and permitted branch banking.

Embraced in its scope national banks, Federal Reserve and member banks, including State, Morris Plan, mutual banks, and postal savings.

Created a Federal Open Market Committee, one member selected by each Reserve bank directorate, to regulate open-market activities, and provided that undue use of bank credit may subject a member bank to suspension.

Created the Federal Bank Deposit Insurance Corporation, and provided for a deposits insurance fund made up of $150,000,000 appropriated by the Federal Government plus stock subscriptions.

Provided for a temporary deposit insurance fund from January 1, 1934, to June 30, 1934, insuring individual deposits to $2,500.

Provided that after July 1, 1934, the Corporation should insure the deposits of all member banks, deposits under $10,000 being fully covered; the next $40,000, 75 percent; over $50,000, 50 percent. Deposits in nonmember State banks holding class A stock are insured until July 1, 1936. Membership in the insurance corporation after July 1, 1936, is limited to national banks and members of the Federal Reserve System.

Forbade member banks to act as agent in security loans to brokers or dealers, to extend credit to purchase securities under repurchase agreement from any affiliate, to invest in affiliate obligations, or to accept obligations of affiliates as collateral on loans exceeding 10 percent of capital or surplus.

Provided that no executive officer should borrow from his member bank and that he must report to his board of directors concerning loans from another member bank.

Permitted investment transactions without recourse for customer's account; permitted purchases on own account under controller regulations, and provided that the securities of a single obligor should not exceed 10 percent of outstanding issues.

Security affiliates not permitted after 1 year; security corporations prohibited from engaging in banking business.

Branch banking within a city permitted with the approval of the controller wherever State banks are expressly so authorized; branch banking within a State permitted wherever statutes specifically permit, but no branches permitted beyond the city unless unimpaired capital is at least $500,000, or minimum of $250,000 in States with population under 1,000,000 and which have cities therein of more than 100,000 population, or a minimum of $100,000 in States under 500,000 population which have no cities exceeding 50,000 population.

TAXATION OF BANK SHARES OWNED BY R. F. C.

(Approved Mar. 20, 1936. Public Law No. 482, 74th Cong.)

Exempts shares of preferred stock of national banking associations and of preferred stock, capital notes, and debentures of State banks and trust companies, acquired by the R. F. C., from taxation by the Federal, State, local, or Territorial governments. Likewise exempts dividends or interest from such shares from taxation.

Effective March 20, 1936, limits interest on loans by R. F. C. to closed banks and trust companies to 3½ percent on condition interest charged debtors of such institutions shall not exceed 4½ percent. No reduction in interest rate on such R. F. C. loans can be retroactive from March 20, 1936.

THE GLASS BANKING ACT OF 1935

(Approved Aug. 23, 1935. Public Law No. 305, 74th Cong.)

Seeks to provide for "sound, effective, and uninterrupted operation of the banking system" through amendment of the Federal Reserve Act, reorganization of the Federal Reserve Board and technical amendments of the banking laws, and by making Federal deposit insurance of bank deposits permanent.

Reorganizes the Federal Reserve Board into a seven-member board, all to be appointed by the President, and each to have the title of "governor" and serve a 14-year term. Changes the name of the Federal Reserve Board to the "Board of Governors of the Federal Reserve System." The Secretary of the Treasury and the

Comptroller of the Currency are eliminated from membership, ex officio, on the Board after February 1, 1936. The entire reorganization of the Board is to be effected by that date.

Creates a Federal open-market committee, effective March 1, 1936, which shall consist of the 7 members of the Board of Governors of the Federal Reserve System and 5 representatives of the 12 regional Federal Reserve banks, to be elected annually by designated regions, the committee to have power to control credit fluctuations by purchasing and selling Government bonds, notes, or other obligations of the United States on the open market through the Reserve banks. The open-market committee is to have charge of open-market operations and the Reserve banks must act in accordance with its instructions.

Amends section 14 of the Federal Reserve Act to make eligible for purchase by Federal Reserve banks, without regard to maturities, direct obligations of the United States or obligations fully guaranteed by the United States, but provides that such direct and guaranteed obligations may be purchased "only in the open market."

Retains existing statutory requirements governing maintenance of reserves against deposits as a further check on the use of bank funds for speculation. Provides that by a vote of not less than 4 of the 7 members of the Board of Governors the present requirements of 7, 10, and 13 percent could be doubled but not lowered.

Allows Reserve banks to continue to propose changes in rediscount rates, subject to Board approval, but requires such rates to be restated "every 14 days, or oftener, if deemed necessary by the Board."

Authorizes the President to designate one of the seven governors of the Federal Reserve System to act as its "chairman" and another to serve as "vice chairman", each for 4 years; and gives the heads of the 12 Federal Reserve banks the new title of "president" instead of "governor", so as not to conflict with the new Reserve Board titles. The presidents of the Federal Reserve banks would be selected for 5-year terms by the boards of directors of the banks, subject to approval by the Board of Governors of the Federal Reserve System.

Permits national banking associations to make real-estate loans secured by first liens upon improved real estate, including improved farm land and improved business and residential properties, up to 50 percent of the appraised value of the real estate offered as security, for a term of not over 5 years, except in cases of amortized loans, when 60 percent may be loaned for a 10-year term. Forbids national banking associations to make such loans in an aggregate sum in excess of the capital and surplus of the bank, or in excess of 60 percent of its time and savings deposits, whichever is the greater.

Broadens the eligibility requirements of paper upon which the Federal Reserve banks may make loans.

Makes permanent the temporary law, expiring August 31, 1935, fully insuring bank deposits up to $5,000 for a depositor. Provides that the annual assessment on banks for insurance-fund membership shall be one-twelfth of 1 percent upon their average deposit liability.

Requires all State banks with deposits of $1,000,000 or more to join the Federal Reserve System by July 1, 1942, if they desire to continue to have their deposits insured.

Permits nonmember banks to terminate their insured status within 30 days of effective date of the Banking Act of 1935 by giving written notice to the Federal Deposit Insurance Corporation.

Provides that the total amount of the securities of one issuer or obligor held by a national banking association for its own account shall not exceed 10 percent of the actually paid-in and unimpaired capital stock and surplus fund, except that this provision shall not apply to lawful holdings as of the effective date of the Banking Act of 1935.

Requires the Secretary of the Treasury, whenever in the judgment of the directors of the Federal Deposit Insurance Corporation additional funds are required for insurance purposes, to purchase obligations of the Corporation in an additional amount not exceeding $250,000,000.

THE COLLATERAL SECURITY ACT

(Approved Mar. 9, 1934. Public Law No. 115, 73d Cong.)

Extended for 1 year, or until March 3, 1935, the time in which Federal Reserve banks may be permitted to use United States bonds as security for the issuance of their notes and credits.

Granted permission to the President to extend it 2 years further.

THE BANK DEPOSIT INSURANCE ACT

(Approved June 16, 1934. Public Law No. 362, 73d Cong.)

Amended section 12B of the Federal Reserve Act so as to extend for 1 year the temporary plan for deposit insurance, or until July 1, 1935.

Provided that beginning July 1, 1934, the amount eligible for insurance should be $5,000 of the deposits of each depositor instead of the present $2,500.

Authorized and empowered, but did not direct, the Reconstruction Finance Corporation to make loans upon or purchase the assets of any bank, savings bank, or trust company closed between December 31, 1929, and January 1, 1934, and the affairs of which have not been fully liquidated or wound up, upon such terms and conditions as the Corporation may prescribe.

In making such purchase of, or loans on, the assets of any closed bank, the Reconstruction Finance Corporation shall appraise the assets in anticipation of an orderly liquidation over a period of years rather than on the basis of forced selling values in a period of business depression.

Directed the Reconstruction Finance Corporation to purchase the obligations of the Federal Deposit Insurance Corporation, on request of the latter, to the extent of $250,000,000.

Postponed the termination of insurance of nonmember banks until July 1, 1937, and permitted nonmember banks to obtain the benefits of the permanent insurance after the fund is terminated (on July 1, 1935) until July 1, 1937.

THE BANK DEPOSIT INSURANCE EXTENSION ACT

(Approved June 28, 1935. Public Resolution No. 38, 74th Cong.)

Extends for 60 days, or until August 31, 1935, the temporary plan for Government insurance of bank deposits up to $5,000.

Provides that the deposits in banks which, on June 30, 1935, were members of the fund should continue to be insured during the extended period to August 31, 1935, without liability on the part of such banks to further calls or assessments.

THE CORPORATE BANKRUPTCY ACT

(Approved June 7, 1934. Public Law No. 296, 73d Cong.)

Permitted corporations to reorganize with the consent of the majority of their creditors, under the guidance of the courts, and allowed financial compromises in many instances where a majority of the creditors had agreed but were balked by minorities.

Provided that a petition for reorganization of a corporation might be filed by any creditor or stockholder if approved by holders of 25 percent in amount of any class of creditors, and not less than 10 percent in amount of all claims against the debtor; also that when corporations were not really insolvent but were unable to meet maturing obligations, agreement to the petition must come from stockholders representing 10 percent of any class of stock and 5 percent of the total.

Stipulated that district courts or any of their judges should apportion appointments as receiver equitably among all eligible persons, firms, or corporations within the district.

Prohibited the appointment as receiver of any person related to any judge of a United States court; also prohibited the appointment as attorney for a receiver any person who was such a relative or a member of a law firm of which any member was a relative of such judge.

THE STATE BANK AID ACT

(Approved Mar. 24, 1933. Public Law No. 4, 73d Cong.)

Provided that during the then-existing emergency in banking any State bank or trust company not a member of the Federal Reserve System for 1 year might borrow directly from Federal Reserve banks by depositing satisfactory collateral, the same as member banks, under the Emergency Banking Act.

Permitted the Reconstruction Finance Corporation to lend to State banks or trust companies on their capital notes or debentures instead of on preferred stock in those States where double liability is imposed on the preferred stock; also gave the Reconstruction Finance Corporation the right to sell the securities in the open market.

CIVIL SERVICE

VACATIONS FOR GOVERNMENT EMPLOYEES

(Approved Mar. 24, 1936. Public Law No. 471, 74th Cong.)

All civilian officers and employees of the United States wherever stationed and of the government of the District of Columbia shall be entitled to 26 days annual leave with pay each calendar year, exclusive of Sundays and holidays. Leave may accumulate for succeeding years until it totals not exceeding 60 days. Temporary employees are entitled to 2½ days leave for each month of service. The act becomes effective January 1, 1936.

Teachers and librarians in the public schools and certain divisions of the Post Office Department are not included in the act.

SICK LEAVE FOR GOVERNMENT EMPLOYEES

(Approved Mar. 14, 1936. Public Law No. 472, 74th Cong.)

On and after January 1, 1936, cumulative sick leave with pay, at the rate of 1¼ days per month, shall be granted to all civilian officers and employees, the total accumulation not to exceed 90 days. Temporary employees, except temporary employees engaged on construction work at hourly rates, shall be entitled to 1¼ days sick leave for each month of service: *Provided*, That all such employees shall furnish certificates satisfactory to the head of the appropriate department or independent establishment.

Teachers and librarians in the public schools and certain divisions of the Post Office Department are not included in the act.

COMMUNICATIONS

THE COMMUNICATIONS ACT OF 1934

(Approved June 19, 1934. Public Law No. 416, 73d Cong.)

Created a Federal Communications Commission of seven members to regulate the Nation's interstate and foreign communications services by telegraph, telephone, cable, and radio.

Abolished the Federal Radio Commission and transferred its functions, as well as regulatory authority over telephones and telegraph now vested in the Interstate Commerce Commission, to the new Communications Commission.

Repealed the Radio Act of 1927, modified the method of allocating broadcasting frequencies along with other changes regarding radio; amplified the Radio Act by providing for the modification of station licenses and construction permits where the Commission considers such action in the public interest; and directed the Commission to study the proposal that Congress, by

statute, allocate fixed percentages of broadcasting facilities to particular types of nonprofit programs.

Granted the Commission wide authority, effective July 1, to regulate interstate communications systems in cooperation with State utility commissions regulating radio, wireless, telephone, telegraph, cables, and television.

Empowered the President in time of war to take over radio and wire offices in the interest of national defense.

Prohibited radio broadcasting of any information concerning any lottery, gift enterprise, or similar scheme offering prizes dependent upon lot or chance.

THE TELEPHONE INQUIRY ACT

(Approved Mar. 15, 1935. Public Resolution No. 8, 74th Cong.)

Directs the Federal Communications Commission to investigate and report to Congress on the following matters with respect to the American Telephone & Telegraph Co. and all other companies engaged directly or indirectly in telephone communication in interstate commerce, including all of their subsidiary, affiliated, associated, and holding companies in which any of them have any direct or indirect financial interest or in which any of their officers or directors hold office or any control:

1. The corporate and financial history and the capital structure and relationship of such company and of its subsidiary, affiliated, associated, and holding companies, including the determination of whether such structure may enable them to evade State or Federal regulation, or taxation, or to conceal, pyramid, or absorb profits, or to do any act contrary to the public interest.

2. The extent and character of intercompany service contracts and all transactions between telephone companies and their subsidiaries and holding companies, etc., and particularly between the A. T. & T. Co. and the Western Electric Co. and other manufacturers of electrical equipment.

3. The reasons for failure generally to reduce telephone rates and charges during years of declining prices.

4. The effect of monopolistic control upon reasonableness of rates.

5. The effect of mergers, consolidations, and acquisitions of control by telephone companies, including write-ups in purchase prices.

6. Methods of competition with other companies or industries.

7. Whether the companies, through propaganda or money expenditure, have sought or control channels of publicity to control public opinion.

Makes $750,000 available for the inquiry.

CRIME

THE FEDERAL MARSHALS ACT

(Approved June 15, 1935. Public Law No. 146, 74th Cong.)

Amends and clarifies existing law by providing that United States marshals may serve process in any Federal judicial district.

Empowers Federal marshals and their deputies to make arrests without warrants for any offense against laws of the United States committed in their presence, also for any felony cognizable under Federal laws where the felony has in fact been or is being committed and they have reasonable grounds to believe that the person to be arrested has committed or is committing it.

Provides Federal statutory authority for Federal marshals and their deputies to carry firearms.

THE POULTRY RACKET ACT

(Approved Aug. 14, 1935. Public Law No. 272, 74th Cong.)

Seeks to break up the poultry racket in New York and New Jersey or elsewhere which is interstate by placing the live-poultry industry under the Packers and Stockyards Act and thereby undertaking to establish correct and reasonable charges for all services rendered at the unloading point in destination of shipment.

Adds a new title V to the Packers and Stockyards Act, approved August 15, 1921, so as to bring the shipment of such poultry within the jurisdiction of the Secretary of Agriculture.

THE CRIME-PREVENTION COMPACT ACT

(Approved June 6, 1934. Public Law No. 293, 73d Cong.)

Granted the consent of Congress to any two or more States to enter into agreements or compacts for cooperative effort and mutual assistance in the prevention of crime and in the enforcement of their respective criminal laws and policies, and to establish such agency, joint or otherwise, as they may deem desirable for making effective such agreements or compacts.

THE ARREST FACILITATION ACT

(Approved June 6, 1934. Public Law No. 295, 73d Cong.)

Appropriated as a reward or rewards for the capture of anyone charged with violation of the criminal laws of the United States or any State or of the District of Columbia the sum of $25,000, to be spent in the discretion of the Attorney General of the United States.

Appropriated an additional $25,000 as a reward or rewards for information leading to the arrest of any such person.

Provided that if any such persons shall be killed in resisting lawful arrest the Attorney General may pay any part of the reward to the persons he shall adjudge entitled to receive them, but no part of the appropriation shall be paid to any employee of the Department of Justice.

THE NATIONAL STOLEN PROPERTY ACT

(Approved May 22, 1934. Public Law No. 246, 73d Cong.)

Extended the provisions of the National Motor Vehicle Theft Act of 1919 to other stolen property.

Provided for $10,000 fine or 10 years' imprisonment, or both, for those who transport or cause to be transported any stolen goods, wares or merchandise, securities, or money valued at $5,000 or over; also the same punishment for receiving, concealing, storing, bartering, selling, or disposing of such goods.

THE SIX FEDERAL CRIME CONTROL ACTS

(Approved May 18, 1934, 73d Cong.)

Provided punishment for killing, assaulting, resisting, opposing, impeding, or interfering with Federal officers while performing their official duties running down crime. (Public Law No. 230.)

Applied the powers of the Federal Government, under the commerce clause of the Constitution, to extortion by means of telephone, telegraph, radio, oral message, or otherwise. (Public Law No. 231.)

Amended the act forbidding the transportation of kidnaped persons in interstate commerce to provide punishment by death if the verdict of the jury so recommends, or by imprisonment for such term as the court shall determine. (Public Law No. 232.)

Made it unlawful for any person to flee from one State to another for the purpose of avoiding prosecution or giving testimony in cases involving murder, kidnaping, burglary, robbery, mayhem, or extortion accompanied by threats of violence. (Public Law No. 233.)

Provided punishment of 10 years' imprisonment for causing or assisting in prison mutiny, riot, or escape. (Public Law No. 234.)

Provided punishment for certain offenses committed against banks organized or operating under laws of the United States or any member of the Federal Reserve System. (Public Law No. 235.)

PENALTY FOR POSSESSING RANSOM MONEY

(Approved Jan. 24, 1936. Public Law No. 424, 74th Cong.)

To amend the act entitled "An act forbidding the transportation of any person in interstate or foreign commerce, kidnaped, or otherwise detained", and making such an act a felony by adding the following section:

"SEC. 4. Whoever receives, possesses, or disposes of any money or other property, or any portion thereof, which has at any time been delivered as ransom or reward in connection with a violation of section 1 of this act, knowing the same to be money or property which has been at any time delivered as such ransom or reward, shall be punished by a fine of not more than $10,000 or imprisonment in the penitentiary for not more than 10 years, or both."

FLOOD CONTROL

FLOOD CONTROL ACT OF 1936

(Approved June 22, 1936. Public Law No. 738, 74th Cong.)

Represents "first comprehensive effort definitely to establish a Federal policy with respect to flood control throughout the United States, and contains the first general legislation having this purpose in view."

Recognizes that destructive floods "constitute a menace to national welfare; that it is the sense of Congress that flood control on navigable waters or their tributaries is a proper activity of the Federal Government in cooperation with States, their political subdivisions, and localities thereof"; that investigations and improvements for flood control "are in the interest of the general welfare; that the Federal Government should improve or participate in the improvement of navigable waters or their tributaries, including watersheds thereof, for flood-control purposes", if the benefits are in excess of estimated costs and "if the lives and social security of the people are otherwise adversely affected."

Provides that Federal investigations and improvements of rivers and other waterways for flood control shall be under direction of Secretary of War and supervision of Chief of Engineers; while "investigations of watersheds and measures for run-off and water-flow retardation and soil-erosion prevention on watersheds" shall be under direction of Secretary of Agriculture.

Provides that money appropriated under authority of this act shall not be expended on construction until States, political subdivisions thereof, or other local agencies have given assurances they will (a) provide without cost to the United States all lands necessary for construction, (b) hold and save the United States free from damages due to construction, (c) maintain and operate all works in accordance with regulations of Secretary of War. Provides also that in case the cost of land and damages to a State exceed the construction costs paid by the Federal Government, the State shall not be required to pay more than 50 percent of the total cost of the project; that the Secretary of War shall determine the proportion of costs of lands each State shall contribute; and that when more than 75 percent of the benefits of a project accrue to lands outside a State, the State shall not be required to pay maintenance costs.

Grants consent of Congress to State compacts to carry out the purposes of the act, provided such compacts permit the Department of War to expend all money pursuant to the compacts except that retained for reserves to collect taxes and maintain necessary State organizations.

Authorizes an appropriaion of $310,000,000 for projects designated and $10,000,000 to be expended in equal amounts by Departments of War and Agriculture for examinations and surveys. Limits expenditures to $50,000,000 in fiscal year 1937. Permits employment of relief workers, who are to be paid from W. P. A. funds.

MISSISSIPPI FLOOD CONTROL ACT

(Approved June 15, 1936. Public Law No. 678, 74th Cong.)

Amends the Mississippi Flood Control Act of May 15, 1928, so as to provide that the project for control of floods on that river and its tributaries shall be modified in accordance with the recommendations submitted by the Chief of Engineers to the chairman of the Committee on Flood Control on February 12, 1935.

Appropriates $272,000,000 for carrying out this modified adopted project and makes available for the purposes of the act all unexpended balances of appropriations heretofore made for the project.

Authorizes the appropriation of $15,000,000 as an emergency fund to be allocated by the Secretary of War on recommendation of the Chief of Engineers in rescue work or in repair or maintenance of any flood-control work on any tributary of the Mississippi River threatened or destroyed by flood.

LOANS FOR REPAIR OF DAMAGES BY FLOODS

(Approved Apr. 16, 1936. Public Law No. 525, 74th Cong.)

This legislation further amends the act of April 13, 1934, so as to permit the Reconstruction Finance Corporation to make loans where damage has been caused by floods, etc., to permit loans to corporations, partnerships, etc., for the purpose of repairing or rehabilitating highways, bridges, power plants, etc., which have been injured as a result of earthquakes, conflagrations, tornadoes, cyclones, hurricanes, floods, or other catastrophes during the years 1935 and 1936; and for the further purpose of facilitating such replacements as are deemed by the Reconstruction Finance Corporation to be useful or necessary.

The act specifies how the obligations shall be secured, the maturities of such obligations, and limits the aggregate of loans to $50,000,000.

Title I of the National Housing Act is amended to permit the Administrator to insure approved financial institutions up to 10 percent of the total of loans made by said institutions for the purpose of aiding in the reconstruction or rehabilitation of property injured or destroyed by the above-mentioned forces. Terms of such loans must be satisfactory to the Administrator, and the National Housing Act is amended so as to permit a total insurance liability in the aggregate of $100,000,000.

HOLDING COMPANIES

PUBLIC-UTILITY HOLDING COMPANIES

(Approved Aug. 26, 1935. Public Law No. 333, 74th Cong.)

Title I of the act provides for the control of public-utility holding companies operating or marketing securities in interstate and foreign commerce and through the mails; while title II is concerned with regulation of the transmission and sale of electric energy in interstate commerce.

HOME FINANCING

THE HOME OWNERS' REFINANCING ACT

(Approved June 13, 1933. Public Law No. 43, 73d Cong.)

Provided for the creation of the Home Owners' Loan Corporation, with $200,000,000 of capital to be provided by the R. F. C. and authorization to issue $2,000,000,000 in bonds to exchange for mortgages.

Stipulated that the maximum aid to be given to a home owner by the Corporation, through exchange of bonds for mortgages, would be the equivalent of 80 percent of the value of the mortgaged property, not exceeding $14,000; the Corporation, in this refinancing, to exchange its bonds up to the permitted maximum for mortgages; the bonds to bear Government-guaranteed interest of 4 percent.

Authorized the Corporation, after making such an arrangement to collect from the home owners interest at 5 percent on the refinanced mortgages, the home owners to amortize these loans within 15 years.

Provided that home owners unable to benefit by this procedure, through the reluctance of mortgage holders, might borrow up to 40 percent of the value of their properties for the purpose of reducing to that extent their indebtedness, these loans in no event to exceed 6 percent annually.

Authorized cash loans up to 50 percent of the value of homes where comparatively small debts were held against such properties.

Provided for limited loans to recover homes for original owners who might have lost them by foreclosure or forced sale in 2 years preceding the act.

THE HOME OWNERS' LOAN ACT OF 1934

(Approved Apr. 27, 1934. Public Law No. 178, 73d Cong.)

Authorized the issuance of $2,000,000,000 of bonds by the Home Owners' Loan Corporation which might be sold or exchanged for mortgages.

Provided that bonds be guaranteed as to principal as well as interest by the United States.

Provided that the Secretary of the Treasury might buy and sell these bonds substantially as other Government bonds.

Stipulated that the Corporation should only have power to refund home mortgages in cases where the home owner was involuntarily in default at the time the Home Owners' Loan Act of 1933 took effect and was now unable to refinance his home-mortgage indebtedness.

Permitted the Corporation to advance cash in an aggregate not exceeding $200,000,000, not only to make necessary repairs, but also for rehabilitation, modernization, rebuilding, and enlargement of homes.

Authorized the Corporation to grant an extension of principal or interest to a home owner where justified, but eliminated the 3-year compulsory moratorium in the act of 1933.

Provided for the redemption of homes lost by the owner subsequent to January 1, 1930, instead of limiting such redemption cases to homes lost within 2 years prior to the refunding by the Corporation.

Authorized the Home Owners' Loan Corporation to buy bonds and debentures of Federal home-loan banks and to make advances to such banks, but provided that not exceeding $50,000,000 be invested or advanced in this manner.

Amended the Federal Farm Mortgage Corporation Act of 1934 to provide that the bonds of such Corporation should not be issued in excess of its assets.

THE HOME MORTGAGE RELIEF ACT

(Approved May 28, 1935. Public Law No. 76, 74th Cong.)

Liberalizes the Federal Home Loan Bank Act so as to facilitate the functioning of the Federal home-loan banks and enable their members to carry home mortgages over longer terms and on an easier basis. Extends the limitation of existing law with respect to the maturity of mortgages which may be accepted as collateral for advances by Federal home-loan banks from 15 to 20 years and makes all home mortgages up to $20,000 in amount—instead of those on properties valued up to $20,000—eligible as such collateral.

Increases the borrowing power of the Home Owners' Loan Corporation from $3,000,000,000 to $4,750,000,000 to provide for applications already filed and for applicants who in good faith sought relief prior to the enactment of the new act or who filed their applications within 30 days thereafter.

Provides that for the purposes of the Home Owners' Loan Act of 1933 assessments levied upon real property by special districts organized in any State for public improvements should be treated as general-tax levies, leaving it to the Home Loan Bank Board to determine the reasonableness of the annual tax burden on property securing loans by the Corporation.

Removes the prohibition against making a deduction from the loanable value of the property where the aggregate amount of the annual taxes, levies, and assessments does not exceed 5 percent of the value of the property as determined by the appraisal.

Permits State-chartered institutions which are converted into Federal savings and loan associations to continue to make loans in the territory in which they made loans while operating under a State charter.

Authorizes the Home Owners' Loan Corporation to purchase: (1) Federal Home Loan Bank bonds, debentures or notes (including consolidated bonds or debentures); (2) full-paid income shares of Federal savings and loan associations on the same terms and conditions and within the same limitations as in the case of purchases of such shares by the Secretary of the Treasury after the funds made available have been exhausted; and (3) shares in any institution which is a member of a Federal home-loan bank and whose accounts are insured under title IV of the National Housing Act, if the institution is eligible for such insurance. The total amount available to the Corporation under this section was fixed at $300,000,000.

Increases by $200,000 the amounts made available to the Federal Home Loan Bank Board for encouraging the promotion, organization, and development of Federal loans and savings associations.

Extends from January 1, 1936, to April 1, 1936, the time within which loans must be made in order to be eligible for insurance under section 2 of the National Housing Act and makes loans up to $50,000 eligible for such insurance if made for the purpose of financing alterations, repairs, and improvements with respect to real property "improved by, or to be converted into apartment or multiple-family houses, hotels, offices, business or other commercial buildings, hospitals, orphanages, colleges, schools, or manufacturing or industrial plants."

THE NATIONAL HOUSING ACT

(Approved June 27, 1934. Public Law No. 479, 73d Cong.)

Provided for a comprehensive program of home financing and mortgage insurance and that financial institutions which make loans for financing alterations, repairs, and improvements upon real property are to be insured up to 20 percent of the total value of such loans, and also that loans may be made upon the security of obligations thus insured.

Established a program of mutual mortgage insurance under which first mortgages on residential property which are amortized may be insured up to $16,000 in any case, and up to 80 percent of the appraised value of the property.

Authorized the establishment of national mortgage associations each with a capital of not less than $5,000,000, with authority to purchase and sell first mortgages and borrow money through the issue of securities up to 10 times their outstanding capital or the current face value of the mortgages which they hold and which are insured under the provisions of the act.

Created a corporation under the supervision of the Federal Home Loan Bank Board which is authorized to insure accounts of building and loan associations and similar institutions, and which is required to insure accounts of Federal savings and loan associations established under authority of the Home Owners' Loan Act

of 1933, such insurance to be for the full withdrawable or repurchasable value of the accounts of the members of such institutions with a $5,000 limitation upon insurance of any such member.

Provided for the appointment by the President, with Senate consent, of a national housing administrator, to serve for 4 years, who would administer the housing renovation and modernization, the mutual mortgage insurance, and the national mortgage association features of the act.

Provided that the aggregate liability of the Federal Government by reason of home-renovation loans should not exceed $200,000,000.

The funds for both the housing-renovation program and the program of mutual mortgage insurance are to be made available to the Administrator by the R. F. C. or from any funds made available to the President for emergency purposes.

Created a Savings and Loan Insurance Corporation, with a capital of $100,000,000, to insure the accounts of Federal savings and loan associations.

Permitted national banks to hold Government-insured mortgages covered by the Housing Act, even though the mortgages do not comply with the present statutory limitation of 5-year maturity and 50 percent of the appraised value.

Increased the Home Owners' Loan Corporation's power to issue bonds to the extent of an additional $1,000,000,000, thereby raising this power to a total of $3,000,000,000.

NATIONAL HOUSING ACT AMENDMENTS

(Approved Apr. 3, 1936. Public Law No. 486, 74th Cong.)

Extends time during which modernization loans may be insured by the Federal Housing Administration until April 1, 1937. Reduces insurance of lending institutions from 20 percent of their total loans to 10 percent and the total liability on the part of the Government for such insurance from $200,000,000 to $100,000,000.

Continues the limit on loans at $2,000, except in the case of "apartment or multiple-family houses, hotels, office, business, or other commercial buildings, hospitals, orphanages, colleges, schools, churches, or manufacturing or industrial plants" wherein the maximum is again set at $50,000. Prohibits loans of $2,000 or less for "purchase and installation of equipment and machinery."

Empowers the Administrator, under regulations prescribed by him and approved by the Secretary of the Treasury, to dispose of security acquired in the payment of insurance and to collect or compromise obligations until referred to the Attorney General for suit or collection.

Authorizes transfer of insurance on loans from one institution to another when the one institution sells insured loans to the other.

LABOR

THE WAGNER LABOR RELATIONS ACT

(Approved July 5, 1935. Public Law No. 198, 74th Cong.)

Creates a permanent National Labor Relations Board of three members, appointed by the President with Senate consent, to promote equality of bargaining powers between employers and employees and to diminish the causes of labor disputes. This permanent Board replaces the old temporary National Labor Relations Board established under Executive orders of President Roosevelt.

Declares collective bargaining to be a national policy.

Provides that employees "shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities, for the purpose of collective bargaining or other mutual aid or protection."

Lays down five unfair labor practices by forbidding employers—

1. To interfere with, restrain, or coerce employees in the exercise of the "rights guaranteed" in the collective-bargaining section (sec. 7) of the act.

2. To dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it.

3. To encourage or discourage membership in any labor organization by discrimination in regard to hire or tenure of employment or any term or condition of employment.

4. To discharge or otherwise discriminate against an employee for filing charges or giving testimony under the act.

5. To refuse to bargain collectively with the representatives of employees subject to the provisions of section 9a of the act, which provides that bargaining representatives be chosen by a majority of such unit exclusively in bargaining on pay, wages, hours, and other conditions. A minority would be allowed to present "grievances."

Empowers the Board to "decide in each case whether, in order to insure to employees the full benefit of their right of self-organization and to collective bargaining, and otherwise effectuate the policies of the act, the unit appropriate for the purposes of collective bargaining shall be the employer unit, plant unit, or any subdivision thereof."

Directs the Board to "prevent any person from engaging" in any of the five enumerated unfair labor practices "affecting commerce", this power to be "exclusive" and not affected by any other means of adjustment or prevention that "has been or may be established by agreement, code, law, or otherwise."

Stipulates that nothing in the act shall be "construed so as to interfere with or impede or diminish in any way the right to strike."

THE WAGNER NATIONAL EMPLOYMENT SYSTEM ACT

(Approved June 6, 1933. Public Law No. 30, 73d Cong.)

Provided for the establishment of a national employment system and for cooperation with the States in the promotion of such a system by creating in the Department of Labor a bureau known as the United States Employment Service, under a director appointed by the President with Senate consent.

Empowered the Federal Government to coordinate the activities of State employment services and, where States do not establish a system of their own, to take the first steps in that direction.

Authorized an appropriation of $1,500,000 for the first year and $4,000,000 annually thereafter, three-fourths of this money to be distributed to the States to assist in maintaining the employment services, on condition that the States appropriate an equal amount, the rest to go for administrative purposes.

THE ROADS EMPLOYMENT ACT

(Approved June 18, 1934. Public Law No. 393, 73d Cong.)

Provided for the increase of employment by authorizing appropriations for emergency construction of public highways and related projects.

Authorized appropriations of $300,000,000 for road work in the fiscal year 1935, and $100,000,000 in the fiscal year 1936, and provided that neither of these grants would have to be matched by the States. In addition there has been provided Federal aid of $125,000,000 for road work in each of the fiscal years 1936 and 1937, which must be matched by the States.

Appropriated $24,000,000 to be spent during each of the next 3 fiscal years on forest highways, main roads through public lands, roads and trails in national parks, and Indian reservation roads.

THE M'KELLAR-MEAD 40 HOUR MAIL ACT

(Approved Aug. 14, 1935. Public Law No. 275, 74th Cong.)

Provides a 40-hour week for 123,000 postal employees, effective October 1, 1935.

Affects supervisors, clerks, special clerks, carriers, rural-delivery men, mail equipment shop workers, laborers in first- and second-class post offices, cleaners, janitors, telephone operators, and elevator conductors.

Extends the benefits of the act to railway postal clerks by providing that the service of such clerks assigned to road duty shall be based on an average not exceeding 6 hours and 40 minutes daily for 306 days annually and that railway postal clerks required to perform over 6 hours' and 40 minutes' service daily shall be paid in cash at the annual rate of pay or granted compensatory time, at their option, for such overtime.

THE EMPLOYMENT SERVICE ACT

(Approved May 10, 1935. Public Law No. 54, 74th Cong.)

Amends the so-called "Wagner-Peyser Act" of June 6, 1933, so as to alter the amount apportioned to certain States for public employment offices affiliated with the United States Employment Service.

Provides for an apportionment of not less than $10,000 to each State for its assistance in the establishment of local employment offices. Under the Wagner-Peyser Act the appropriation of $3,000,000 annually until June 30, 1938, was to be apportioned among the States in the proportion of their population to the total population of the Nation. By strict application of this rule four States—Delaware, Nevada, Vermont, and Wyoming—receive less than $10,000 each.

THE KICK-BACK RACKET ACT

(Approved June 13, 1934. Public Law No. 324, 73d Cong.)

Made it unlawful to prevent anyone from receiving the compensation contracted for in connection with the construction of public works financed by loans or grants from the United States Government. The act was aimed at the so-called "kick-back racket", by which a contractor pays wages at the rate required by the Government but forces employees to give back part of the wages.

Prescribed a maximum penalty of $5,000 fine or imprisonment for 5 year, or both.

THE LABOR-DISPUTES JOINT RESOLUTION

(Approved June 19, 1934. Public Resolution No. 44, 73d Cong.)

Authorized the President to establish a board or boards to investigate issues, facts, practices, and activities of employers or employees in controversies arising under section 7a of the National Industrial Recovery Act or which are burdening or obstructing, or threatening to burden or obstruct, the free flow of interstate commerce.

Empowered any board so established to conduct an election by secret ballot of any of the employees of any employer to determine by what person, persons, or organization they desire to be represented in order to insure the right of employees to organize and to select their representatives for the purposes of collective bargaining as defined in section 7a.

Provided that any such board, with Presidential approval, may prescribe such rules and regulations as it deems necessary to assure freedom from coercion in respect to all elections.

Limited the life of the Board or Boards established under the resolution to 1 year from June 16, 1934, unless the President by proclamation or Congress by joint resolution should before June 15, 1935, declare that the emergency recognized by section 1 of the National Industrial Recovery Act has ended.

THE WALSH-HEALEY GOVERNMENT CONTRACTS ACT

(Approved June 30, 1936. Public Law No. 846, 74th Cong.)

Provides conditions for the purchase of supplies and the making of contracts by the United States Government. Stipulates that public contracts in excess of $10,000 made by any executive department, independent establishment, or other agency or instrumentality of the United States shall include stipulations requiring

the contractor to be a manufacurer or regular dealer in the materials for which he is contracting; that he pay not less than the prevailing wages for persons employed in the industry or similar industries operating in the locality; that he permit no person to work in excess of 8 hours in any one day or 40 hours in any one week; and that he employ no male persons under 16 years of age and no female person under 18 years old, nor any convict labor, and also requiring that the contract is not to be performed in a plant or under working conditions which are insanitary or unduly hazardous.

Provides for violations of stipulations in contracts for Government purchases (a) a penalty of a sum equal to the difference between the amount required to be paid and that actually paid the employee, (b) a penalty in the sum of $10 per day for each person employed in violation of the child-labor and convict-labor provisions, (c) a cancelation of contracts for a breach of the labor provisions and authority to make new purchases or contracts against the account of the offending contractor, (d) authority for withholding penalties in actions to be brought by the Attorney General in the name of the United States, and (e) payments of sums recovered or withheld in this way to the employees aggrieved by such violations.

Provides machinery whereby a contractor found guilty of aggravated offenses against the act may be barred from bidding on Government contracts for 3 years.

Designates the Department of Labor as the administrative agency and confers necessary powers in connection with the enforcement of the act. Makes provisions for public hearings for fact findings and complaints.

Certain exceptions are made to the act, such as when Government business would be seriously impaired and the purchase of products in the open market (farm, dairy, and nursery products).

THE DILL-CROSSER RAILWAY LABOR ACT

(Approved June 21, 1934. Public Law No. 442, 73d Cong.)

Amended the Railway Labor Act of May 20, 1926, by rewriting it and making several far-reaching and important changes in the Mediation Board and in the operation of the adjustment boards to settle grievances.

Created a National Railway Adjustment Board, which will have four divisions, the members to be selected by the rail carriers and labor organizations.

Provided for the establishment of regional or system boards of adjustment, if the railroads and the employees desire to set up such boards voluntarily.

Abolished the present Board of Mediation, consisting of five members, and established a new and smaller board called the "National Mediation Board", with power to select and appoint employees to act as mediators under the instruction of the Board, with the same freedom to delegate its work as the Interstate Commerce Commission now possesses.

Prohibited any carrier from providing financial assistance to any union of employees from funds of the carrier; prohibited the railroads from interfering in any manner whatsoever with employees joining or refusng to join any organization or union, and specifically provided that the choice of representatives of any craft shall be determined by a majority of the employees voting on the question.

AIR TRANSPORT LABOR ACT

(Approved Apr. 10, 1936. Public Law No. 487, 74th Cong.)

Extends the provisions of the Railway Labor Act, with the exception of those concerning the National Railroad Adjustment Board, to common carriers by air engaged in interstate or foreign commerce, carriers by air transporting mail, and the employees of such carriers.

Extends the jurisdiction of the National Mediation Board to disputes in certain cases between carriers by air and their employees.

Provides that disputes between carriers and their employees, including those pending on April 10, 1936, before the National Labor Relations Board, "shall be handled in the usual manner up to and including the chief operating officer of the carrier designated to handle such disputes." Failing to agree, the parties may by petition refer the disputes to an appropriate adjustment board of jurisdiction not exceeding that exercised by system, group, or regional boards of adjustment under the Railway Labor Act. Such boards may be established by agreement between employees and carriers "or pending the establishment of a permanent National Board of Adjustment."

Empowers the National Mediation Board, when it deems necessary the establishment of a permanent National Board of Adjustment, to direct the carriers and labor organizations of their employees, national in scope, to select four representatives to constitute a National Air Transport Adjustment Board. Two members shall be selected by the carriers and two by the labor organizations in the manner prescribed for the selection of members of the National Railroad Adjustment Board. Each member of the Air Board shall be compensated by the party he represents. The powers and duties established with reference to the National Railroad Adjustment Board shall be exercised by the National Air Transport Adjustment Board. If any system, group, or regional board of adjustment proves unsatisfactory, either party, upon 90 days' notice to the other, may elect to come under the Air Board.

LIQUOR

THE BEER-WINE REVENUE ACT

(Approved Mar. 22, 1933. Public Law No. 3, 73d Cong.)

Granted permission to brewers and wine makers to take out immediate manufacturing permits and levied a tax of $5 on every barrel containing not more than 31 gallons.

Reenacted portions of the Webb-Kenyon Act as a protection to States whose laws prohibited liquors of more alcoholic content than 3.2 percent by weight, modified all sections of the Volstead and other acts relating to liquor, and left to States all regulatory and control measures, including method of distribution.

Imposed no restrictions other than protection to dry States on beer and wine of 3.2 percent of alcohol by weight or 4 percent by volume.

Required wholesalers to take out annual permits at $50 each and retailers at $20 each. Allowed advertising of fermented liquor by newspapers, magazines, radio, and other methods.

Made the Hawley-Smoot Act's import duties applicable to importations.

THE LIQUOR TAXING ACT OF 1934

(Approved Jan. 11, 1934. Public Law No. 83, 73d Cong.)

Designed to yield $500,000,000 annually in revenue.

Imposed taxes as follows: Distilled spirits, $2 per gallon; beer, $5 a barrel; wine up to 14 percent alcoholic content, 10 cents a gallon; up to 21 percent, 20 cents; 24 percent, 40 cents; and over 24 percent, the same as spirits, $2; champagne, 5 cents half pint; artificial carbonated wine and liqueurs, cordials, and sweet wine fortified with brandy, 2½ cents half pint; grape brandy and wine spirits used in fortifying wines, 20 cents gallon.

Amended the Reed Law of 1917 to permit publications carrying liquor advertising to circulate in dry States.

DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

(Approved Jan. 24, 1934. Public Law No. 85, 73d Cong.)

Permitted sale of alcoholic beverages in District of Columbia under a licensing system.

Prohibited delivery outside the District of Columbia in violation of the law of the place of delivery.

Provided for an Alcoholic Beverage Control Board with full power to issue, transfer, and revoke licenses.

Prohibited drinking in public places.

THE FEDERAL ALCOHOL CONTROL ACT

(Approved Aug. 29, 1935. Public Law No. 401, 74th Cong.)

Creates a Federal Alcohol Administration as a division in the Treasury to exercise control over the liquor traffic. This Administration is to be headed by an administrator appointed by the President.

Makes it unlawful, except pursuant to a basic permit issued under this act by the Administrator, to engage in the business of importing liquor, wine, or malt beverages, or to sell or ship liquor so imported. This provision becomes effective 60 days after the Administrator takes office.

Makes it unlawful, except pursuant to a basic permit, to engage in distilling liquor, producing wine, rectifying or blending distilled spirits or wine, or bottling or warehousing of distilled spirits, or to sell or ship the same, also effective 60 days after the Administrator takes office.

Makes it unlawful, effective March 1, 1936, to engage in the business of purchasing for resale at wholesale distilled spirits, wine, or malt beverages, except under a basic permit.

Stipulates that basic permits shall be given (1) to any person who on May 25, 1935, held a basic permit as distiller, rectifier, wine producer, or importer issued by a Federal agency, and (2) any other person, unless the Administrator finds that such person does not fall within definitions in the act.

Directs that all basic permits shall be conditioned upon compliance with the requirements of section 5 (relating to unfair competition and unlawful practices), of section 6 (relating to bulk sales and bottling), of the twenty-first amendment and relating to its enforcement, and of all other Federal laws relating to distilled spirits, wine and malt beverages, including taxes respecting them.

Makes it unlawful for any distiller, brewer, rectifier, blender, or other producer to indulge in various kinds of unfair competition and unlawful practices specifically forbidden by section 5 of the act. These practices relate to "exclusive outlets", commercial bribery, consignment sales, labeling, advertising, and other matters.

Provides that it shall be unlawful for any person to sell or "otherwise dispose of distilled spirits in bulk except under regulations of the Administrator for export, or to import, or to the following: Distilled spirits in bulk, except, under such regulations, for sale or use by the following: A distiller, rectifier of distilled spirits, person operating a bonded warehouse qualified under the internal-revenue laws or a class 8 bonded warehouse qualified under the customs laws, a wine maker for the fortification of wines, a proprietor of an industrial alcohol plant, or an agency of the United States or any State or political subdivision thereof."

Defines the term "in bulk" to mean containers having a capacity in excess of 1 wine-gallon.

Abolishes the temporary Federal Alcohol Control Administration which President Roosevelt established under the provisions of title I of the National Industrial Recovery Act. This becomes effective when the new Administrator takes office.

LIQUOR TAX ADMINISTRATION ACT

(Approved June 26, 1936. Public Law No. 815, 74th Cong.)

Amends the administrative provisions of law relating to collection of taxes upon distilled spirits, wines, and fermented malt beverages.

Broadens present laws in connection with brewing industry to permit manufacture in breweries and bottling houses of products which can be permitted to be manufactured without danger to the revenue. Permits refunds in certain cases for losses on account of leakage, wastage, etc.

Abolishes the old distinction between distillery warehouses, general bonded warehouses, and special bonded warehouses and establishes new type of warehouse known as internal revenue bonded warehouses.

Makes the Federal Alcohol Administration, now a division of the Treasury Department, an independent agency.

Makes technical amendments to existing law of internal-revenue taxation of distilled spirits, wine, and malt beverages. Simplifies enforcement and avoids duplication in the work of tax collection. Eliminates obsolete requirements of statutes which can now be repealed without loss of revenue.

Achieves a step in the direction of codification of the internal-revenue laws relating to liquor.

MONETARY

THE GOLD REPEAL JOINT RESOLUTION

(Approved June 5, 1933. Public Resolution No. 10, 73d Cong.)

Canceled the gold clause in all Federal and private obligations and made them payable in legal tender.

Repealed the final sentence of paragraph 1 of subsection b of the Agricultural Adjustment Act, Farm Relief, and Inflation Act of May 12, 1933, to provide that all coins and currencies of the United States, including Federal Reserve notes of the Federal Reserve banks and national banking associations, should be legal tender for all debts, public and private, public charges, taxes, and duties, except that gold coins, when below the standard weight and limit of tolerance provided by law for the single piece, should be legal tender only at valuation in proportion to their actual weight.

THE GOLD RESERVE ACT OF 1934

(Approved Jan. 30, 1934. Public Law No. 87, 73d Cong.)

Authorized the President to revalue the dollar at 50 to 60 percent of its existing statutory gold equivalent.

Created a $2,000,000,000 stabilization fund out of the increased value of the gold accruing as a result of devaluation of the dollar, placing it in the sole charge of the Secretary of the Treasury and vesting him with authority to expend it in virtually any transactions he might deem necessary for stabilizing the dollar abroad.

Declared the coinage of gold at an end, the metal to be held in bullion form in the Treasury as backing for paper currency.

Vested in the Treasury of the United States the title to all the Nation's monetary gold stocks, including $3,500,000,000 held by the Federal Reserve banks.

Removed several then-existing restrictions upon the issuance of Government securities, provided that any type of Government obligation might be purchased with any other type, and that securities might be sold privately, and authorized the issuance of $2,500,000,000 additional Treasury notes.

Authorized the President (in the Pittman silver amendment), first, to pay for newly mined silver in certificates instead of in silver dollars; second, to issue certificates against the silver bullion which the Treasury would be thus amassing; third, to issue certificates against all free silver held in the vaults of the Treasury; fourth, to reduce the weight of the silver dollar in such amounts as might be necessary to maintain a parity with the gold dollar under the new revaluation policy; and, fifth, to increase the seigniorage, or mint fee, or coinage of foreign silver or silver not produced in the United States or its dependencies.

THE GOLD CLAUSE ACT

(Approved Aug. 24, 1935. Public Resolution No. 63, 74th Cong.)

Provides that lawful holders of coins and currencies of the United States shall be entitled to exchange them, dollar for dollar, for other coins or currencies "which may be lawfully acquired and are legal tender for public and private debts."

Permits the owners of the gold-clause securities of the United States, at their election, to receive "immediate payment of the stated dollar amount thereof with interest to the date of payment or to prior maturity or to prior redemption date, whichever is earlier."

Directs the Secretary of the Treasury to make such exchanges and payments upon presentation in accordance with the act and in the manner provided in regulations prescribed by him.

Stipulates that the period within which the owners of gold-clause securities shall be entitled to receive payment prior to maturity shall expire January 1, 1936, or on such later date, not after July 1, 1936, as may be fixed by the Secretary of the Treasury.

Withdraws any consent which the United States may have given to the assertion against it of any right, privilege, or power, whether by way of suit, counterclaim, set-off recoupment, or other affirmative action or defense in its own name, or in the name of any of its officers or instrumentalities, in any proceeding (1) upon any gold-clause securities of the United States or for interest thereon, or (2) upon any coin or currency of the United States, or (3) upon any claim or demand arising out of any surrender, seizure, or acquisition of any such coin or currency or of any gold or silver and "involving the effect or validity of any change in the metallic content of the dollar or other regulation of the value of money."

THE SILVER PURCHASE ACT

(Approved June 19, 1934. Public Law No. 438, 73d Cong.)

Declared it to be the policy of the United States that the proportion of silver to gold in the monetary stocks of the United States should be increased, with the ultimate objective of having and maintaining one-fourth of the monetary value of such stocks in silver.

Authorized and directed the Secretary of the Treasury, whenever the proportion of silver in the stocks of gold and silver of the United States is less than one-fourth of the monetary value of such stocks, to purchase silver, at home or abroad, for present or future delivery, at such rates and times and upon such terms as he may deem reasonable and most advantageous to the United States; but provided that no purchase of silver should be made at a price in excess of its monetary value, and that no purchase of silver situated in the United States on May 1, 1934, should be made at a price in excess of 50 cents a fine ounce.

Authorized the Secretary of the Treasury, with approval of the President, to sell any silver acquired under the terms of the act, at such rates and times and upon such conditions as he deemed reasonable and advantageous, whenever the market price of silver exceeded its monetary value or the monetary value of the stocks of silver is greater than 25 percent of the monetary value of the stocks of gold and silver.

Authorized and directed the Secretary of the Treasury to issue and place "in actual circulation" silver certificates in such denominations as he might prescribe.

Provided that the Treasury should maintain as security for all silver certificates heretofore and hereafter issued, and at the time outstanding, an amount of silver bullion and standard silver dollars equal to the face value of the silver certificates.

Stipulated that all silver certificates should be legal tender for all debts, public and private, public charges, taxes, duties, and dues, and should be redeemable on demand at the Treasury in standard silver dollars.

Vested in the Secretary of the Treasury, with approval of the President, the power to investigate, regulate, and prohibit, by license or otherwise, the acquisition, importation, exportation, or transportation of silver, "and of contracts and other arrangements made with respect thereto", and to require reports as to the facts involved, whenever necessary to effectuate the policy of the law; violations to be punishable by maximum fine of $10,000 or not over 10 years' imprisonment, or both.

Authorized the President, by Executive order, to require the delivery to the mints of "any or all" silver by whomever owned or possessed, this silver to be coined into silver dollars or otherwise added to the monetary stocks as the President may determine; and, provided that there should be returned therefor in standard silver dollars, or any other coin or currency of the United States, the monetary value of the silver so delivered less deductions for seigniorage, brassage, coinage, or other mint charges.

Provided that silver withheld in violation of this provision be forfeited to the Government and, in addition, persons failing to comply with the provision be subject to a penalty equal to twice the monetary value of the silver withheld.

Amended the stamp-tax provisions of existing law to provide a transfer tax on silver bullion equal to 50 percent of the difference between the price for which any interest in silver is to be transferred and the cost of the bullion, plus allowed expenses.

Authorized the Commissioner of Internal Revenue to rebate the tax on certain transactions in silver which are not of a speculative character.

NATIONAL DEFENSE

THE WAR DEPARTMENT SUPPLY ACT

(Approved Apr. 9, 1935. Public Law No. 29, 74th Cong.)

Appropriates $401,998,170 for all activities under control of the War Department, of which $341,348,204 is for military purposes which are chargeable to the national defense, and $60,649,966 for nonmilitary activities, including the Panama Canal, river and harbor work, and flood-control projects.

Raises the average enlisted strength of the Army from 118,750 to 165,000 men, the increase of 46,250 enlisted men extending to all branches.

Grants the Army Air Corps $45,383,400, an increase of $17,986,947 over the total for the current fiscal year, of which $19,138,000 is immediately available for production or purchase of new airplanes, their equipment and accessories, and $2,500,000 for procurement of spare engines and parts for airplanes and engines; and, in addition, authorizes the making of contracts for $7,686,753 for equipment, spare parts, and accessories for planes. Makes a direct appropriation of $500,000 for increasing the enlisted strength of the National Guard by 5,000 men, and appropriates $4,452,304 for the Reserve Officers' Training Corps; $2,000,000 for training about 30,000 in citizens' military training camps, and $6,372,178 for the Organized Reserves.

THE WILCOX AIR BASE ACT

(Approved Aug. 12, 1935. Public Law No. 263, 74th Cong.)

Authorizes and directs the Secretary of War to determine in all strategic areas of the United States, including Alaska and overseas possessions and holdings, the location of such additional permanent Air Corps stations and depots as he deems essential for the effective peacetime training of the General Headquarters Air Force and the Air Corps components of overseas garrisons.

Directs that, in determining the locations of the new primary air base, consideration be given to the location of bases as follows: (1) The Atlantic Northeast—to provide for training in cold weather and fog; (2) the Atlantic seacoast and Caribbean areas—to permit training in long-range operations, especially those incident to reinforcing the Panama Canal; (3) the Southeastern States—to provide a depot essential to the maintenance of the General Headquarters Air Force; (4) the Pacific Northwest—to establish and maintain air communication with Alaska; (5) Alaska—for training under conditions of extreme cold; (6) the Rocky Mountain area—to provide a depot essential to the maintenance of the General Headquarters Air Force and afford opportunity for training in operations from field at high altitudes; (7) such intermediate stations as will provide for transcontinental movements incident to the concentration of the General Headquarters for maneuvers.

Authorizes the appropriation of such money as may be necessary for the purposes of the act.

THE NATIONAL GUARD OFFICERS ACT

(Approved June 19, 1935. Public Law No. 154, 74th Cong.)

Gives the President the right to order officers of the National Guard of the United States to active duty in an emergency "at any time and for the period thereof", provided that, except in time of a national emergency expressly declared by Congress, no officer of the National Guard shall be employed on active duty for more than 15 days in any calendar year without his consent.

Increases the number of junior officers in order to make it possible that the most capable young men may be retained as commissioned officers.

Creates an inactive Reserve, and enables the National Guard to have some connection with those officers who do not wish to remain as active officers.

THE NAVAL SUPPLY ACT

(Approved June 24, 1935. Public Law No. 163, 74th Cong.)

Carries $458,684,379 in direct appropriations for the Naval Establishment and reappropriates enough money to bring the total to $466,184,379.

Appropriates $126,795,000 for new warships, including those already under construction, including sufficient funds for the initial year's work on 24 vessels in the current year's building program. The latter includes a $27,895,000 aircraft carrier, two $19,150,000 light cruisers, 15 destroyers, and 6 submarines.

Grants an appropriation of $26,515,660 for new airplanes and, in addition, authorizes the Navy Department to enter into contracts for $6,000,000 worth of planes to be appropriated for later.

Provides for an increase of 11,000 enlisted men, bringing the authorized enlisted strength to 93,500 men.

Increases the allowance for the Naval Academy so as to permit the appointment of four midshipmen, instead of three, by each Member of Congress.

Reopens the Great Lakes Naval Training Station and also the Newport, R. I., training station.

THE NAVAL AVIATION CADET ACT

(Approved Apr. 15, 1935. Public Law No. 37, 74th Cong.)

Creates the grade of aviation cadet in the Naval Reserve and Marine Corps Reserve.

Empowers the Secretary of the Navy to appoint aviation cadets from "male citizens of the United States" to serve on active duty for a period of 4 years, unless sooner released. At the completion of their active duty they would be eligible for commission in the Naval or Marine Corps Reserve.

Provides for pay of aviation cadets while on active duty undergoing training at the rate of $75 a month, including extra pay for flying risk, as provided by law, and at $125 a month while on active duty not undergoing training.

THE MARINE CORPS PERSONNEL ACT

(Approved May 29, 1934. Public Law No. 263, 73d Cong.)

Provided for the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps.

Applied the Navy system to the Marine Corps by placing the latter's commissioned personnel under the laws governing the line commissioned personnel of the Navy, stipulating that of the authorized number of officers above the grade of colonel, one shall be the major general commandant, two-thirds shall be brigadier generals, and the remainder shall be major generals.

Provided that the heads of staff departments should be brigadier generals while so serving, that promotion to major general of the line shall be by the President from brigadier generals, that no marine officer shall be recommended for advancement unless receiving the recommendation of two-thirds of the members of the selection board, and that selection of an officer for promotion shall not be jeopardized by duty in a staff department, aviation, or other technical specialty.

THE NAVY PROMOTION ACT

(Approved May 29, 1934. Public Law No. 264, 73d Cong.)

Extended to the grades of lieutenant commander and lieutenant the provisions of existing law with reference to promotion by selection in the line of the Navy and the retirement of officers not on the promotion list or found professionally not qualified.

Authorized the President to appoint as ensigns in the line of the Navy all midshipmen thereafter graduating from the Naval Academy, also the appointment as ensigns of midshipmen who were graduated in the class of 1933 and who received a certificate of graduation and an honorable discharge.

Repealed the clauses in the act of May 6, 1932, which provided for the commissioning of not more than 50 percent of each class graduating from the Naval Academy beginning with the class of 1933.

THE FOREIGN STATIONS ACT

(Approved May 29, 1934. Public Law No. 266, 73d Cong.)

Repealed the provision in the act of March 3, 1933, which required assignment of officers of the Army, Navy, and Marine Corps to permanent duty in the Tropics and at certain foreign stations to be for not less than 3 years.

Amended existing law to provide that no officer or enlisted man of the Army should, except upon his own request, be required to serve in a single tour of duty for more than 2 years in the Philippine Islands, on the Asiatic station, or in China, Hawaii, Puerto Rico, or the Panama Canal Zone, except in case of insurrection or of actual or threatened hostilities, and except in the discretion of the Secretary of War for temporary emergencies.

THE NATIONAL GUARD ACT OF 1933

(Approved June 15, 1933. Public Law No. 64, 73d Cong.)

Amended the National Defense Act of June 3, 1916, so as to make the National Guard a part of the Army of the United States subject to order to active duty by the President in time of war or when Congress declares a national emergency to exist.

THE VINSON NAVAL PARITY ACT

(Approved Mar. 27, 1934. Public Law No. 135, 73d Cong.)

Approved building the Navy up to and not beyond the limits in various types of ships authorized, first, by the Washington Naval Limitation Treaty of February 6, 1922, and, secondly, by the London Naval Limitation Treaty of April 22, 1930.

Appropriated no money for such construction.

Authorized the President, subject to the provisions of the London and Washington Treaties, to undertake prior to December 31, 1936, the construction of a 15,000-ton plane carrier, 99,200 tons of destroyers, and 35,530 tons of submarines to replace overage units.

Authorized the President to replace vessels in the Navy in the categories limited by the Washington and London Treaties when their replacement is permitted by these treaties and to procure the necessary aircraft for vessels and other purposes in numbers commensurate with a treaty navy.

Prohibited contracts unless contractors would agree to a 10-percent net-profit limit on vessels and aircraft, their books and records to be constantly open to Federal inspection.

THE AIR CORPS RESERVE ACT

(Approved June 16, 1936. Public Law No. 691, 74th Cong.)

Authorizes the President to call to active duty, with their consent for periods of not over 5 years, such numbers of Army Air Corps Reserve officers as he may deem necessary, not to exceed 1,350.

Provides that upon the termination of such period of active duty of not less than 3 years in duration these Air Corps Reserve officers shall be paid a lump sum of $500 each, in addition to any pay and allowances they may otherwise be entitled to receive. The term "flying officer" is defined.

Authorizes the President to appoint to temporary rank in the grades of colonel, lieutenant colonel, and major, without vacating their permanent commissions, such numbers of officers of the Regular Army Air Corps as the Secretary of War may determine is necessary to meet the administrative, tactical, technical, and training needs of the Air Corps; the then resulting numbers in each grade, permanent and temporary, to be increased by 5 percent to meet the additional needs of the War Department for Air Corps officers.

Authorizes the President to appoint to temporary rank from among the permanent colonels and lieutenant colonels of the Air Corps who are flying officers, as defined in this act, a commanding general of the General Headquarters Air Force with the rank of major general, and such number of wing commanders with the rank of brigadier general as may be determined by the President.

THE ARMY AIR CORPS PLANE ACT

(Approved June 24, 1936. Public Law No. 785, 74th Cong.)

Increases the authorized strength in airplanes, equipment, and accessories of the Army Air Corps established by the act of July 2, 1926, to such numbers as will permit the Secretary of War to complete the equipment and organization and to maintain in the Army Air Corps the special Army air organization know as G. H. Q. Air Force, and our overseas defense, together with a 25-percent reserve for such forces, and to procure such other airplanes and equipment, including spare parts, supplies, and accessories for

such other purposes as are necessary to provide for the mission of the Army Air Corps, provided that the increase thus authorized is not to exceed 2,320 serviceable planes, including equipment and accessories.

NEUTRALITY

NEUTRALITY RESOLUTION

(Approved Aug. 31, 1935. Public Resolution No. 67, 74th Cong.)

Directs that, upon the outbreak or during the progress of war between foreign states, the President shall proclaim the fact and thereafter it shall be unlawful to export arms, ammunition, or implements of war from any place in the United States or its possessions to any port of such belligerent states, or to any neutral port for transshipment to, or for the use of, a belligerent country. Violations of this provision are punishable by $10,000 fine or 5 years' imprisonment, or both. Except with respect to prosecutions committed or forfeitures incurred prior to March 1, 1936, this section and all proclamations issued thereunder shall not be effected after February 29, 1936.

Establishes a National Munitions Control Board, consisting of the Secretaries of State, Treasury, War, Navy, and Commerce, to carry out the act.

Requires all persons engaged in manufacturing, exporting, or importing arms, ammunition, and implements of war to register with the Secretary of State within 90 days after the act takes effect, listing the arms they manufacture, export, or import. The registrants would pay a fee of $500 and, upon receipt of this, the Secretary of State would issue a registration certificate valid for 5 years.

Provides that all persons required to register shall maintain, subject to inspection of the Board, such permanent records of manufacture for export, importation, and exportation of arms, ammunition, and implements of war as the Board shall prescribe.

Forbids any person to export or "attempt to export" from the United States, or to import to the United States, any of the munitions referred to in the act without a license from the Board.

Makes it unlawful, after the President issues a proclamation under the act, to carry munitions to belligerent ports, or to neutral ports for transshipment to belligerent countries named in the proclamation as being at war, under penalties of $10,000 fine or 5 years' imprisonment, or both, and forfeiture of munitions and vessel.

Authorizes the President to lay down conditions barring foreign submarines from American ports, except under such conditions as he may prescribe, during any war in which the United States is a neutral.

Directs that whenever, during any war in which the United States is a neutral, the President finds the "maintenance of peace" between this country and foreign nations, protection of lives of American citizens, protection of the commercial interests of the United States and its citizens, or the "security of the United States" are involved, he "shall so proclaim", and thereafter "no citizen of the United States shall travel on any vessel of any belligerent nation except at his own risk", unless in accordance with rules prescribed by the President.

NEUTRALITY RESOLUTION

(Approved Feb. 29, 1936. Public Resolution No. 74, 74th Cong.)

"Extending and amending the joint resolution (Public Resolution No. 67, 74th Cong.) approved August 31, 1935."

This act amends the neutrality resolution of the Seventy-fourth Congress, first session, by extending the provisions to May 1, 1937. Two new sections are added. The first, whenever the President issues his proclamation as provided for in section 1 of this act, forbids the purchase, sale, or exchange of bonds, securities, or other obligations of the Government of any belligerent country. The second states that the Neutrality Act is not to apply to an American republic engaged in war against a non-American state or states, provided the American republic is not cooperating with a non-American state or states in such war.

THE ARMS SALE RESOLUTION

(Approved May 28, 1934. Public Resolution No. 28, 73d Cong.)

Provided that if the President issued a proclamation to the effect that the prohibition of the sale of arms and munitions of war in the United States to countries engaged in armed conflict in the Chaco might contribute to the reestablishment of peace between the belligerents, it should be unlawful, except under such exceptions as the President might prescribe, to sell any arms or munitions of war in any place in the United States to the countries engaged in the Chaco conflict or to anyone acting in the interest of either of these countries.

Fixed a maximum penalty of $10,000 fine or 2 years' imprisonment, or both.

POWER

THE TENNESSEE VALLEY AUTHORITY ACT

(Approved May 18, 1933. Public Law No. 17, 73d Cong.)

Created the Tennessee Valley Authority to maintain and operate properties owned by the United States near Muscle Shoals, Ala., in the interest of national defense and for the agricultural and industrial development of the Tennessee Valley and to improve navigation in the Tennessee River and control the flood waters of the Mississippi and Tennessee Rivers.

Authorized the Tennessee Valley Authority to acquire real estate and build dams, power houses, reservoirs, transmission lines, and power projects; unite power installations into one or more transmission line systems; contract with commercial producers for fertilizers, manufacture experimental fertilizers, make and sell explosives to the Government at cost; produce, sell, and distribute power; lease nitrate plant no. 2 for private manufacture of fertilizer; sell $50,000,000 of 3½-percent 50-year bonds to finance improvements; and, with Presidential approval, to complete dam no. 2 and the steam plant at the no. 2 nitrate plant at Muscle Shoals.

Ordered the construction of the Cove Creek Dam across the Clinch River in Tennessee, with a power-transmission line from Muscle Shoals.

THE TENNESSEE VALLEY AUTHORITY

(Approved Aug. 31, 1935. Public Law No. 412, 74th Cong.)

Amends the organic T. V. A. Act to give clarifying and remedial legislation to the Tennessee Valley Authority, based upon its 2 years of operation.

Gives the T. V. A. definite sanction to sell surplus power, a right challenged in the courts in rulings on injunctions brought under the original T. V. A. Act of 1933.

Affirms the right of the T. V. A. to sell electricity to States, counties, municipalities, and nonprofit organizations within transmission distance from its dams, and specifically mentions the construction of Norris, Wheeler, and Pickwick Landing Dams, along with the existing Wilson Dam at Muscle Shoals, as being necessary in the unified development of the Tennessee River system for navigation, flood-control, and power purposes.

Authorizes the T. V. A. to utilize its yet unused bond issues of $50,000,000 for loans to States, counties, and municipalities to enable them to acquire electric distribution facilities.

Empowers the T. V. A. to construct such dams and reservoirs in the Tennessee River and its tributaries as, in conjunction with the Wilson, Norris, Wheeler, and Pickwick Landing Dams, would provide a 9-foot channel in the Tennessee River from Knoxville to its mouth.

Permits T. V. A. regulation of power-resale rate schedules.

Grants power to acquire existing electric facilities used in serving farms and small villages.

Directs the Comptroller General to audit T. V. A. transactions at such times as he shall determine, not less frequently than once in each fiscal year, but specifically restrains the Comptroller General from making his report on his periodic audit of T. V. A. accounts until the Corporation shall have reasonable opportunity to "examine the exceptions and criticisms of the Comptroller General or the General Accounting Office" and to "point out errors therein, explain or answer the same." Assesses the General Accounting Office for the cost of such audits with the exception of such part of such expenses as may be allocated to the cost of generating, transmitting, and distributing electric energy.

Affirms the right of the corporation to exercise its own judgment in contract awarding.

THE ELECTRIC-RATE INVESTIGATION RESOLUTION

(Approved Apr. 14, 1934. Public Resolution No. 18, 73d Cong.)

Directed the Federal Power Commission to investigate and compile the rate charged for electric energy and its service to residential, rural, commercial, aad industrial consumers throughout the United States by private and municipal corporations and to report to Congress.

RURAL ELECTRIFICATION ACT

(Approved May 20, 1936. Public Law No. 605, 74th Cong.)

Establishes the Rural Electrification Administration and creates the office of Administrator with a term of 10 years and a salary of $10,000 per year.

Empowers the Administrator "to make loans for rural electrification and the furnishing of electric energy to persons in rural areas" not receiving central station service; to study "the condition and progress of the electrification of rural areas"; and to publish information with respect thereto.

Authorizes the Administrator, over a period of 10 years, to lend $410,000,000 for the purposes of the act. For the fiscal year 1937, $50,000,000 of the authorization may be borrowed by the Administrator from the R. F. C.; for the fiscal year 1938, and for the succeeding 8 years, $40,000,000 is authorized to be appropriated each year.

Allots 50 percent of the annual sums among the States on a proportional basis and 50 percent where it may be effectively employed, provided no State is allotted more than 10 percent of the annual sum.

Empowers the Administrator "to make loans to persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, peoples utility districts and cooperative nonprofit, or limited-dividend associations" for financing "construction and operation of generating plants, electric transmission and distribution lines or systems for the furnishing of electric energy to persons in rural areas who are not receiving central station service", provided Administrator gives preference to public bodies and organizations operating on a non-profit basis. Requires that such loans be self-liquidating within 25 years and bear interest at a rate dependent upon that payable by the United States on its long-term obligations. Such interest rate at present is less than 3 percent. Requires consent of State authority to loans for construction, operation, or enlargement of any generating plant.

Empowers the Administrator to make loans also "for the purpose of financing the wiring of premises of persons in rural areas and the acquisition and installation of electrical and plumbing appliances and equipment." Such loans shall be "so secured as reasonably to assure repayment" and at a rate of interest determined in the same manner as previously indicated.

Requires that the act be administered on a nonpartisan basis and forbids political tests or qualifications for employees. Provides that the President remove the Administrator and the Administrator remove employees for violations of the act.

Provides for the extension of payments on interest and principal under certain conditions.

Defines "rural area" as "any area of the United States not included within the boundaries of any city, village, or borough having a population in excess of 1,500 inhabitants, and such term shall be deemed to include both the farm and nonfarm population thereof."

PUBLIC UTILITIES

THE PUBLIC UTILITIES REVIEW ACT

(Approved May 14, 1934. Public Law No. 222, 73d Cong.)

Amended section 24 of the Judicial Code with respect to the jurisdiction of district courts of the United States over suits relating to orders of State administrative boards.

Provided that no district court should have jurisdiction of any suit to enjoin, suspend, or restrain the enforcement, operation, or execution of any order of an administrative board or commission of a State or any rate-making body of any State political subdivision, or to enjoin, suspend, or restrain any action in compliance with any such order, where jurisdiction is based solely upon the ground of diversity of citizenship, or the repugnance of such order to the Constitution of the United States, where such order (1) affects rates chargeable by a public utility, (2) does not interfere with interstate commerce, and (3) has been made after reasonable notice and hearing, and where a plain, speedy, and efficient remedy may be had at law or in equity in the courts of the State.

RELIEF

THE DEFICIENCY RELIEF APPROPRIATION ACT

(Approved June 22, 1936. Public Law No. 739, 74th Cong.)

The act appropriates $2,375,281,000, of which $1,425,000,000 is to be used for relief. The relief appropriation shall be used in the discretion and under the direction of the President. To the $1,425,000,000 there is to be added for relief that amount of unexpended balances left from the relief act of 1935.

Stipulates that the appropriation shall be available for the following classes of public projects, Federal and non-Federal, and that the amounts to be used for each class shall not exceed these amounts.

Highways, roads, and streets, $413,250,000; public buildings, $156,750,000; parks and other recreational facilities, including buildings therein, $156,750,000; public utilities, including sewer systems, water supply and purification, airports, and other transportation facilities, $171,000,000; flood control and other conservation, $128,250,000; assistance for educational, professional, and clerical persons, $85,500,000; women's projects, $85,500,000; miscellaneous work projects, $71,250,000; National Youth Administration, $71,250,000; and loans and relief to farmers and livestock growers, $85,500,000.

Provides, however, that the amount specified for any of the foregoing relief classes may be increased proportionately in accordance with the amount of such unexpended balance of funds as the President may transfer from the funds appropriated and made available by the Emergency Relief Appropriation Act of 1935; and, further, that the amount specified for any of these classes may be increased by not exceeding 15 percent thereof by transfer of an amount or amounts from any other classes in order to effectuate the purposes of the appropriation.

There is to be no employment of aliens illegally within the United States. No Federal project shall be undertaken under this relief appropriation unless and until an amount sufficient for its completion has been allocated and irrevocably set aside for its completion.

Directs that rates of pay for persons engaged on projects under this relief appropriation shall not be less than the prevailing rates of pay for work of similar nature as determined by the Works Progress Administration with the approval of the President.

Empowers the President to make such rules and regulations as may be necessary to carry out the purposes of the act. The fact that a person has received either adjusted-certificate compensation in either bonds or check from the Treasury shall not be considered in determining actual need of such employment.

By authority of the Administrator and under direction of the President, there is available $300,000,000 to aid in financing projects; provided that no part shall be granted for a project that cannot be completed by July 1, 1938, and in no case shall the grant exceed 45 percent of the cost of the project.

THE WORK RELIEF ACT

(Approved Apr. 8, 1935. Public Resolution No. 11, 74th Cong.)

Appropriates $4,000,000,000 in a new sum, together with $880,000,000 in existing balances of the Reconstruction Finance Corporation and Public Works Administration, to be used "in the discretion and under the direction of the President" to "provide relief, work relief, and to increase employment by providing for useful projects."

Earmarks the $4,000,000,000 appropriation in eight general classifications of projects, intended to cover every possible line of public works, as follows:

(a) Highways, roads, streets, and grade-crossing elimination, $800,000,000.

(b) Rural rehabilitation and relief in stricken agricultural areas and water conservation, transmountain water diversion, and irrigation and reclamation, $500,000,000.

(c) Rural electrification, $100,000,000.

(d) Housing, $450,000,000.

(e) Assistance for educational, professional, and clerical persons, $300,000,000.

(f) Civilian Conservation Corps, $600,000,000.

(g) Loans or grants, or both, for projects of States, Territories, possessions, including their subdivisions and agencies, municipalities, and the District of Columbia, and self-liquidating projects of public bodies thereof, $900,000,000.

(h) Sanitation, prevention of soil erosion, reforestation, forestation, flood control, rivers and harbors, and miscellaneous projects, $350,000,000.

Gives to the President full authority to fix wage scales on these works, with the limitation that he shall pay prevailing wages, according to the Davis-Bacon Act, on strictly Federal building projects, and that other wages shall not be lower than existing private scales.

Authorizes the President to make loans to farmers, farm tenants, croppers, or farm laborers for the purchase of farm lands and necessary equipment.

Continues in full force and effect until June 30, 1936, the Federal Emergency Relief Act of 1933.

Authorizes continuation of the Federal Emergency Administration of Public Works until June 30, 1937.

Extends to March 31, 1937, the authority of the President under the act of March 31, 1933, for the relief of employment through the performance of useful public works under which the C. C. C. was established.

THE WAGNER-LEWIS $500,000,000 EMERGENCY RELIEF ACT

(Approved May 12, 1933. Public Law No. 15, 73d Cong.)

Authorized the Reconstruction Finance Corporation to make $500,000,000 available out of its funds for emergency relief purposes to be spent by the Federal Emergency Relief Administration created by the act.

Increased by $500,000,000 the amount of notes, debentures, bonds, or other obligations which the Reconstruction Finance Corporation was authorized by section 9 of the Reconstruction Finance Corporation Act to have outstanding at any one time.

Provided that 10 days after the Federal Emergency Relief Administrator had taken office all unobligated balances of the funds authorized under title I of the Emergency Relief and Construction Act of 1932 should be available for the purposes of the Wagner-Lewis Act and that after that date no application for funds under that title should be approved by the Reconstruction Finance Corporation, but that the Federal Emergency Relief Administrator should consider and certify to the Reconstruction Finance Corporation the payments to be made to States for relief work.

THE CIVILIAN CONSERVATION CORPS REFORESTATION RELIEF ACT

(Approved Mar. 31, 1933. Public Law No. 5, 73d Cong.)

Authorized the President to provide work for unemployed American citizens in the construction of works of a public nature in connection with the reforestation of lands belonging to the United States or to the States, the prevention of forest fires, soil erosion, plant pest and disease control, and the construction and repair of trails and fire lanes in the national and State forests, furnishing these citizens with subsistence, clothing, medical attention, hospitalization, and cash allowances.

Carried no direct appropriation, but authorized the President to use unobligated moneys previously appropriated for public works estimated at $148,956,000.

Waived the limit of relief loans by the Reconstruction Finance Corporation to the States, the limit having been set originally at 15 percent of the $300,000,000 fund established by the Unemployment Relief Act of 1932.

Provided that the President's authority under the Civilian Conservation Corps Act should continue until March 31, 1935.

THE EMERGENCY DEFICIENCY ACT

(Approved June 19, 1934. Public Law No. 412, 73d Cong.)

Appropriated a total of about $1,750,000,000 to provide general, supplemental general, and emergency appropriations, of which $899,000,000 (m) is for the emergency relief and public works, $525,000,000 (m) for drought relief, and $65,000,000 (m) for roads. In addition, authority is granted to the Emergency Relief and Public Works Administrations to draw on the Reconstruction Finance Corporation for another $500,000,000 (m).

PUBLIC WORKS

(Approved June 16, 1933. Title II, Public Law No. 67, 73d Cong.)

Appropriates $3,300,000,000 for public works. Allots $400,000,000 for State highways and $50,000,000 for national-forest, Indian-reservation, and public-land roads; provides $25,000,000 revolving fund for subsistence-homestead loans.

DIRECT LOANS TO INDUSTRY

(Approved June 19, 1934. Public Law No. 417, 73d Cong.)

Federal Reserve Act amended to permit Federal Reserve banks to make direct loans to industry or to purchase obligations of industry, maturing within 5 years, when industry cannot obtain

financial assistance from usual sources. The amount of loans and purchases is limited to the combined surplus of the Federal Reserve banks as of July 1, 1934, plus amounts paid to Federal Reserve banks by the Secretary of the Treasury out of receipts created by reduction of the weight of the gold dollar. Establishes an industrial advisory committee in each district, appointed by Federal Reserve bank of the district and composed of persons engaged in industry.

Reconstruction Finance Corporation Act amended to permit the Reconstruction Finance Corporation to make direct loans to industry and $300,000,000 is set aside for this purpose. Individual loans are limited to $500,000.

Amends Emergency Farm Mortgage Act of 1933 to provide $125,000,000 in place of $50,000,000 for drainage and levee districts.

Provides $75,000,000 for payment of teachers' salaries due prior to June 1, 1934.

THE R. F. C. EXTENSION ACT

(Approved Jan. 20, 1934. Public Law No. 84, 73d Cong.)

Continued the functions of the Reconstruction Finance Corporation as a lending body for 1 year, or until February 1, 1935, after which it would become only a liquidating corporation.

Increased the borrowing power of the Reconstruction Finance Corporation by $850,000,000.

(Approved Jan. 31, 1935. Public Law No. 1, 74th Cong.)

Extends the lending power and other active functions of the Reconstruction Finance Corporation for 2 years, or until February 1, 1937.

Provides that the Corporation may make disbursement at any time prior to January 31, 1936, on account of any commitment heretofore made to make a loan or subscribe to preferred stock or purchase capital notes or debentures.

Provides for loans or advances, or renewals of extension thereof, to mature not later than January 31, 1945, instead of February 1, 1940, as under previously existing law.

Empowers the Corporation to require, as a condition of making, renewing, or extending a loan to a railroad for more than 5 years, that arrangements be made to reduce or amortize its indebtedness according to a plan approved by the Interstate Commerce Commission.

Authorizes the R. F. C. "to assist in the reestablishment of a normal mortgage market" by subscribing for or making loans upon the nonassessable stock of any class of any national mortgage association organized under the National Housing Act and of any mortgage-loan company, trust company, saving and loan association, or other similar financial institution. The borrowing powers of the R. F. C. are increased by an amount sufficient to carry out the provisions of this section.

Continues the Commodity Credit Corporation until April 1, 1937, and the export-import banks to June 16, 1937.

Enlarges aid to industry by authorizing the R. F. C. to lend to "any institution, now or hereafter established, financing principally the sale of electrical, plumbing, or other household appliances, both urban and rural."

Grants power to the R. F. C. to make loans to recognized and established concerns and individuals engaged in mining, milling, or smelting ores.

THE CIVIL WORKS-EMERGENCY RELIEF ACT

(Approved Feb. 15, 1934. Public Law No. 93, 73d Cong.)

Appropriated an additional $950,000,000, available until June 30, 1935, for continuation of the civil-works program and for direct relief purposes under authority of the Federal Emergency Relief Act of 1933.

Authorized the Federal Emergency Relief Administrator to make grants for relief within any State directly to such public agency as he might designate.

THE DISASTER LOAN ACT

(Approved July 26, 1935. Public Law No. 224, 74th Cong.)

Authorizes the Reconstruction Finance Corporation to make loans to nonprofit corporations, with or without capital stock, organized for the purpose of financing the acquisition of home or building sites in replacement of sites formerly occupied by buildings where such sites are declared by public authority to be unsafe by reason of flood, danger of flood, or earthquake; and for the purpose of financing the repair or construction of buildings or structures, or water, irrigation, gas, electric, sewer, drainage, flood control, communication, or transportation systems, damaged or destroyed by earthquake, conflagration, tornado, cyclone, or flood in the years 1934, 1935, and 1936.

REVENUE

THE REVENUE ACT OF 1934

(Approved May 10, 1934. Public Law No. 216, 73d Cong.)

Estimated to yield $167,000,000 additional revenue during the fiscal year 1935 and $417,000,000 during a full year's operation from increased taxes on capital—stock, estates, gifts, income, capital gains and losses, personal holding companies, reorganizations, consolidated returns, partnerships, and miscellaneous.

Removed some of the burden on small-income taxpayers in the earned-income class and shifted it more to those whose incomes come from unearned sources, particularly dividends and tax-exempt securities.

Substituted a flat normal rate of 4 percent on all net income on the first $4,000 of net income and 8 percent on the remainder, and started the surtax at 4 percent on net income above $4,000 instead of 1 percent on incomes in excess of $6,000.

Levied a maximum surtax of 59 percent on income in excess of $1,000,000, as in existing law, but rearranged the brackets so as to give a slight decrease to the average taxpayer whose income is less than $30,000 annually.

Supplanted the existing estate-tax rates, running from 1 to 45 percent, with a new schedule ranging from 1 to 60 percent.

Provided a different treatment of capital gains and losses, so as to yield $30,000,000 additional in a full year; a special tax of 30 and 40 percent on the adjusted net income of personal holding companies; eliminated consolidated returns for all corporations except railroads; tightened up provisions relating to reorganization of corporations and limited partnership losses.

Repealed the bank-check tax as of January 1, 1935; eliminated entirely the tax on soft drinks, candy, and clocks; and exempted from the fur tax all fur articles sold by the manufacturer for less than $75 and from the jewelry excise all articles sold for less than $25.

Provided for publicity on certain facts relating to each income return, including the amount of gross income and credits against net income and the total tax paid.

Plugged up various loopholes in substantive law through which taxes had been legally avoided.

Imposed a processing tax of 3 cents a pound on a list of vegetable and fish oils and fats, and an impost of 5 cents a pound on coconut oil and copra, except on imports from the Philippines, which products would bear the 3-cent tax.

THE REVENUE ACT OF 1935

(Approved Aug. 30, 1935. Public Law No. 407, 74th Cong.)

Amends the existing revenue laws so as to yield an estimated additional revenue of $250,000,000 from the following changes in tax rates:

Estate taxes: Increases the rates of the present estate taxes, beginning the impost at 2 percent on net estates of $10,000 and ranging upward to 67 percent on that part of the estate between $10,000,000 and $20,000,000, 69 percent on that part between $20,000,000 to $50,000,000, and to a maximum of 70 percent on all above $50,000,000. In addition, the specific exemption is lowered from $50,000 (in existing law) to $40,000, thereby providing for a thoroughly upward revision affecting every estate-tax bracket. (This section of the new act is a complete substitute for the inheritance tax as requested by the President and as adopted by the House, but rejected in conference.) Under existing law estate taxes begin at 1 percent on the first $10,000 and range up to 60 percent on that part of the estate over $10,000,000. The new estate-tax provision is effective as to decedents who die after the enactment of the Revenue Act of 1935.

Gift taxes: Revises the existing gift taxes so as to make them three-fourths of the new estate-tax schedule. The new gift-tax rates begin at 1½ percent on the first $10,000 and range up to 50¼ percent on $10,000,000 to $20,000,000, 51¾ percent on $20,000,000 to $50,000,000, and 52½ on gifts of more than $50,000,000. The gift-tax exemption also is reduced from $50,000 to $40,000. The new gift taxes are effective as to gifts in the calendar years 1936 and thereafter. Under the existing law the first bracket rate is three-fourths of 1 percent on the first $10,000, ranging upward to 45 percent upon net gifts in excess of $10,000,000.

Individual income surtaxes: Increases the surtaxes on individual incomes, beginning with a surtax of 31 percent in the bracket of net incomes between $50,000 and $56,000, graduating upward through the brackets to 73 percent on net incomes between $1,000,000 and $2,000,000, 74 percent on $2,000,000 to $5,000,000 and 75 percent on over $5,000,000. The new individual surtaxes are to become effective for the first taxable year ending after December 31, 1935. Under existing law the individual income surtaxes begin with a tax of 30 percent in the bracket for incomes between $50,000 and $56,000 and range upward to 59 percent on incomes in excess of $1,000,000.

Graduated income tax on corporations: Imposes a new graduated income tax on corporations, to be levied as follows: 12½ percent on net corporation incomes up to $2,000, 13 percent on $2,000 to $15,000, 14 percent on $15,000 to $40,000, and 15 percent on net corporation incomes in excess of $40,000. The tax is to become effective for the first taxable year ending after December 31, 1935. Under existing law the corporation income tax is a flat rate of 13¾ percent, and there is no graduation of the rate.

Capital-stock tax: Increases the capital-stock tax, levied under existing law at the rate of $1 per $1,000 on the declared value of corporation stock, to a new rate of $1.40 per $1,000. A new declaration of values is also allowed with respect to the capital-stock tax. The new taxes take effect beginning with the fiscal year ending June 30, 1936.

Excess-profits tax: Levies a graduated tax on excess profits of corporations as follows: 6 percent on profits exceeding 10 percent and not over 15 percent, and 12 percent on profits exceeding 15 percent of the declared value of corporation stock. The new excess-profits tax takes effect with the first income taxable year that ends after June 30, 1936. Under existing law there is a flat rate of 5 percent on profits exceeding 12½ percent.

Intercorporate-dividends tax: Under existing law intercorporate dividends of domestic corporations are deducted entirely from gross income in computing net income subject to tax. Under the new revenue act 90 percent of such dividends are deductible, leaving 10 percent taxable at the new graduated corporation tax

rate. This provision takes effect the first taxable year beginning after December 31, 1935.

Personal holding company tax: Increases the rates of tax on undivided profits of personal holding companies to make them conform to the higher surtaxes. Existing law provided for a surtax on undistributed adjusted net incomes of personal holding companies at the rate of 30 percent of the amount of such income not in excess of $100,000, and 40 percent on incomes in excess of $100,000. Under the Revenue Act of 1935 the tax is to be 20 percent on such incomes not over $2,000, plus 30 percent of the amount thereof over $2,000 and not over $100,000, plus 40 percent of the amount thereof over $100,000 and not over $500,000, plus 50 percent on the amount thereof over $500,000 and not over $1,000,000 plus 60 percent of the amount thereof over $1,000,000. This provision takes effect the first taxable year beginning after December 31, 1935.

THE REVENUE ACT OF 1936

(Approved June 22, 1936. Public Law No. 740, 74th Cong.)

Imposes new Federal taxes and seeks to equalize revenue in a manner to produce an estimated $785,000,000 during the first year of operation.

Continues the normal income-tax rate on individuals. Levies for each taxable year upon the normal-tax net income of every corporation, a normal tax as follows:

Upon normal-tax net incomes not in excess of $2,000, 8 percent; in excess of $2,000 and not in excess of $15,000, 11 percent; in excess of $15,000 and in not in excess of $40,000, 13 percent; in excess of $40,000, 15 percent.

In addition there will be levied upon the net income of every corporation a surtax equal to the following (there are certain exceptions):

Seven percent of the portion of the undistributed net income which is not in excess of 10 percent of the adjusted net income; 12 percent in excess of 10 percent and not in excess of 20 percent; 17 percent of the portion in excess of 20 percent and not in excess of 40 percent; 22 percent of the portion in excess of 40 percent and not in excess of 60 percent; 27 percent of the portion in excess of 60 percent.

If the adjusted net income is less than $50,000, there shall be allowed a specific credit equal to the portion of the undistributed net income which is in excess of 10 percent of the adjusted net income and not in excess of $5,000.

Corporations exempted from the surtax on undistributed profits are banks (as defined in section 104 of the act); domestic corporations which for any portion of the taxable year are in bankruptcy under laws of the United States, or are insolvent or in receivership; insurance companies subject to the tax imposed under sections 201, 204, and 207 of the act; foreign corporations; corporations which, by reason of deriving a large portion of their gross income from sources within a possession of the United States are entitled to the benefits provided in section 251; corporations organized under the China Trade Act, and joint-stock land banks.

Additional levies are made upon the net income of every corporation (other than a personal holding cmpany as defined in section 351 of the act), if such corporation is formed for the purpose of preventing the imposition of the surtax upon its shareholders or the shareholders of any other corporation, through the medium of permitting earnings or profits to accumulate instead of being divided or distributed.

Foreign corporations not doing business in this country would pay a flat tax of 15 percent on any income derived from sources within the United States, except that in the case of dividends the rate would be 10 percent, and except that in the case of corporations organized under the laws of a contiguous country such rate (not less than 5 percent) as may be provided by treaty with such country.

Special rates are set up for the taxation of personal holding companies.

The capital stock tax rate is lowered from $1.40 to $1 per $1,000.

A tax of 80 percent is imposed upon so-called "windfall" of "unjust enrichment" arising from processing taxes refunded by court order.

It is provided that individuals shall now pay both normal taxes and surtaxes on dividends received from corporations, instead of only paying surtaxes as at present.

Banks, trust companies, and insurance companies are exempted from the surtax on undistributed profits and will pay a flat normal tax of 15 percent.

Special treatment is given to common-trust funds operated by banks and also to certain classes of investment trusts.

The act clarifies and broadens the definition of various fish, animal, and seed oils taxed under the revenue act of 1934.

ANTISMUGGLING ACT

(Approved Aug. 5, 1935. Public Law No. 238, 74th Cong.)

Seeks to prevent the loss of millions of dollars of revenue annually, since the repeal of the eighteenth amendment, from the smuggling of intoxicating liquors by providing (1) for the establishment of customs-enforcement areas adjoining the 12-mile limit; (2) for search, seizure, and forfeiture of smuggling vessels; (3) for the enforcement of revenue laws within treaty limits against foreign vessels; (4) for prohibiting smuggling offenses by American nationals and vessels against the revenue laws of other countries; (5) for the general increase of fines and penalties; (6) for effective administrative control over boats of less than 500 net tons; and (7) for a change of the rules of proof in forfeiture cases.

THE EXCISE TAX ACT

(Approved June 28, 1935. Public Resolution No. 36, 74th Cong.)

Continues for another 2 years, or until the summer of 1937, certain excise taxes and also the 3-cent postage rate on nonlocal, first-class mail matter, yielding an estimated revenue of $501,991,000 in the current fiscal year 1936. Under the Revenue Act of 1932 certain of these excise taxes would have become inoperative after June 30, 1935, certain others would have ceased on July 31, 1935, and still others would have continued to operate only at reduced rates or with increased exemptions after June 30, 1935. The extra penny, first-class postage rate would have become inoperative on June 30, 1935.

Defers for 2 years scheduled reductions in taxes on future sales of produce, issue and transfer of stocks and bonds.

Continues until 1937 excise taxes on gasoline, brewers' wort, matches, lubricating oil, electrical energy, toilet preparations, furs, jewelry, radio sets, photographs, mechanical refrigerators, sporting goods, cameras, lenses, firearms, chewing gum, admissions, telephone and telegraph messages, oil by pipe line, automobile trucks, passenger automobiles and motorcycles, parts and accessories, and tires, as well as temporary import duties on crude petroleum, gasoline, lubricating oil, paraffin wax, coal and coke, lumber, and copper.

THE GASOLINE TAX AND POSTAGE RATE ACT

(Approved June 16, 1933. Public Law No. 73, 73d Cong.)

Continued the Federal 1-cent-a-gallon gasoline tax another year beyond July 1, 1933.

Authorized the President until June 30, 1934, to proclaim such modifications of postage rates on mail matter (except that in the case of first-class matter the rate should not be reduced to less than 2 cents an ounce or fraction) as, after a survey, he might deem advisable by reason of increase in business, the interests of the public, or the needs of the Postal Service.

Imposed upon electrical energy, sold for domestic or commercial consumption and not for resale, a tax equal to 3 percent of the price for which so sold, to be paid by the vendor.

INCOME-TAX RETURNS

(Approved Apr. 19, 1935. Public Law No. 40, 74th Cong.)

Repeals the "pink slip" provision of the Revenue Act of 1934, pertaining to the publicity of income-tax returns.

ROADS

THE FEDERAL HIGHWAY ACT

(Approved June 16, 1936. Public Law No. 686, 74th Cong.)

Extends the Hayden-Cartwright Highway Act for 2 years and authorizes the appropriation of $125,000,000, for carrying out the purposes of the extended act during the fiscal year 1938, and a similar amount for the fiscal year ending June 30, 1939, for Federal-aid highways; these amounts to be matched by the States.

Authorizes the Secretary of Agriculture to apportion Federal-aid highway funds without matching in any State where the proceeds of all special taxes on motor-vehicle transportation are applied to highway purposes.

Authorizes $14,000,000 for forest highways, roads, and trails for the fiscal year 1938, and a similar amount for the fiscal year 1939; $10,000,000 for each of the fiscal years 1938 and 1939 for the construction and maintenance of parkways to give access to national parks and national monuments; also $4,000,000 for each of these fiscal years for Indian reservation roads.

Authorizes appropriations of $50,000,000 for each of the fiscal years 1938 and 1939 for the elimination of hazards to life at railroad grade crossings, where safety devices are installed.

Provides that all taxes levied by any State upon sales of gasoline and other motor-vehicle fuels may be levied, in the same manner and to the same extent, upon such fuels when sold by or through post exchanges, ship stores, ship service stores, commissaries, or other similar agencies, when such fuels are used for other than governmental purposes.

SECURITIES

THE SECURITIES ACT OF 1933

(Approved May 27, 1933. Public Law No. 22, 73d Cong.)

Required filing with the Federal Trade Commission and for transmission to prospective investors the fullest possible information concerning new security issues sold in interstate commerce or through the mails.

Provided for the filing with the Commission of sworn statements, including, among other things, all commissions or discounts paid or to be paid, directly or indirectly, by the issuer to the underwriter, a full description of all factors surrounding the physical issuance of the securities, names of directors and officers of the issuing company, names of holders of 10 percent or more of prior securities issued by the company, a detailed description of the business and financial condition of the company, and the salaries of its officers.

Provided for the lapse of 20 days after the filing of the sworn statement before the projected security could be sold or even promoted.

Carried penalties for violation of the act.

THE SECURITIES EXCHANGE ACT OF 1934

(Approved June 6, 1934. Public Law No. 291, 73d Cong.)

Provided for the regulation of securities exchanges and over-the-counter markets operating in interstate and foreign commerce and through the mails and the prevention of inequitable and unfair practices on such exchanges and markets.

Granted far-reaching control over the exchanges to the Federal Government and undertook to curb excessive speculation and unethical practices and protect investors.

Established a bipartisan Securities and Exchange Commission of five members appointed by the President, with Senate consent, to administer the act and also to take over from the Federal Trade Commission the administration of the Securities Act of 1933.

Required the licensing of all stock exchanges and the registration of all listed securities with the new Commission, the registration statement to contain 10 categories of facts, set out in the act, and any further financial statements which the Commission might deem necessary. Corporations with registered securities to be required in addition to file periodical reports certified by independent public accountants.

Defined the functions of dealers, brokers, and specialists; banned manipulative practices to establish artificial prices for securities; and provided penalties of $10,000 or 2 years' imprisonment, or both, for those willfully and knowingly violating its provisions or any rule or regulation made under the act.

The maximum penalty where an exchange is the violator is $500,000.

Provided for the regulation of margins and brokers' credit by the Commission and the Federal Reserve Board, and that the Federal Reserve Board should prescribe rules and regulations with respect to the amount of credit that may be initially extended and subsequently maintained on any security (other than an exempted security) registered on a national securities exchange.

Stipulated that for the initial extension of credit such rules and regulations should be based upon the following standard: An amount not greater than whichever is the higher of (1) 55 percent of the current market price of the security, or (2) 100 percent of the lowest market price of the security during the preceding 36 calendar months, but not more than 75 percent of the current market price.

Empowered the Federal Reserve Board to raise or lower the margin requirements for the initial extension or maintenance of credit when it deemed such action necessary.

Granted to any person aggrieved by an order of the new Commission the right of court review in the Circuit Court of Appeals of the United States.

Carried several modifying amendments to the Securities Act of 1933 to meet severe criticisms of business and industry.

FURTHER REGULATIONS CONCERNING TRADING IN SECURITIES

(Approved May 27, 1936. Public Law No. 621, 74th Cong.)

Amends the Securities Exchange Act of 1934 so as to facilitate trading in unlisted securities, with adequate provisions for the protection of the parties involved in such transactions. Applications for permission to trade in unlisted securities may be made by any national exchange to the Commission, which, if it believes such trading to be necessary or appropriate in the public interest or for the protection of investors, and all requirements have been met by the applicant, may approve the application. Likewise, if the Commission deems it necessary or appropriate in the public interest or for the protection of investors or to prevent evasion of the purposes of the law, the Commission may by rules and regulations suspend unlisted trading privileges in whole or in part for any or all classes of securities for a period not exceeding 12 months.

The Securities Exchange Act of 1934 is further amended to permit only registered brokers or dealers to use, with certain exceptions, an instrumentality of interstate commerce to induce the purchase or sale of any security. The Commission may require any necessary information concerning such brokers or dealers before permitting them to be registered, and applications may be rejected and registrations revoked if it is in the public interest to do so.

All issuers of securities pursuant to the Securities Act of 1933, with certain exceptions, are required to file with the Commission such information as it deems necessary to protect the public, and penalties are imposed for failure to comply with the regulations of the Commission.

Further amendments were enacted so as to coordinate this and prior legislation.

SHIPPING

THE SHIP SUBSIDY ACT

(Approved June 29, 1936. Public Law No. 835, 74th Cong.)

Declares it to be the policy of the United States to foster the development and encourage the maintenance of a merchant marine sufficient to carry its domestic water-borne commerce and a substantial portion of its foreign commerce, capable of serving as a naval and military auxiliary in a national emergency, owned and operated under the American flag by American citizens as far as practicable.

Creates a new Federal agency, to be known as the United States Maritime Commission, composed of five members, appointed by the President, at salaries of $12,000 annually each. This Commission will take the place of the United States Shipping Board, and the functions of the latter will be transferred to the Maritime Commission, also those functions of the Department of Commerce under the Executive order of June 10, 1933.

Prohibits any further construction loans under the Merchant Marine Act of 1920. Directs the Maritime Commission to survey the American merchant marine to determine what additions and replacements are required to carry forward the national policy declared in this act, and also to perfect and adopt a long-range program for replacements and additions for the creation of an adequate and well-balanced fleet.

Authority is given the Maritime Commission to investigate the employment and wage conditions in ocean-going shipping and to incorporate in its subsidy and private charter operation contracts minimum-manning scales, minimum-wage scales, and reasonable working conditions for all officers and crews employed on all types of vessels receiving an operating-differential subsidy.

The Maritime Commission will have authority to make all mail contracts on vessels after June 30, 1937. The Commission is authorized to consider applications from American citizens for construction-differential subsidies, also for operating-differential subsidies, and specifies the conditions upon which such subsidies may be granted.

Authorizes the Commission to arrange for the construction of such new vessels as may be required to carry out the objects of the act and to arrange for their private charter operation.

MARINE INSPECTION AND NAVIGATION ACT

(Approved May 27, 1936. Public Law No. 622, 74th Cong.)

Changes the name of the Bureau of Navigation and Steamboat Inspection to Bureau of Marine Inspection and Navigation.

Reduces the number of supervising inspectors, appointed by the Secretary of Commerce, from 11 to 7. Provides for appointment, by the Secretary, of 10 principal traveling inspectors.

Requires the Secretary to prescribe rules and regulations for investigation of marine casualties, incompetency, and negligence, and to appoint appropriate investigating boards.

Empowers Director of the Bureau of Marine Inspection to revoke the license of any licensed officer or certificate of any holder of a certificate of service who is incompetent or guilty of misbehavior or negligence. Provides for an appeal within 30 days to the Secretary of Commerce from the order of the Director.

Provides that if the Director finds evidence of criminal liability on part of licensed officer or holder of certificate of service, he shall submit findings to Secretary, who, if satisfied criminal liability exists, shall refer such findings to the Attorney General for prosecution.

Penalizes attempts to coerce witnesses, to induce them to testify falsely, or to induce them to leave jurisdiction of United States by a fine of $5,000 or imprisonment for 1 year, or both.

Provides for a technical staff, consisting of the Director and technical members, "who shall pass upon all contract plans and specifications for passenger vessels of the United States" of 100 gross tons and over, propelled by machinery, and upon material alterations of existing vessels. Director shall issue regulations for builders of vessels showing necessary safety characteristics.

Provides that no passenger vessel of 100 tons and over, propelled by machinery, the construction or material alteration of which is begun after May 27, 1936, shall receive a certificate of inspection unless specifications are approved by the Director. Provides that the American Bureau of Shipping shall continue to function in connection with the Government.

Provides a penalty of $500 for material alterations of vessels without approval of the Director and a fine of not more than $5,000 or imprisonment for not more than 5 years or both for defacing or destroying approved plans with intent to deceive or delay an officer of the Government discharging his duties.

Fixes effective date of these provisions for vessels under 500 gross tons at 3 months from May 27, 1936, and for vessels over 500 gross tons at 1 month from May 27, 1936.

Provides extra compensation for "overtime services of local inspectors of steam vessels and their assistants, United States shipping commissioners and their deputies and assistants."

RELATING TO THE CARRIAGE OF GOODS BY SEA

(Approved Apr. 16, 1936. Public Law No. 521, 74th Cong.)

This legislation applies to any shipments of goods by sea which are represented by a bill of lading or a similar document, except as regards live animals and such cargo which by the contract of carriage is stated as being carried on deck and is so carried.

The act defines the responsibilities and liabilities of both carrier and shipper, making each liable for his own negligence, imposes upon each certain regulations which must be maintained, and facilitiates the settlement of disputes between shippers and carriers. The carrier may surrender any part of his rights and immunities or increase his responsibilities under the act, provided such surrender or increase is embodied in the bill of lading issued to the shipper.

Where the character or conditions of the property to be carried is such as to warrant an exception to the provisions of the act, such exceptions may be made, but in such cases no bill of lading shall be issued, and the terms of the agreement shall be embodied in a receipt which shall be nonnegotiable and shall be marked as such.

If these provisions should prejudice the foreign commerce of the United States, the Secretary of Commerce may so certify, whereupon the President may by proclamation suspend any or all provisions of title I for such time as he deems necessary.

THE R. F. C. EXPORTS RESOLUTION

(Approved Mar. 26, 1934. Public Resolution No. 17, 73d Cong.)

Declared it to be the sense of Congress that in any loans made by the Reconstruction Finance Corporation or other Federal instrumentality to foster exports of agricultural or other products provision should be made that such products should be carried exclusively in vessels of the United States, unless the Shipping Board Bureau, after investigation, certified to the Reconstruction Finance Corporation that such vessels were not available in sufficient numbers, or on necessary sailing schedule, or at reasonable rates.

THE COASTWISE TRADE ACT OF 1935

(Approved July 2, 1935. Public Law No. 191)

Amends section 27 of the Merchant Marine Act of 1920 so as to prohibit the following classes of vessels from engaging in the coastwise trade:

1. Vessels built in or documented under the laws of the United States and later sold to foreign owners.

2. Vessels built in the United States for foreign countries or foreign purchasers.

Prevents the repatriation of old ships which originally qualified for the coastwise trade of the United States and have been sold and are trying to return.

SOCIAL SECURITY

THE SOCIAL SECURITY ACT

(Approved Aug. 14, 1935. Public Law No. 271, 74th Cong.)

Provides for the establishment of a system of Federal old-age benefits and undertakes to enable the States to make more adequate provision for aged persons, dependent and crippled children, maternal and child welfare, public health, and the administration of State unemployment compensation laws.

Creates a bipartisan Social Security Board of three members, to administer the program independently of the Department of Labor. They are to be appointed by the President, by consent of the Senate, and serve 6-year terms, except that of the first three members appointed; one would hold office for 2 years, another for 4 years, and the third for 6 years.

Authorizes an appropriation of $49,750,000 for the current fiscal year, and so much as may be needed thereafter, to enable each State to furnish financial assistance "as far as practicable under the conditions in such State" to aged needy persons more than 65 years old. Federal grants are authorized on a 50–50 matching basis with the States, except that the Federal Government's share in no case would exceed $15 a month.

Provides for a long-range contributory old-age pension system, to be financed by an income tax on employees and a pay-roll tax on employers, starting in each case at 1 percent in 1937 and rising each 3 years until 1949, when each contribution is to be 3 percent. Under the operation of the system, each qualified worker who retires at the age of 65, but not prior to January 1, 1942, would receive a monthly pension until his death ranging from $10 to $85, depending upon the total amount of wages earned by the beneficiary after December 31, 1936, and before he reaches retirable age.

Provides for a Federal-State system of unemployment compensation by Federal grants in aid, based on the imposition of a uniform pay-roll excise tax on employers.

Authorizes an appropriation of $24,750,000 for the current fiscal year and such amounts as may be needed in future years to enable each State to furnish financial assistance "as far as practicable under the conditions in such State" to needy dependent children.

Authorizes an appropriation of $3,800,000 a year, beginning with the current fiscal year, to assist the States in promoting the health of mothers and children "especially in rural areas and in areas suffering from severe economic distress."

Authorizes an appropriation of $2,850,000 a year, beginning with the fiscal year 1936, to assist States in providing medical, surgical, and corrective services for crippled children, the Children's Bureau to operate with State public welfare agencies.

Authorizes an appropriation of $1,500,000 to aid State agencies in caring for homeless and neglected children.

Authorizes an appropriation of $841,000 for the fiscal years 1936 and 1937, $1,938,000 a year thereafter to supplement and strengthen State vocational rehabilitation of the physically disabled and $8,000,000 annually for assistance to the States and their political subdivisions in maintaining adequate public health services, as well as $3,000,000 for the fiscal year 1936, and as much as may be needed annually thereafter to assist State plans for aiding the needy blind, the Federal grants for the latter to be made on a 50–50 matching basis to States meeting set standards.

THE RAILROAD RETIREMENT ACT

(Approved Aug. 29, 1935. Public Law No. 399, 74th Cong.)

Establishes a system of retirement annuities for railroad workers who reach the age of 65 years, and for any under that age who have had 30 years' service with the rail carriers and who either make application for retirement or are retired because of physical or mental disability.

Attempts to meet the objections of the Supreme Court in setting aside the original Rail Retirement Act of 1934, by basing it on the taxing power of Congress instead of on its authority to regulate interstate commerce.

Creates as an independent agency of the Government a Railroad Retirement Board of three members to be appointed by the President, one on recommendation of the employees, one on recommendation of the carriers, and the third without recommendation of either interested party, to administer the act and submit a special report within 4 years recommending changes regarded as necessary in the retirement system.

Sets up an Investigation Commission of nine members, including three Senators appointed by the Vice President, three Representatives named by the Speaker, and three others to be selected by the President. Authorizes the Commission to make a thorough investigation of all pertinent facts relative to a retirement annuity system applicable to railroad carriers and report its findings to Congress not later than January 1, 1936.

Provides for the payment of annuities from the Treasury to rail employees, after retirement, who are 65 years of age or more, or who have given 30 years of service, provided they are over 50 years of age.

Stipulates that in the event of death of a person entitled to an annuity the Board shall for 1 year pay to his estate an annuity equal to one-half of the annuity to which he may have been entitled.

The act imposes no excise or income taxes on employers or workers, leaving this to be provided for in supplementary companion act for financing the retirement plan.

Becomes effective March 1, 1936.

TARIEF

THE RECIPROCAL TARIFF ACT

(Approved June 12, 1934. Public Law No. 316, 73d Cong.)

Authorized the President, for a period of 3 years, to negotiate trade agreements with foreign governments without the traditional advice and consent of the Senate.

Empowered the President, by proclamation, to raise or lower tariff rates by not more than 50 percent.

Provided that the President, before entering into reciprocal tariff-trade agreements, must not only determine that trade expansion would be encouraged but that foreign duties or other important restrictions were unduly burdening and restricting American foreign trade.

Stipulated that every foreign-trade agreement concluded under the new act should be subject to termination on notice to the foreign government concerned, at the end of not more than 3 years from the date on which the agreement comes into force, and thereafter upon not more than 6 months' notice.

Any interested person likely to be affected by any proposed foreign-trade agreement must be given an opportunity to be heard before the trade agreement is concluded.

THE FREE TRADE ZONE ACT

(Approved June 18, 1934. Public Law No. 397, 73d Cong.)

Provided for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States and undertook to expedite and encourage foreign commerce.

Vested the administration of the act in a board consisting of the Secretaries of Commerce, Treasury, and War. Authorized this board to grant to corporations the privilege of establishing, operating, and maintaining foreign-trade zones in or adjacent to ports of entry, each port of entry to be entitled to at least one zone.

Provided that, in the case of any State in which harbor facilities of any port of entry are owned and controlled by the State and in which State harbor facilities of any other port of entry are owned and controlled by a municipality, the board should not grant an application by any public corporation for the establishment of any zone in such State unless such application has been authorized by an act of the legislature of the State.

Defined the term "public corporation" to mean a State, political subdivision thereof, a municipality, a public agency of a State, political subdivision thereof, or municipality, or "a corporate municipal instrumentality of one or more States."

TRANSPORTATION

MOTOR CARRIER ACT

(Approved Aug. 9, 1935. Public Law No. 255, 74th Cong.)

The Motor Carrier Act of 1935 provides that the power to regulate transportation of passengers or property by motor carriers engaged in interstate commerce is vested in the Interstate Commerce Commission, provides regulations for the supervision of busses and trucks, and provides penalties for failure to comply.

THE EMERGENCY RAILROAD TRANSPORTATION ACT OF 1933

(Approved June 16, 1933. Public Law No. 68, 73d Cong.)

Established a system of railroad control, headed by a Federal Coordinator of Transportation to work in cooperation with the roads and with labor to effect economies, but not at the expense of wage earners.

Provided that appeals from the decisions of this Coordinator, appointed by the President with Senate consent, might be taken to the Interstate Commerce Commission, his orders, unless revoked by the Commission, to have the force and effect of orders of the Commission.

Authorized the creation of three coordinating committees to operate with the Coordinator, one each for the eastern, southern, and western groups of roads, each committee containing seven members, five representing the major roads, one representing steam roads with operating revenues under $1,000,000 in 1932 and another representing electrical systems not connected with steam railways. The

act provided that the railroads were to be assessed $1.50 a mile to cover the expenses of this set-up.

Required the Coordinator and the committees to encourage, promote, and require action by the carriers to avoid waste and preventable expense; to promote financial reorganization of the carriers, with due regard to legal rights, to reduce fixed charges to the extent required by public interest and improve carrier credit, and also to provide for the immediate study of other means of improving conditions surrounding transportation in all its forms.

Set aside the antitrust laws whenever necessary to carry out the Coordinator's orders.

THE EMERGENCY RAILROAD TRANSPORTATION EXTENSION ACT

(Approved June 14, 1935. Public Resolution No. 27, 74th Cong.)

Extends for 1 year, or until June 17, 1936, the Emergency Railroad Transportation Act of 1933 and the office of Coordinator of Transportation.

Provides that orders of the Coordinator or of the Interstate Commerce Commission made under that act shall continue in effect until vacated by the Commission or set aside by other lawful authority.

Continues the assessment of $2 a mile on railroads for financing the Coordinator's office and makes it the duty of the Secretary of the Treasury to collect such assessments.

THE RAILROAD REORGANIZATION ACT

(Approved Aug. 29, 1935. Public Law No. 381, 74th Cong.)

Designed to simplify and improve the procedure for financial reorganization of railroads (engaged in interstate commerce) under the Bankruptcy Act and to assist the administration's rail coordination plan.

Provides that any railroad corporation which is insolvent or unable to meet its debts as they mature (or creditors of such a company having claims aggregating not less than 5 percent of its indebtedness) can file a petition in a Federal court for relief under section 77 of the Bankruptcy Act, as amended by this new act, upon approving which the court would have exclusive jurisdiction of the property, wherever located, its process extending to any judicial district.

THE RAILROAD ASSESSMENT ACT

(Approved June 13, 1934. Public Law No. 340, 73d Cong.)

Amended the Emergency Transportation Act of 1933 to increase from $1.50 to $2 a mile, for the year beginning June 16, 1934, the assessment on the railroad companies to meet the expenses of the Federal Coordinator of Transportation.

TREATIES RATIFIED

RIO GRANDE TREATY

(Ratified Apr. 25, 1933)

Signed by plenipotentiaries of the United States and Mexico on February 1, 1933, the convention provides for the rectification of the Rio Grande in the El Paso-Juarez Valley by undertaking works to relieve the towns and agricultural lands of the valley from flood dangers and to secure at the same time the stabilization of the international boundary line.

EQUAL RIGHTS NATIONALITY TREATY

(Ratified May 24, 1934)

Adopted at the Pan American Conference at Montevideo on December 26, 1933, and signed by plenipotentiaries of the United States and 19 other countries of the Western Hemisphere, it agreed that there shall be no distinction based on sex as regards nationality in their legislation or in their practice.

CUBAN TREATY

(Ratified May 31, 1934)

Abrogated the Treaty of Relations of May 22, 1903, between the United States and Cuba, which embodied the Platt amendment, which had for years reserved to the United States the right to intervene for the protection of Cuba's independence and financial integrity.

Continued in effect the agreements of 1903 with respect to coaling stations and the Guantanamo naval base, pending further negotiations.

Ratified and held as valid all acts effected in Cuba by the United States during its military occupation of the island up to May 20, 1902, the date on which the Republic of Cuba was established.

TRADE IN ARMS TREATY

(Ratified June 15, 1934)

Signed at Geneva on June 17, 1925, by the United States and other powers and provided for the supervision of the international trade in arms and ammunition with a view to keeping such trade within proper channels, this control to be exercised by each sovereign State within its own territory according to its own laws enacted or to be enacted to make the convention effective. Ratified by the Senate subject to the reservation that the convention shall not come into force so far as the United States is concerned until it shall have come into force in respect to Belgium, the British Empire, Czechoslovakia, France, Germany, Italy, Japan, Sweden, and the Union of Soviet Republics.

ANTIWAR TREATY OF NONAGGRESSION

(Ratified June 15, 1934)

Signed at Rio de Janeiro, October 10, 1934, by Argentina, Brazil, Chile, Mexico, Paraguay, and Uruguay.

Condemned war and advocated the settlement of disputes and controversies through the pacific means established by international law; declared that territorial questions must not be settled by resort to violence and that parties to the treaty would recognize no territorial arrangement not obtained through pacific means: *Provided*, That if any party to a dispute should fail to comply with these obligations the contracting States would make every effort for the maintenance of peace and to that end, as neutrals, should adopt a common and solitary attitude. In adhering to this treaty the Senate declared that the United States did not thereby waive any rights it has under other treaties or international law.

CONVENTION ON RIGHTS AND DUTIES OF STATES

(Ratified June 15, 1934)

Signed at Montevideo on December 26, 1933, by plenipotentiaries of the United States and other countries represented at the Seventh Pan American Conference and defined the rights and duties of States, providing, among other things, that no State has the right to intervene in the internal or external affairs of another; that the primary interest of States is the preservation of peace and their differences should be settled by recognized pacific methods; that the territory of a State is inviolable and may not be the object of military occupation nor of other measures of force imposed by any State directly or indirectly or for any motive whatever, even temporarily; that the fundamental rights of States are not susceptible of being affected in any manner whatsoever; and that the political existence of a State is independent of recognition by the other States. Ratified by the Senate with the express reservation presented to the plenary session of the conference at Montevideo to the effect that the United States Government in all of its international associations, relationships, and conduct will follow scrupulously the doctrines and policies which it has pursued since March 4, which are embodied in the different addresses of President Roosevelt since that time, and in Secretary Hull's peace address of December 15, 1933, before the Seventh Pan American Conference, and in the law of nations as generally recognized and accepted.

VETERANS

IMMEDIATE PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

(Public Law No. 425, 74th Cong.)

"To provide for the immediate payment of World War adjustment-service certificates, for the cancelation of unpaid interest accrued on loans secured by such certificates, and for other purposes."

The World War adjusted-compensation certificates are hereby made immediately payable; the value of each certificate shall be an amount equal to the face value; if the veteran has borrowed against his certificate, that amount, plus any unpaid interest prior to October 1, 1931, shall be deducted from the face value of the certificate before payment is made. If the certificate is held by a bank or trust company, the payment shall be made to the bank or trust company upon proper presentation. If the veteran dies without making valid application under this act, no payment under this act will be made.

The amount certified pursuant to section 1 of this act shall be made to the veteran or his estate on or after June 15, 1936, by the issuance of bonds of the United States, registered in the name of the veteran only, in denominations of $50, having a total face value up to the highest multiple of $50 in the amount due the veteran, and the difference between the amount due the veteran and the face value of the bonds shall be paid in cash. The bonds shall be dated June 15, 1936, and shall mature June 15, 1945, but shall be redeemable at the post offices and such places as the Secretary of the Treasury may designate. Interest shall accrue at the rate of 3-percent per annum to date of maturity.

The Secretary of Treasury is authorized and directed to redeem from the United States Government life-insurance fund all adjusted-service certificates held by that fund.

HOSPITALIZATION

(Approved Aug. 23, 1935. Public Law No. 312, 74th Cong.)

Amends the Economy Act of March 20, 1933, by providing that needy war veterans and former members of the peacetime forces suffering from service-connected disabilities may receive free hospitalization, and extends until January 2, 1940, the time within which World War veterans may make application for adjusted compensation.

SPANISH-AMERICAN WAR PENSIONS

(Approved Aug. 13, 1935. Public Law No. 269, 74th Cong.)

Provides that all laws in effect on March 19, 1933, granting pensions to Spanish-American War veterans which were repealed or amended by the Economy Act of 1933 are reenacted, effective August 13, 1935.

WAR DEBTS

THE JOHNSON DEBT DEFAULT ACT

(Approved Apr. 13, 1934. Public Law No. 151, 73d Cong.)

Prohibited financial transactions with any foreign government in default in the payment of its obligations, or any part thereof, to the Government of the United States. Imposed a fine of not more than $10,000 or imprisonment for not more than 5 years, or both, for violation of this act.

MISCELLANEOUS

THE FEDERAL REGISTER ACT

(Approved July 26, 1935. Public Law No. 220, 74th Cong.)

Provides for the custody in the National Archives Establishment of Federal proclamations, orders, regulations, notices, and other documents and their prompt printing and distribution by the Public Printer in a new Federal serial publication to be known as the Federal Register.

THE CENTRAL STATISTICAL ACT

(Approved July 25, 1935. Public Law No. 219, 74th Cong.)

Provides for the creation of a Central Statistical Board to plan and promote the improvement, development, and coordination of, and the elimination of duplication in, statistical services carried on by or subject to the supervision of the Federal Government, and, "so far as may be practicable, of other statistical services in the United States."

THE "HOT OIL" ACT

(Approved Feb. 22, 1935. Public Law No. 14, 74th Cong.)

Regulates interstate and foreign commerce in petroleum and its products by prohibiting the shipment or transportation of contraband or "hot oil" from any State in which produced.

Calls for Federal confiscation of illegal petroleum taken across a State line.

Authorizes the President to lift the prohibition of interstate movement of contraband petroleum whenever he finds that the amount of petroleum and petroleum products moving in interstate commerce is so limited as to be the cause, in whole or in part, of a "lack of parity between supply and consumptive demand resulting in an undue burden on or restriction of interstate commerce in petroleum and its products."

Stipulates that if the section of the measure giving the President authority to so act is held invalid the prohibition against shipment in interstate commerce shall still be in force.

Makes the legislation effective until June 16, 1937.

THE OIL AND GAS PROSPECTING ACT

(Approved Aug. 21, 1935. Public Law No. 297½, 74th Cong.)

Amends the Oil Leasing Act of 1920 by authorizing and directing the Secretary of the Interior to grant prospecting permits giving the exclusive right, for not exceeding 2 years, to prospect for oil or gas upon not to exceed 2,560 acres of land wherein such deposits belong to the United States and are not within any known geological structure or producing field, subject to specified conditions and requirements that must be met by the applicant.

Stipulates that upon discovery of valuable deposits of oil or gas, the permittee shall be entitled to a lease of one-fourth of the land embraced in the permit.

THE INSURANCE COMPANY LOAN ACT

(Approved June 10, 1933. Public Law No. 35, 73d Cong.)

Authorized the Reconstruction Finance Corporation to subscribe to insurance company preferred stock of any class, exempt from assessment or additional liability, and providing a revolving fund of $50,000,000 for that purpose, the object being to relieve the financial strain on insurance companies due in part to the banking situation; also permitted the Reconstruction Finance Corporation to make loans upon such stock.

Stipulated the condition, with respect to such loan or stock purchases, that the insurance company should have unimpaired capital stock or should furnish new capital equal in amount and subordinate to that bought by the Reconstruction Finance Corporation; that no officer or employee of the insurance company should receive aggregate compensation in excess of $17,500 annually or in excess of what appeared reasonable to the Reconstruction Finance Corporation; and that the insurance company must not increase salaries nor retire stock or other obligations while its obligation to the Reconstruction Finance Corporation continued.

Empowered the Reconstruction Finance Corporation to make loans to State workmen's compensation funds or State funds for insurance of deposits of State or political subdivisions until January 23, 1934, provided dividends or other payments from depositories should be assigned to the Reconstruction Finance Corporation.

Amended the Emergency Relief and Construction Act of 1932 so as to authorize loans for repair or reconstruction of private property; also similar loans to municipalities or public agencies authorized, regardless of constitutional or other legal inhibitions affecting the collateral.

Defined self-liquidating construction as any such project the cost of which should be returned through taxation or other means within 20 years.

Amended the Emergency Financing Act of January 22, 1932, so as to permit the Reconstruction Finance Corporation to make loans to trustees of railroads reorganized under section 77 of the Bankruptcy Act of March 3, 1933.

THE GAME AND WILDLIFE ACT OF 1935

(Approved June 15, 1935. Public Law No. 148, 74th Cong.)

Amends the Migratory Bird Hunting Stamp Act of 1934 by liberalizing and simplifying the issuance of stamps by the Post Office Department.

Amends the Lacey Act of 1900, which in large part was designed to aid the States by prohibiting shipment in interstate commerce of game and other wildlife killed or shipped in violation of their laws, so that it will apply to present-day vehicles and methods of transportation, such as the automobile and airplane.

Extends the operation of the Lacey Act to foreign commerce in game and wildlife and puts "teeth" into that act, which made no provision for its enforcement, by imposing penalties for its violation.

Authorizes payment to the States of 25 percent of any revenue that may be derived from wildlife refuges and reservations administered by the Department of Agriculture.

Empowers the President to allocate out of the $4,880,000,000 appropriation made in the Work Relief Act of April 8, 1935, such sum as he may deem necessary or advisable for the acquisition of areas in carrying on the Government's program of wildlife restoration, rehabilitation, and protection.

THE WILDLIFE CONSERVATION ACT

(Approved Mar. 10, 1934. Public Law No. 121, 73d Cong.)

Provided for the coordination of Federal effort to preserve and increase our natural wildlife resources.

Authorized the Secretaries of Agriculture and Commerce to provide expert assistance to, and to cooperate with, Federal, State, and other agencies in the rearing, stocking, and increasing of game and fur-bearing animals and fish; in combating diseases and in developing a Nation-wide program of wildlife conservation and rehabilitation.

Provided for such investigations as deemed necessary to determine the effects of domestic sewage, trade wastes, and other polluting substances on wildlife, with special reference to birds, animals, fish, and shellfish, and to recommend remedial measures to Congress.

THE FISH AND GAME SANCTUARY ACT

(Approved Mar. 10, 1934. Public Law No. 120, 73d Cong.)

Authorized the President, upon recommendation of the Secretaries of Commerce and Agriculture and with the approval of State legislatures in which national forests are situated, to establish by proclamation within such forests limited areas as sanctuaries to be devoted to the increase of game birds, game animals, and fish.

Prohibited hunting and killing of any wild animals or fish in such sanctuaries.

THE VOCATIONAL EDUCATION ACT OF 1934

(Approved May 21, 1934. Public Law No. 245, 73d Cong.)

Provided for the further development of vocational education as an emergency measure during the depression by appropriating $3,000,000 annually for 3 years, commencing July 1, 1934, one-third to be allotted to agricultural education, one-third to home economics, and the remainder to trade and industrial education.

THE TYDINGS-M'DUFFIE PHILIPPINE INDEPENDENCE ACT

(Approved Mar. 24, 1934. Public Law No. 127, 73d Cong.)

Provided for recognition of complete Philippine independence and withdrawal of American sovereignty on the 4th of July immediately following the expiration of 10 years from the inauguration of the New Philippine government provided for in the act.

Requested the President to negotiate with foreign powers for the perpetual neutralization of the Philippines if and when independence shall have been achieved.

Authorized a constitutional convention to meet not later than October 1, 1934, to frame a constitution for the islands, republican in form, and containing a bill of rights.

Stipulated that prior to withdrawal of American sovereignty and setting up complete independence there must be adopted a constitution of the government of the Commonwealth of the Philippines, this temporary government to be autonomous and subject to reservations designed to safeguard the sovereignty and responsibilities of the United States.

Contemplated the abandonment of United States military reservations when complete independence is recognized and for negotiations concerning our naval bases and fueling stations in the Philippines.

Permitted some Philippine products to be sent into the United States duty free in limited quantities until American sovereignty is withdrawn.

Limited to a maximum annual quota of 50 immigrants from the Philippines to the United States pending complete independence.

THE PHILIPPINE CURRENCY RESERVE ACT

(Approved June 19, 1934. Public Law No. 419, 73d Cong.)

Authorized and directed the Secretary of the Treasury to establish on the books of the Treasury a credit in favor of the treasurer of the Philippine Islands for $23,862,750.78, being an amount equal to the increase in value (resulting from the reduction of the weight of the gold dollar) of the gold equivalent, at the opening of business on January 31, 1934, of the balances maintained at that time in banks in the continental United States by the government of the Philippine Islands for its gold-standard fund and its treasury-certificate fund.

Appropriated out of the receipts covered into the Treasury under section 7 of the Gold Reserve Act of 1934, by virtue of the reduction of the weight of the gold dollar by proclamation of the President on January 31, 1934, the amount necessary to establish the credit of $23,862,750.78.

THE EQUAL NATIONALITY ACT

(Approved May 24, 1934. Public Law No. 250, 73d Cong.)

Amended the Cable Immigration Act of 1922 relative to citizenship and naturalization so as to remove all discrimination against women in the nationality laws.

Granted to mothers the power to transmit American citizenship to children born abroad.

Equalized the law for men and women in the matter of renouncing citizenship upon marrying an alien; transmission of citizenship by naturalized citizens, and the time required for an alien marrying an American citizen to acquire citizenship.

THE NATIONAL FORESTS CONTRACT ACT

(Approved Apr. 17, 1935. Public Law No. 38, 74th Cong.)

Authorizes the Secretary of Agriculture to terminate contracts for the purchase of national-forest timber, made prior to June 30, 1934, without the collection of damages for failure on the part of the purchaser to cut all of the timber, except as the value of the remaining timber may have been reduced by the cutting and removal done by the purchaser.

Provides that all applications for action by the Secretary under authority of the act must be submitted before April 17, 1936.

THE TWENTIETH AMENDMENT ADJUSTMENT ACT

(Approved June 5, 1934. Public Law No. 286, 73d Cong.)

Provided for changing the time of the meeting of Congress, the beginning of the terms of Members of Congress, and the time when the electoral votes shall be counted, and for other changes necessitated by the adoption of the twentieth or "lame duck" amendment to the Constitution.

PRISON-MADE PRODUCTS

(Approved July 24, 1935. Public Law No. 215, 74th Cong.)

Makes unlawful the transportation of prison-made goods from one State into another where such goods are intended to be sold in violation of State law, and provides that packages containing such goods shall be plainly marked.

EXTENDING FACILITIES OF PUBLIC HEALTH SERVICE

(Approved Mar. 21, 1936. Public Law No. 483, 74th Cong.)

Extends facilities of Public Health Service to seamen not enlisted or commissioned in the Military or Naval Establishments while employed on vessels of the Federal Government and State school ships to the same extent as to those employed on registered, enrolled, and licensed vessels. Grants to cadets on State school ships same medical relief as to seamen.

SUSPENSION OF ASSESSMENT WORK ON MINING CLAIMS

(Approved Apr. 24, 1936. Public Law No. 532, 74th Cong.)

Suspends from July 1, 1935, to July 1, 1936, the requirement of at least $100 worth of labor to be performed or improvements of such amount to be made on mining claims each year provided the claimant was exempt from payment of Federal income tax for the taxable year 1935. Restricts the number of claims to which suspension may apply.

FURTHER RELIEF TO WATER USERS IN UNITED STATES

(Approved Apr. 14, 1936. Public Law No. 519. 74th Cong.)

Creates a commission to be composed of three members to be appointed by the Secretary of the Interior, two from the Department of the Interior and one to be a landowner and water user under a United States reclamation project. The commission is directed to investigate the financial and economic conditions of such projects with reference to the water user's ability to make payments without undue difficulty. A report shall be made at the beginning of the next Congress and recommendations made for a permanent plan for carrying on such projects having particularly in mind the ability of water users to meet the water-right charges.

The act extends the provisions of the Reclamation Projects Act of June 13, 1935, for 1 year, so far as concerns 50 percent of the construction charges for the calendar year 1936; provided, that where the construction charge for the calendar year 1936 is payable in two installments, the sum so extended shall be the amount due as the first of such installments. If payable in one installment, the due date for the 50 percent to be paid shall not be changed.

DEMOCRATIC PLATFORM PLEDGES AND THEIR FULFILLMENT

Mr. ROBINSON. Mr. President, under authority granted by the Senate, I insert in the CONGRESSIONAL RECORD the following comprehensive review of legislation of the present administration:

Until the Democratic Party adopted its 1932 platform the voters of the country had never been presented with a definite, clear-cut declaration of political principles. Party platforms had traditionally been wordy documents, more honored in the breach than in the observance. It had indeed been difficult in the past to tell whether the platform framers intended to clarify or obscure their meaning.

The Democratic platform of 1932 was concise and definite. It told more in fewer words than any similar declaration had ever done. It could be read and understood by anyone.

The great majority of the pledges made by the Democratic convention of 1932 have been completely fulfilled. National emergencies have forced temporary deviations, but the principles enunciated at the Chicago convention hold good in their entirety.

The Democratic Party can look with pride upon the platform and what the Roosevelt administration has done to make it an actuality. As a record of what was promised and what has been done, it is interesting to read the Democratic platform of 1932 and the action the Roosevelt administration has taken with respect to every undertaking therein. This record should be read in conjunction with more detailed statements made by Cabinet officials, such as the speech of Secretary Morgenthau on Government finance.

The 1932 platform with its record of fulfillment follows:

PLEDGE

We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance to accomplish a saving of not less than 25 percent in the cost of Federal Government, and we call upon the Democratic Party in the States to make a zealous effort to achieve a proportionate result.

FULFILLMENT

The President proposed legislation to bring about governmental economy immediately after taking office. His proposals were enacted into law. General expenditures were reduced from $4,385,909,686 in the fiscal year 1932 to $3,100,914,534 in the fiscal year 1934. However, the economic collapse of the Nation—unchecked in the previous administration—had brought about such a paralysis of business, industry, and finance that it became necessary almost at once to place the Nation on a war basis. This struggle against economic chaos required men and money, the creation of emergency agencies, and the utilization of all our national resources. No effort could or has been spared, but it has been repeatedly stated that demobilization would be employed wherever and whenever possible.

LAWS ENACTED

The Economy Act of 1933 (Public, 2, 73d Cong.).

The Central Statistical Act (Public, 219, 74th Cong.).

Appropriation Reform Act (Public, 473, 73d Cong.).

To investigate and coordinate executive departments (S. Res. 217, 74th Cong., 2d sess.).

President's Committee to Coordinate Departments.

PLEDGE

We favor maintenance of the national credit by a Federal Budget annually balanced on the basis of accurate executive estimates within revenues raised by a system of taxation levied on the principle of ability to pay.

We advocate a sound currency to be preserved at all hazards and an international monetary conference called on the invitation of our Government to consider the rehabilitation of silver and related questions.

FULFILLMENT

Although the emergency which it inherited has not enabled the administration to balance the Budget, national credit has been maintained. A $2,050,000,000 Treasury offering in June 1936 was seven times oversubscribed, and the 2.54-percent interest rate which is now the average on all Government borrowings is the lowest in history. Short-term money costs the Government one-eighth of 1 percent at the present time. Government bonds are at a premium. The currency is sound and adequately secured. The American dollar is still the best money in the world. Foreign investors have fled toward, not from, the American dollar as is indicated in their holdings of more than $6,000,000,000 worth of American securities and bank balances. Efforts to bring about monetary agreements have failed but not through lack of effort on the part of this Government.

The principle of ability to pay has been the basis of all tax legislation of the Roosevelt administration.

LAWS ENACTED

The Revenue Act of 1934 (Public, 216, 73d Cong.).

The Revenue Act of 1935 (Public, 407, 74th Cong.).

The Revenue Act of 1936 (Public, 740, 74th Cong.).

The Gasoline Tax and Postage Rate Act (Public, 73, 73d Cong.).

The Excise Tax Act (Public Res. 36, 74th Cong.).

Expansion of Federal Reserve credits (Public, 10, 73d Cong.).

The gold repeal joint resolution (Public Res. 10, 73d Cong.).

The Silver Purchase Act, 1934 (Public, 438, 73d Cong.).

The Gold Clause Act (Public Res. 63, 74th Cong.).

The Gold Reserve Act, 1934 (Public, 87, 73d Cong.).

PLEDGE

We advocate a competitive tariff for revenue, with a fact-finding tariff commission free from executive interference, reciprocal tariff agreements with other nations, and an international economic conference designed to restore international trade and facilitate exchange.

FULFILLMENT

Congress, in 1934, enacted the Reciprocal Tariff Act under which the State Department has already concluded agreements with 14 nations. The benefits of these agreements have been directly reflected in a betterment of our foreign trade. Exports of American products, previously blocked by discriminatory tariffs, have been increased appreciably. In the preparation of the tariff agreements, public hearings are held. Experts, versed in trade and economic conditions, draft the schedules in the interest of the United States as a whole without the interference of lobbyists of special interests, who in the past have gained concessions for favored industries. The United States took part in the London Economic Conference of 1933, but agreement among the participating nations could not be achieved. The work of the Tariff Commission has been carried on as a fact-finding body.

LAWS ENACTED

The Free Trade Zone Act (Public, 397, 73d Cong.).
The Reciprocal Tariff Act (Public, 316, 73d Cong.).

PLEDGE

We advocate the extension of Federal credit to the States to provide unemployment relief wherever the diminishing resources of the States make it impossible for them to provide for the needy; expansion of the Federal program of necessary and useful construction affected with a public interest, such as adequate flood control and waterways.

FULFILLMENT

When the Roosevelt administration took office, the relief of destitution, because of previous neglect, had developed into a national problem. After 2 years, during which relief was administered through State agencies, it became apparent that the necessity for unification and speed was paramount. Through a national organization relief and work have been provided in every community to all classes of citizens without delay or favor. The Federal program of construction has been enlarged; flood control and waterways projects have been undertaken.

LAWS ENACTED

The Deficiency Relief Appropriation Act (Public, 739, 74th Cong.).
R. F. C. loan to construct levee and drainage districts (Public, 10, 73d Cong.).
The Work Relief Act (Public Res. 11, 74th Cong.).
Public Works Act (title II of Public, 67, 73d Cong.).
The Civil Works Emergency Relief Act (Public, 93, 73d Cong.).
Extension of the R. F. C. (Public, 84, 73d Cong.; Public, 1, 74th Cong.).
Wagner-Lewis $500,000,000 Emergency Relief Act (Public, 15, 73d Cong.).
The Civilian Conservation Corps Act (Public, 5, 73d Cong.).
Flood Control Act (Public, 738, 74th Cong.).
Mississippi Flood Control Act (Public, 678, 74th Cong.).
Federal Aid Highways Act (Public, 686, 74th Cong.).

PLEDGE

We advocate the spread of employment by a substantial reduction in the hours of labor, the encouragement of the shorter week by applying that principle in Government service. We advocate advance planning of public works.

FULFILLMENT

The Roosevelt administration has, through such legislation as the National Recovery Act, the Guffey Coal Act, and the National Labor Relations Board, made determined efforts to bring about a regulation of the hours of employment in the industrial life of the Nation. These objectives are still desired. Hours of 123,000 Postal Service employees and the hours of employees of several other Government departments have been reduced to a 40-hour week. The National Resources Board was created for the purpose of evolving a program of planned public works for the future.

LAWS ENACTED

The Wagner National Employment System Act (Public, 30, 73d Cong.).
The Roads Employment Act (Public, 393, 73d Cong.).
The kick-back racket labor law (Public, 324, 73d Cong.).
The labor disputes joint resolution (Public Res. 44, 73d Cong.).
The Wagner Labor Relations Act (Public, 198, 74th Cong.).
The Employment Service Act (Public, 54, 74th Cong.).
Prison-Made Products Act (Public, 215, 74th Cong.).
The McKellar-Mead 40-Hour Mail Act (Public, 275, 74th Cong.).
Vacation and sick leave in civil service (Public, 471 and 472, 74th Cong.).
The Dill-Crosser Railway Labor Act (Public, 442, 73d Cong.).
Air Transport Labor Act (Public, 487, 74th Cong.).
Walsh-Healey Government Contracts Act (Public, 846, 74th Cong.).

PLEDGE

We advocate unemployment and old-age insurance under State laws.

FULFILLMENT

A study of unemployment and old-age insurance was initiated soon after President Roosevelt took office. Legislation to bring about social security was enacted in 1935, and the Social Security Board is now an established fact, cooperating with the States to put both unemployment insurance and old-age pensions into effect.

LAWS ENACTED

Social Security Act (Public, 271, 74th Cong.).
The Railroad Retirement Act (Public, 399, 74th Cong.).

PLEDGE

We favor the restoration of agriculture, the Nation's basic industry; better financing of farm mortgages through recognized farm-bank agencies at low rates of interest on an amortization plan, giving preference to credits for the redemption of farms and homes sold under foreclosures.

Extension and development of farm-cooperative movement and effective control of crop surpluses so that our farmers may have the full benefit of the domestic market.

The enactment of every constitutional measure that will aid the farmers to receive for their basic farm commodities prices in excess of cost.

FULFILLMENT

Under the national agricultural policy of the Roosevelt administration farm income, farm values, and the purchasing power of the farmer have all been greatly increased. Government credit has been supplied to the farmer wherever private sources have dried up, and farm-mortgage refinancing has been carried out through the Farm Credit Administration, reversing the old order of farm tenancy to that of farm ownership. Greater cooperation now exists among farmers than ever before. More than 3,000,000 farmers have voluntarily joined in the administration's crop-adjustment program.

The administration has continued its efforts so that farmers are today receiving for their basic farm commodities prices in excess of cost of production.

LAWS ENACTED

Soil Erosion and Domestic Allotment Act (Public, 461, 74th Cong.).
The Grazing Act (Public, 482, 73d Cong.).
Farm Mortgage Refinancing Act (Public, 88, 73d Cong.).
Crop Loan Act (Public, 97, 73d Cong.).
Jones-Connally Farm Relief Act (Public, 142, 73d Cong.).
Jones-Costigan Sugar Act (Public, 213, 73d Cong.).
Cotton, cattle, dairy relief resolution (Public Res. 27, 73d Cong.).
Farm Mortgage Foreclosure Act (Public, 305, 73d Cong.).
The Livestock Bankruptcy Act (Public, 60, 74th Cong.).
The Farm Mortgage Act (Public, 384, 74th Cong.).
Homestead Settlers Act (Public, 64, 74th Cong.).
Farm Credit Act, 1933 (Public, 75, 73d Cong.).
Farm Credit Act, 1935 (Public, 87, 74th Cong.).
The Tobacco Inspection Act (Public, 314, 74th Cong.).
The Farm Research Act (Public, 182, 74th Cong.).
The Soil Erosion Act, 1935 (Public, 46, 74th Cong.).
Export debenture (section of A. A. A. Amendment Act) (Public, 320, 74th Cong.).
Homesteaders Relief Act (Public, 241, 73d Cong.).

PLEDGE

We advocate a Navy and an Army adequate for national defense, based on a survey of all facts affecting the existing establishments, that the people in time of peace may not be burdened by an expenditure fast approaching a billion dollars annually.

FULFILLMENT

The national defense has been adequately maintained. Army and Navy expenditures have been increased, in part, in providing emergency employment on construction work necessary to both services. The failure of world-wide agreements on disarmament has made necessary the policy of preparedness which has been followed.

LAWS ENACTED

The National Guard Act, 1933 (Public, 64, 73d Cong.).
Vinson Naval Parity Act (Public, 135, 73d Cong.).
The Marine Corps Personnel Act (Public, 263, 73d Cong.).
The Navy Promotion Act (Public, 264, 73d Cong.).
The Foreign Station Act (Public, 266, 73d Cong.).
The War Department Supply Act (Public, 29, 74th Cong.).
The Wilcox Air Base Act (Public, 263, 74th Cong.).
The National Guard Officers Act (Public, 154, 74th Cong.).
The Naval Supply Act (Public, 163, 74th Cong.).
The Naval Aviation Cadet Act (Public, 37, 74th Cong.).
Honor student appointments for the Naval Academy (Public, 456, 74th Cong.).
Preservation of domestic source of tin (Public, 448, 74th Cong.).

PLEDGE

We advocate strengthening and impartial enforcement of the antitrust laws, to prevent monopoly and unfair trade practices, and revision thereof for the better protection of labor and the small producer and distributor.

FULFILLMENT

The Department of Justice has, since March 4, 1933, handled 1,322 cases under the antitrust laws, an increase of more than 1,100 over the previous administration. The Federal Trade Commission has issued 391 orders to cease and desist from unfair trade practices, while the Department of Agriculture has proceeded similarly against 40 packing houses. The evil of price discrimination has been met by the Robinson-Patman Act.

LAWS ENACTED

The Petroleum "Hot Oil" Act (Public, 14, 74th Cong.).
Robinson-Patman Price Discrimination Act (Public, 692, 74th Cong.).

PLEDGE

The conservation, development, and use of the Nation's water power in the public interest.

FULFILLMENT

The projects being carried to completion in the Tennessee Valley, at Grand Coulee, and Casper-Alcove testify to the fulfillment of this pledge. The power generated is being made generally available in the public interest.

LAWS ENACTED

The Tennessee Valley Authority Act (Public, 17, 73d Cong.).
The Tennessee Valley Act (Public, 412, 74th Cong.).
The Work Relief Act (Public Res. 11, 74th Cong.).
Columbia River project (P. W. A. Act, Public, 67, 73d Cong.).
Rural Electrification Act (Public, 605, 74th Cong.).

PLEDGE

The removal of Government from all fields of private enterprise except where necessary to develop public works and natural resources in the common interest.

FULFILLMENT

The demoralization and break-down of private enterprise during the period between 1929 and 1933 forced the administration to provide credit relief in many forms. Government loans to private enterprise exceed in amount funds made available to any class, and were urgently solicited by the borrowers. The Government stands ready and willing in every instance to withdraw from any field in which private enterprise is prepared to take over its normal functions.

PLEDGE

We advocate protection of the investing public by requiring to be filed with the Government and carried in advertisements of all offerings of foreign and domestic stocks and bonds true information as to bonuses, commissions, principal invested, and interests of the sellers.

Regulation to the full extent of Federal power of—
(a) Holding companies which sell securities in interstate commerce;
(b) Rates of utility companies operating across State lines;
(c) Exchanges in securities and commodities.

FULFILLMENT

The administration through enactment of the Securities Act of 1933 and the Securities Exchange Act of 1934 has brought about the regulation of stock-market transactions set forth in this pledge. The Public Utility Act of 1935 provides for the regulation of utilities. Commodity-exchange legislation has been enacted.

LAWS ENACTED

The Securities Act, 1933 (Public, 22, 73d Cong.).
The Securities Exchange Act, 1934 (Public, 291, 73d Cong.).
Unlisted Securities Trading Act (Public, 621, 74th Cong.).
The electric rate investigation (Public Res. 18, 73d Cong.).
The Telephone Inquiry Act (Public Res. 8, 74th Cong.).
Holding Company Act (Public, 333, 74th Cong.).
The Communications Act, 1934 (Public, 416, 73d Cong.).
The Emergency Railroad Transportation Act (Public, 68, 73d Cong.).
The Motor Carrier Act (Public, 255, 74th Cong.).
The Railroad Reorganization Act (Public, 381, 74th Cong.).
The Commodity Exchange Act (Public, 675, 74th Cong.).

PLEDGE

We advocate quicker methods of realizing on assets for the relief of depositors of suspended banks, and a more rigid supervision of national banks for the protection of depositors and the prevention of the use of their moneys in speculation to the detriment of local credits; the severance of affiliated security companies from, and the divorce of the investment banking business from, commercial banks, and further restriction of Federal Reserve banks in permitting the use of Federal Reserve facilities for speculative purposes.

FULFILLMENT

The administration through broadening of the powers of the Reconstruction Finance Corporation, proposed by the President, has authorized loans of more than $1,000,000,000 for distribution to depositors in closed banks. Changes in the Banking Act and creation of the Federal Deposit Insurance Corporation have made all of our banks safe and sound. Limitations imposed by the Federal Reserve Board, under new authority, have curbed the use of depositors' funds to support stock-market speculation.

The administration under the provisions of the Securities Exchange Act and by means of increased powers granted the Governors of the Federal Reserve Board divorced commercial and investment banking and sharply limited the use of bank funds to support speculation.

LAWS ENACTED

The Emergency Banking Relief Act (Public, 1, 73d Cong.).
The Bank Deposit Insurance Act (Public, 362, 73d Cong.).
The Banking Act of 1933 (Public, 66, 73d Cong.).
The State Bank Aid Act (Public, 4, 73d Cong.).
The Collateral Security Act (Public, 115, 73d Cong.).
The Glass Banking Act, 1935 (Public, 305, 74th Cong.).
Extension of the Deposit Insurance Act (Public, 38, 74th Cong.).

PLEDGE

We advocate the full measure of justice and generosity for all war veterans who have suffered disability or disease caused by, or resulting from actual service in time of war and for their dependents.

FULFILLMENT

The service and care provided for veterans and their dependents through the facilities of the Veterans' Administration have been maintained and improved. Payment of the soldiers' bonus, June 15, 1936, necessitated efficient coordination of the Treasury Department, Post Office Department, and Veterans' Administration for the accomplishment of this vast task in record time.

LAWS ENACTED

Free hospitalization (Public, 312, 74th Cong.).

Extend time for naturalization of alien World War veterans (Public, 160, 74th Cong.).

Clarify section 19 of the Veterans' Act of 1924 (Public Res. 1, 74th Cong.).

Payment of adjusted-service certificates (Public, 425, 74th Cong.).

PLEDGE

We advocate a firm foreign policy, including peace with all the world and the settlement of international dispute by arbitration; no interference in the internal affairs of other nations; the sanctity of treaties and the maintenance of good faith and of good will in financial obligations; adherence to the World Court with appending reservations; the pact of Paris abolishing war as an instrument of national policy, to be made effective by provisions for consultation and conference in case of threatened violations of treaties.

FULFILLMENT

The administration has maintained peace and made the good-neighbor policy paramount in its foreign relations. It has expressed itself definitely against interference in the internal affairs of other nations, withdrawn our armed forces from Haiti, and eliminated the Platt amendment from our relations with Cuba. There has been no deviation with respect to the platform's declaration dealing with the sanctity of treaties and the maintenance of good faith and good will in financial obligations. Adherence to the World Court was recommended to the Congress. The Pact of Paris remains an instrument of national policy. During the present European crisis the administration has adhered strictly to a policy of neutrality.

LAWS ENACTED

Prohibitions on sale of arms (Public Res. 28, 73d Cong.).

The Neutrality Act (Public Res. 67, 74th Cong.).

The Neutrality Act of 1936 (Public Res. 74, 74th Cong.).

Naval Treaty of 1935.

PLEDGE

International agreements for reduction of armaments and cooperation with nations of the Western Hemisphere to maintain the spirit of the Monroe Doctrine.

FULFILLMENT

The administration has suggested and joined in proposals for the reduction of armaments. In an effort to avert a naval armament race the administration recently concluded at London a naval treaty with England and France. The Montevideo Conference and the more recently called Pan American Conference were initiated in furtherance of increased good will among nations of the Western Hemisphere.

LAWS ENACTED

Rio Grande Treaty (ratified Apr. 25, 1933).

Equal Rights Nationality Treaty (ratified May 31, 1934).

Cuban Treaty (ratified May 31, 1934).

Trade in Arms Treaty (June 15, 1934).

Anti-War Treaty of Nonagression (June 15, 1934).

PLEDGE

We oppose cancelation of the debts owing to the United States by foreign nations.

FULFILLMENT

Consistent and repeated efforts looking to the collection of the war debts have been made by this administration.

LAW ENACTED

The Johnson Debt Defaulting Act (Public, 151, 73d Cong.).

PLEDGE

Independence for the Philippines; ultimate statehood for Puerto Rico.

FULFILLMENT

Philippine independence has been brought about under this administration. Legislation looking to a change in the status of Puerto Rican relations is pending in Congress.

LAWS ENACTED

The Tydings-McDuffie Philippine Independence Act (Public, 127, 73d Cong.).

The Philippine Currency Reserve Act (Public, 419, 73d Cong.).

PLEDGE

The employment of American citizens in the operation of the Panama Canal.

FULFILLMENT

Efficient operation of the Panama Canal, with Americans employed in all but the lowest unskilled grades, has been maintained.

PLEDGE

Simplification of legal procedure and reorganization of the judicial system to make the attainment of justice speedy, certain, and at less cost.

FULFILLMENT

The Department of Justice, in cooperation with the Chief Justice of the Supreme Court of the United States, has conceived and put into effect many reforms in judicial procedure which have promoted the attainment of justice.

LAWS ENACTED

The Public Utilities Reviewing Act (Public, 222, 73d Cong.).

Additional clerk to courts (Public, 449, 74th Cong.).

The Six Federal Crime Control Acts (Public, 230, 73d Cong.).

The Crime Prevention Compact Act (Public, 293, 73d Cong.).

The Arrest Facilitation Act (Public, 295, 73d Cong.).

The National Stolen Property Act (Public, 246, 73d Cong.).

The Federal Marshals Act (Public, 146, 74th Cong.).

The Poultry Racket Act (Public, 272, 74th Cong.).

Act penalizing holder of ransom money (Public, 424, 74th Cong.).

PLEDGE

Continuous publicity of political contributions and expenditures; strengthening of the Corrupt Practices Act and severe penalties for misappropriation of campaign funds.

FULFILLMENT

Full publicity has been demanded of all organizations already in or which have entered the field of politics. Violations of the Corrupt Practices Act have been vigorously prosecuted.

LAWS ENACTED

Investigation of campaign expenditures (S. Res. 225, 74th Cong.).

PLEDGE

We advocate the repeal of the eighteenth amendment. To effect such repeal we demand that the Congress immediately propose a constitutional amendment to truly representative conventions in the States called to act solely on that proposal. We urge the enactment of such measures by the several States as will actually promote temperance, effectively prevent the return of the saloon, and bring the liquor traffic into the open under complete supervision and control by the States.

We demand that the Federal Government effectively exercise its power to enable the States to protect themselves against importation of intoxicating liquors in violation of their laws.

Pending repeal, we favor immediate modification of the Volstead Act to legalize the manufacture and sale of beer and other beverages of such alcoholic content as is permissible under the Constitution and to provide therefrom a proper and needed revenue.

FULFILLMENT

A constitutional amendment repealing the eighteenth amendment was proposed by Congress after President Roosevelt was elected, and ratified by the required number of States before the end of 1933. For the protection of dry States existing statutes to that effect were left intact. Legislation legalizing the sale of 3.2 beer was enacted in March 1933 and became effective April 7, 1933.

LAWS ENACTED

Twenty-first amendment (proclamation issued by the Secretary of State on Dec. 5, 1933).

The Liquor Taxing Act, 1934 (Public, 83, 73d Cong.).

The Federal Alcohol Control Act (Public, 401, 74th Cong.).

Antismuggling Act (Public, 238, 74th Cong.).

The Beer-Wine Revenue Act (Public, 3, 73d Cong.).

PLEDGE

We advocate continuous responsibility of Government for human welfare, especially for the protection of children.

FULFILLMENT

Through the Home Owners' Loan Corporation more than a million families were aided in keeping the title to their homes. The Resettlement Administration has placed 14,310 destitute persons in better homes with an opportunity to make a living; while the Public Works Administration has provided sanitary low-cost housing for 2,850 low-income

families. Child labor was eliminated by N. R. A. and is today far less prevalent than prior to the Roosevelt administration.

LAWS ENACTED

The Insurance Company Loan Act (Public, 35, 73d Cong.).
The Corporate Bankruptcy Act (Public, 296, 73d Cong.).
The Home Owners' Refinancing Act (Public, 43, 73d Cong.).
The Home Owners' Loan Act (Public, 178, 73d Cong.).
The National Housing Act (Public, 479, 73d Cong.).
Direct loans to industry (Public, 417, 73d Cong.).
The Home Mortgage Relief Act (Public, 76, 74th Cong.).
The Disaster Loan Act (Public, 224, 74th Cong.).
Vocational aid (Public, 245, 73d Cong.).

PLEDGE

We condemn the improper and excessive use of money in political activities.

FULFILLMENT

The Democratic Party organization has functioned without the use of large sums of money, repaid the debts which it inherited, and obtained the majority of its funds in small amounts.

PLEDGE

We condemn paid lobbies of special interests to influence Members of Congress and other public servants by personal contact.

FULFILLMENT

Investigations of the activities of lobbyists have been conducted by Congress, and legislation to curb the abuses was submitted to both Houses.

LAWS ENACTED

Investigation of lobby activities on holding company bill (S. Res. 165, 74th Cong., H. Res. 288, 74th Cong.).

PLEDGE

We condemn action and utterances of high public officials designed to influence stock-exchange prices.

FULFILLMENT

Administration officials have refrained from making such utterances as were common during the Coolidge and Hoover administrations, designed to stimulate or protect unnatural and unsound stock-market values.

PLEDGE

We condemn the open and covert resistance of administration officials to every effort by congressional committees to curtail the extravagant expenditures of the Government and to revoke improvident subsidies granted to favorite interests.

FULFILLMENT

Administration officials have cooperated with congressional committees on expenditures of the Government in every possible way consistent with the emergencies which had to be faced. Air- and ocean-mail subsidies have been either curtailed or eliminated.

LAWS ENACTED

The Emergency Air Mail Act (Public, 140, 73d Cong.).
Air Mail Act of 1934 (Public, 308, 73d Cong.).
Air Mail Contract Act (Public, 12, 74th Cong.).
Investigation of air- and ocean-mail contracts (Senate Res. 349, 72d Cong.).
Ship Subsidy Act (Public, 835, 74th Cong.).

PLEDGE

We condemn the extravagance of the Farm Board, its disastrous action which made the Government a speculator of farm products and the unsound policy of restricting agricultural products to the demands of domestic markets.

FULFILLMENT

The existence of the Farm Board ended almost immediately after President Roosevelt took office. Crop restriction has been undertaken only to prevent the depression of farm prices below the cost of production, to restore soil fertility, and to eliminate the tremendous surpluses which destroyed the farmers' purchasing power.

LAWS ENACTED

Farm Credit Act (Public, 75, 73d Cong.).
Executive Order 6084.
Emergency Farm Mortgage Act of 1933 (title II, Public, 10, 73d Cong.).

PLEDGE

We condemn the usurpation of power by the State Department in assuming to pass upon foreign securities offered by international bankers as a result of which billions of dollars in questionable bonds have been sold to the public upon the implied approval of the Federal Government.

FULFILLMENT

The State Department has scrupulously refrained from any action of this character.

PLEDGE

We condemn the Hawley-Smoot tariff law, the prohibitive rates of which have resulted in retaliatory action by more than 40 countries, created international economic hostilities, destroyed international trade, driven our factories into foreign countries, robbed the American farmer of his foreign markets, and increased the cost of production.

FULFILLMENT

The administration has approached the tariff question through the Reciprocal Trade Agreement Act which has done much to restore American foreign markets destroyed by the Hawley-Smoot tariff law.

LAWS ENACTED

Reciprocal Trade Agreement Act. (See tariff provision.)
R. F. C. exports resolution (Public Res. 17, 73d Cong.).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the bill (S. 4719) for the relief of the Bridgeport Irrigation District.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 11555) to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 12220) to authorize the adjustment of the boundary of the Fort Marion National Monument, Florida, in the vicinity of Fort Marion Circle, and for other purposes.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 4364. An act for the relief of Andrew Johnson;

H. R. 5078. An act for the relief of Mrs. Charles F. Eikenberg;

H. R. 7642. An act for the relief of the estate of Frank W. Trick; and

H. R. 10439. An act for the relief of John B. Ricketts.

The message further announced that the House had passed the following bills and joint resolution of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 1793. An act to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (43 Stat. L. 602);

S. 2460. An act to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes";

S. 3843. An act to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes;

S. 4727. An act to quiet title and possession with respect to certain lands in Lawrence County, Ala.,; and

S. J. Res. 255. Joint resolution to provide for the participation of the United States in the commemoration of the seventy-fifth anniversary of the Battle of Antietam.

The message also announced that the House had passed the bill (S. 1567) to amend section 5 of the act of March 2, 1919, generally known as the War Minerals Relief Act, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 12458. An act authorizing a preliminary examination of the intracoastal waterway throughout Broward County, Fla.; and

H. R. 12796. An act to amend the act entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina", approved May 10, 1928, as amended (U. S. C., 1934 edition, title 28, sec. 179; U. S. C., Supp. I, title 28, sec. 179).

INTERNAL-REVENUE TAXATION—CONFERENCE REPORT

The VICE PRESIDENT. The Chair will state his understanding of the parliamentary situation. Senators will give attention; and if he is not correct, he may be corrected. He was not in the chair at the time the proceedings took place. The conference report on the tax bill is before the Senate; the Senator from West Virginia [Mr. NEELY] had made a motion to take up a bill. The Chair does not see the Senator from West Virginia present; so the Chair will lay before the Senate the conference report. The Chair is just stating what he understands the parliamentary situation to be, as informed by the parliamentary clerk.

Mr. ROBINSON. Mr. President, that is an error. There was a unanimous-consent agreement that the Senate should proceed this morning with the conference report on the tax bill, should vote on it at 2:30 o'clock, and then, at not later than 3 o'clock, a vote should be taken on the motion to proceed to the consideration of the coal-conservation bill. That is the arrangement, and that appears in the RECORD.

The VICE PRESIDENT. The Chair was informed that the Senator from West Virginia had made a motion, and that he had not withdrawn the motion.

Mr. ROBINSON. That motion was superseded by the unanimous-consent agreement, which was entered into at my instance last night, and which appears on the calendar.

The VICE PRESIDENT. The unanimous-consent agreement set aside the motion of the Senator from West Virginia.

Mr. ROBINSON. Yes; it superseded it.

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. BYRD. Mr. President, during the 3 years it has been my privilege to be a Member of the Senate I think that no more important legislation has ever come before this body than the pending bill, the conference report on which the Senate is now considering. I say without fear of successful contradiction that no important measure is so little understood as is this bill, which we must vote on at 2:30 o'clock this afternoon. Even the distinguished Senator from Utah [Mr. KING] has not accorded the Senate the courtesy of explaining the details of this hybrid combination and compromise which has been made by the conferees between the Senate and House bills. I hope before the Senate is forced to vote on this measure that, at least, the chairman of the conference committee on the part of the Senate will tell us what the conferees have done.

Mr. President, it was only this morning that the report of the conferees was available for study by the Members of the Senate, and I venture the assertion that only eight Members of the Senate, those who are so fortunate as to be members of the conference committee, understand, even in the remotest degree, the far-reaching consequences of the legislation upon which we will soon be required to vote.

Mr. President, I am going to take a very short time to express my opposition to the conference report because the report neither carries out the principle of the bill as it passed the House nor the principle of the bill as it passed the Senate. It is a mongrel and hybrid compromise between the two.

I speak as a Democrat when I say that the Democratic leadership in the Senate and the House of Representatives must take responsibility for the passage of a bill which I believe will do great damage to many and be an important issue in the coming campaign. I propose to present, as best I can, the issues that are contained in the conference report.

Mr. President, we all know that for 4 months the Ways and Means Committee of the House of Representatives considered proposed tax legislation and the House passed a bill which, after those 4 months of consideration it was discovered, exempted from taxation 136 of the wealthiest and most prosperous corporations in the country. In other words, if the bill passed by the House of Representatives had been in operation in 1934, 136 of the most prosperous corporations in the country, each earning more than $1,000,000 a year, would have been completely exempted from the payment of any income tax whatsoever and, in addition, would have been exempted from the payment of any capital-stock tax and excess-profits tax, while other corporations, unable to declare their earnings in dividends, would have been penalized by having excessive and exorbitant taxes placed upon them.

Then the bill came to the Senate and was referred to the Finance Committee. An inquiry was made of the distinguished Secretary of the Treasury as to whether or not certain named rich corporations would be exempt from taxation. There is in the record of the hearings before the Senate Finance Committee—and I have the list here for the information of the Senate—a list of the 136 companies which would have paid no taxes under the provisions of the bill as it passed the House if that bill had been in operation in 1934, and then follow the names of 140 more corporations which would have obtained a tax reduction of 50 to 90 percent if such legislation had been in effect in 1934 on the basis of the distribution of the earnings of those companies.

Mr. President, I state upon my responsibility as a Senator that, in my judgment, the purpose of the proposed legislation is not so much to raise revenue as it is to effect a social purpose. It is that feature I wish to discuss today. I say the question of raising revenue under the bill is secondary to a social purpose the effect of which will be entirely different from that which the sponsors of the legislation believe it will be. I shall attempt to show that to the Senate.

Mr. President, we all know that as a consequence of the vast spending program which is going on at Washington, when the public funds are being appropriated for every conceivable purpose, we must increase taxes, not only increase them under the pending bill but increase them throughout the years to come. I want Senators to know that when they support this bill they are voting for an aggregate increase of 50 percent in the tax on the earnings of corporations. In other words, it is proposed under the terms of this bill to raise approximately $500,000,000 from taxation of the earnings of corporations, while the total income from that source now is about $1,000,000,000. So, we propose now in this bill to put an increased taxation of 50 percent at one time upon the earnings of corporations.

The total income derived under the provisions of the bill will be $800,000,000, but only $400,000,000 of this amount will be available for the next fiscal year, because all of it will not come into the Treasury in the next fiscal year.

The question of raising revenue is secondary to the social purpose of the bill. How easy it would be to reduce, to the extent of $400,000,000, the gigantic appropriations Congress has made and then let a well-informed commission study this difficult and intricate question and bring in a report next January on a bill which could be considered and enacted after calm and mature deliberation by the Senate and House of Representatives, instead of passing a bill of this importance in the dying hours of the Congress, doing great injury and damage to thousands of the smaller and weaker corporations throughout the land.

Mr. President, I wish each Member of the Senate had the time to study the admirable and splendid minority report submitted by the Senator from Georgia [Mr. GEORGE], and

the Senator from Massachusetts [Mr. WALSH]. I cannot conceive how any man familiar with business conditions could vote for this bill if he had studied the report of those two Senators and listened to the splendid and able explanation made last night by the Senator from Massachusetts.

I desire to discuss very frankly the philosophy of the measure as applying to our taxation policy. It completely revolutionizes the system of taxation of corporations in the country. The philosophy of it, and no one can deny it, is to prevent, by the coercion of excessive taxation, a corporation from having a surplus. What would have happened in the depression we have just gone through if the great corporations and little corporations of the country had been without surpluses? There would have been wholesale bankruptcy throughout the land.

The statistics show that during the period of the depression there was paid out in dividends more than the corporations earned. The statistics show that from 1921 to 1933 the corporations of the country paid in dividends $50,700,000,000 and earned $41,000,000,000, paying out $9,000,000,000 in that period more than they earned. How did they do it? It was because they had accumulated surpluses in the more prosperous years. When the time comes in this country that an individual or a corporation cannot lay by a nest egg for a rainy day, so that when adverse conditions come he or it may not be without resources, existing untoward conditions will be greatly aggravated, and we will, indeed, be in a sad fix.

The statistics further show that during the depression the corporations in the country dipped into their surpluses to pay their labor. If they had had no surpluses, then thousands of workmen would have had to be dismissed, and conditions, bad as they were during the depression, would have been much worse.

What do the proponents of the measure say about that? They say a corporation that wants a surplus must sell stock in order to obtain it. With all due deference to those gentlemen, I say that, to my knowledge, no more absurd proposal has been made than that when a corporation desires to obtain a surplus for use in time of adversity it shall go forth and sell stock to the public in order to obtain the surplus.

Mr. President, in the depression we have just gone through no one could sell any stock to anyone else because everyone was trying to sell stock. It would have been an impossibility to sell stock under those conditions. The proponents of the plan overlook entirely the fact that 48 States have laws regulating the sale of stock. In Virginia, for example, there is a very stringent law providing that no corporation may sell additional stock unless it has a surplus or unless it has a value back of the additional stock. Yet the advocates of this bill says, "If you have a debt to pay, then sell stock to get the money to pay that debt, and declare all your earnings out in dividends, and thereby avoid these supertaxes."

Mr. President, under the terms of the bill corporations which have existing surpluses—and I am going into detail because after all matters of this kind must finally come back to the taxpayer—the rich and prosperous and monopolistic corporations of the country that already have great cash surpluses will be tremendously benefited, while those without surpluses can never accumulate a surplus to compete with the rich corporations.

Let us take, for example, the International Harvester Co. I am a farmer. We farmers think the International Harvester Co. controls the price of farm machinery in this country. It makes good farm machinery; but I desire to say that during the depression the price of this farm machinery was not reduced; and it takes more bushels of wheat, more bushels of corn, and more bushels of barley to buy a binder than at any time, perhaps, in our previous history. The International Harvester Co. has a surplus today of $74,000,000, $27,000,000 of which is in cash, and $34,000,000 of which is in Government bonds—a liquid surplus of $61,000,000. This corporation in 1934 earned $4,000,000, and paid out $8,000,000 in dividends. Therefore, the International Harvester Co. will pay only the normal tax. It will pay no surtax, because it will declare all its earnings in dividends, and therefore will not pay a surtax.

Suppose the case of a competitor of the International Harvester Co. that has a large surplus, that must use a part of its earnings to build up a surplus: That company must pay a high supertax in addition to the normal tax.

Let us take, then, the General Motors Co. The General Motors Co. has $292,000,000 of surplus—$183,000,000 in cold cash, and $19,000,000 in bonds. That is all the surplus that General Motors needs to operate its business. It will pay only the normal tax; yet another company that owes a debt, and that must use its money to pay a debt, must pay a surtax running up to 27 percent in order to pay that debt.

Let me remind the Members of the Senate, also, that there is virtually no cushion in this bill. The only cushion in the bill is for corporations which have made legal contracts not to pay dividends prior to May 1 of this year. There is no cushion as to debts. There is no cushion for the construction of new plants or for expanding business. I think it is a very obvious thing that as long as the bill does not affect existing cash and liquid surpluses, it is to the advantage of companies which have such surpluses, and greatly to the disadvantage of growing companies which must use a part of their earnings in order to establish a surplus. I think that proposition cannot be contradicted.

But let us go further with some of the rich companies; and remember that not one dollar of the present surpluses is disturbed by the bill. The Standard Oil Co. will have just as much surplus next year as this year, and will avoid all supertaxes by paying out its current earnings in dividends.

Let us go to the three Standard Oil companies and see what their surpluses are.

Mr. BORAH. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Idaho?

Mr. BYRD. I do.

Mr. BORAH. I did not understand the last statement of the Senator with reference to the surplus of the Standard Oil Co., now and in the immediate future, so far as it is affected by the pending bill.

Mr. BYRD. What I said, Mr. President, was that the Standard Oil Co. has adequate surplus today and has no reason to add to that surplus; that it will pay out its earnings in dividends, and avoid any supertax, and retain the surplus it now has.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BYRD. I yield to the Senator from Kentucky.

Mr. BARKLEY. How can that situation be avoided in any tax based upon income? There never has been an effort on the part of Congress to levy a tax upon existing surpluses or physical property. The only way by which that surplus could be reached by taxation would be by a property tax, which the United States Government never has levied. This whole bill, and all of our Federal tax bills based on the income theory, must be based on the current income and not on existing surpluses or physical property.

Mr. BYRD. I am glad the Senator asked me that question, because he has touched the vital part of the pending measure. This bill is not based upon income. This bill is based partially upon income and partially upon undistributed earnings.

Mr. BARKLEY. Undistributed earnings are income.

Mr. BYRD. But they are taxed only in proportion to the extent that they are undistributed.

Mr. BARKLEY. If a corporation has no income, it pays no taxes. If it has a net income and does not distribute that income to its stockholders, it pays a higher tax than if it does distribute the income. That is all this bill does.

Mr. BYRD. Does the Senator contend that that principle has ever before been embodied in any legislation?

Mr. BARKLEY. No; I do not. We never have done it before.

Mr. BYRD. What I am calling attention to is the difference between the rich corporation and the weak corporation. I contend that any tax measure which imposes a

supertax on undistributed earnings is very much to the advantage of corporations that have surpluses and to the disadvantage of corporations that must establish surpluses.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. BYRD. I yield.

Mr. BARKLEY. Would not the same advantage accrue to an individual who has a surplus of a million dollars which may be taxed as property by a local taxing unit but is not taxed by the United States Government, as against the man who has no surplus, who has no property, but who makes an income?

An income tax is based, presumably, upon capacity to pay. The man with a million dollars' worth of property presumably would have a very large income, but it is possible that he would not have any income, and if so he would pay no income tax; while a man who had no surplus and no property at all, but made $10,000 income, would pay a tax.

Mr. BYRD. If the Senator will let me proceed, I will show him that his bill puts the taxes on those least able to pay and relieves those who are best able to pay.

Mr. BORAH. Mr. President, if it will not interrupt the Senator, I should like to ask him another question.

Mr. BYRD. I yield to the Senator from Idaho.

Mr. BORAH. It has been stated repeatedly by the Senator from Virginia that the measure as it is now before us is distinctly in favor of the large corporations which are able to pay out their earnings in dividends, and is distinctly adverse to the small corporations which must keep certain amounts on hand in order to do business. I should like to have the Senator, with some degree of detail, discuss that feature of the subject, because that is the point in the measure which interests me. I do not desire to interpose objection here to the administration having whatever taxes are necessary in order to keep the Government running; but I should like to know just what I am voting for in the way of favoring those who are already the recipients of too great favors under our laws.

Mr. BYRD. I thank the Senator. I was coming to that very point.

Mr. President, unquestionably this bill is to the advantage of the big and the little corporations which are in a strong financial position—the corporation need not necessarily be a big one, because the same thing applies to a little corporation under this bill—and the bill is very much to the disadvantage of the corporation which is unable to distribute all of its earnings in dividends.

Let us take a $1,000 corporation. Under the present law a $1,000 corporation pays $125 of tax. If the corporation is unable to pay out the $1,000 in dividends, under the proposed law it will pay $144, an increase of 15 percent.

A $2,000 corporation now pays $250. If it is unable to declare its earnings in dividends, it will pay $288, an increase of 15 percent.

A $5,000 corporation now pays $640. It will pay $805 if it is unable to declare its earnings in dividends, an increase of 25 percent.

A $10,000 corporation now pays $1,290. Under this bill, if it is unable to pay out its earnings in dividends, it will pay $2,082, an increase of 61 percent.

Now, let us take a $20,000 corporation. That certainly is not a large corporation. A $20,000 corporation that must pay a debt, or must accumulate a cash surplus for bank purposes, or must construct a new plant, now pays $2,640. Under this bill if it declares no dividends it will pay $5,236, an increase of 98 percent on a $20,000 corporation.

Let us take a $50,000 corporation. It now pays $6,940. It will pay $15,163 under this bill, an increase of $8,223, or 116 percent. A $50,000 corporation must pay an increased tax of 116 percent because it must pay debts it has already contracted, or must use the money to expand its business, or for whatever purpose it may be necessary.

Take two $1,000,000 corporations. One has a cash surplus and may declare all of its earnings in dividends. That corporation pays $149,440. If the other $1,000,000 corporation has debt obligations or something else, and cannot declare its earnings in dividends, it pays $323,000, an increase of $173,000 for the weak corporation, or 116 percent.

Mr. President, in response to the Senator from Kentucky, I say that in this bill he is not putting the burden on those best able to pay, but the burden is being placed on those least able to pay, because the wealthy corporation will pay none of this increased tax. It will declare out its earnings in dividends. The little corporation and the weak corporation, whether big or little, will pay these supertaxes; and it is from that source that the proponents of this bill expect to get approximately $500,000,000 so as to make up the revenue estimates of the bill—not to increase the tax on the wealthy corporation, big or little, but to increase it on the corporation which is unable to pay out its earnings in dividends by reason of debts or for other reasons.

Let me call to the attention of the Senate the fact that these earnings are not always in cash. When a company shows on its income-tax report a net income of $10,000 or $20,000 that does not mean that it has $20,000 in the bank, because those earnings may be invested in the inventory; they may be invested in book accounts which are not yet collected; and in order to avoid these supertaxes it may be necessary for the corporation to go to the bank and borrow money in order to distribute its income in the form of dividends and avoid this supertax.

The figures I have read are those for corporations which distribute nothing as compared to those which distribute everything. Now, let me read some figures with reference to corporations which distribute 50 percent of their earnings and show the increase which also occurs on these corporations.

A $10,000 corporation which distributes 50 percent of its earnings in dividends will have a tax increase of 5 percent.

A $20,000 corporation which distributes one-half of its earnings—and many corporations cannot do more than that—will have an increase of 19 percent in taxation under this bill.

A $50,000 corporation will have an increase of 37 percent in taxation.

A $100,000 corporation will have an increase of 40 percent in taxation.

A $1,000,000 corporation which distributes one-half of its earnings will have an increase of 42 percent in taxation.

Mr. President, there is another matter which I think deserves the full consideration of the Senate in connection with the bill, and that is as effecting competition between corporations. There are corporations in the oil business which compete with each other; there are corporations in the copper business which compete with each other; yet we are now asked to fix a basis of taxation whereby a solvent and strong corporation may pay one-half the taxes paid by a corporation which is in debt and cannot declare its earnings in dividends. But those corporations must compete one with the other in the markets of the country.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BORAH. Did I correctly understand the Senator to say that there are oil companies competing with one another?

Mr. BYRD. I merely used that as an example; but I hope it is true.

Take two corporations which sell to the public some very cheap article, where even a fraction of a cent would make a difference. Under the bill before us one corporation would be permitted to pay one-half the taxes paid by the other corporation, and I do not know anything more unsound, anything that will do more injury to the future prosperity and development of this country, than such a system.

To continue regarding some of the corporation surpluses: The three Standard Oil companies today have $948,000,000 in surplus. The bill before us does not in any way disturb that surplus. Is it not a matter of common sense that the three Standard Oil companies will, as they have been doing in the past, declare their earnings in dividends, and avoid the supertax, and pay only the normal tax? By doing so they will save greatly on their taxes.

Let us take a few more of the large corporations. There is the American Tobacco Co., which has a surplus of $108,000,000, already paying its earnings out in dividends. They will continue to do so, and pay only the normal tax, and pay no supertax.

There is the Reynolds Tobacco Co., with a surplus of $57,000,000. They need no greater surplus than that. To the contrary, they have been drawing on their surplus for the payment of dividends in the last few years. They will pay no supertax. But some other tobacco company, some struggling company which has to pay the debts it has created, and cannot pay its earnings in dividends, will pay the supertax, and the Reynolds Co. will get the advantage.

There is the Du Pont Co., with a surplus of $180,000,000, a large part of which is in cash. They do not need any more surplus. They will pay their earnings in dividends, and pay only the normal tax. But the company which undertakes to compete with the Du Pont Co. must pay the super tax. The same argument would apply to the Eastman Kodak Co., with a surplus of $105,000,000.

In other words, what this bill does is to entrench the great monopolies of the country, and protect them from competition. I make that statement without fear of successful contradiction, because the bill would leave the surpluses as they now are, and prevent any other company from establishing a surplus except by the sale of stock.

How can a new company sell stock to any advantage until it establishes its business and establishes its earnings? The bill will cause the large corporations to continue to be large and the little corporations to remain little. Yet the Democratic Party, which has always stood against monopolies, proposes to enact legislation which will entrench the monopolies, in my judgment, forevermore, because the power of taxation is the power to destroy. We cannot give one company a lower tax and put a higher tax on another company, with the competition which exists in business, without destroying the company on which we put the higher tax.

Let us see just for a moment what is the reason, the underlying principle, which induced the advocates of this proposed legislation to bring forth the House bill to begin with, that discredited bill which was abandoned even by its advocates after it was ascertained that a number of large companies would be exempted from taxation. The underlying principle is to reach a few millionaires who, it is said, control certain corporations, and prevent them from declaring dividends; and thereby avoid the payment of individual surtaxes. Let us see to what extent tax avoidance can occur.

Mr. President, if a corporation does not declare its earnings in dividends, then those earnings remain in the treasury of the corporation, and to that extent the stock of the corporation is enhanced. If a rich man or a poor man owns the stock, then he has something more valuable than he had before the earnings were made.

Let us see how the tax avoidance can ultimately be prevented. I contend that the payment of those taxes cannot ultimately be avoided, although I do not at any time defend any tax avoidance. Three things can be done with property. It can be sold, and if it is sold, then the earnings which are plowed into the corporation enhance the value of the stock, and an individual stockholder must pay a capital gain tax on the additional value of the stock at the time of sale. Certainly he cannot avoid taxation in that way.

Secondly, he can give it away. If he gives it away, under the law that stock is appraised at the enhanced value attained by the stock by reason of keeping the dividends in the corporation, and the person who gives it away must pay a gift tax.

If he dies owning it, then the stock is appraised at the enhanced value, and if he is a rich man, his estate pays the highest inheritance tax levied by any nation in the world.

While, as I have said, I do not at any time defend those who are trying to avoid the payment of taxes, I believe in this instance the question of tax avoidance has been greatly exaggerated, because ultimately the taxes must be paid.

Mr. President, I have not had an opportunity to examine the conference report, but the Senate bill strengthened section 102 of the existing law, and that section now provides that no corporation may establish an improper and unnecessary surplus. That was strengthened by the Senate bill, and whether or not the conference adopted that, I do not know, because I have not had a chance to carefully examine the conference report.

The Senate bill provided that any corporation that retained more than 40 percent of its earnings would have to give a reason, and that reason would be filed with the Commissioner of Internal Revenue, and proceedings could be started against the corporation to compel distribution or to submit to additional taxation. I believe that provision, in large measure, would have corrected the situation. The experts who appeared before the Senate Committee on Finance stated that only 300 corporations were under suspicion of retaining improperly their earnings, 300 out of 258,000, one-tenth of one percent. Yet we are asked to pass a bill that would greatly penalize the little and growing corporation in order to reach these 300 corporations, and compel the distribution of their earnings.

Mr. President, since I have been a Member of the Senate I have never taken up much time in debate, and I shall conclude in a moment.

I desire to say, with all the earnestness of which I am capable, that if this bill shall be enacted it will do more to entrench the monopolies of this country than anything we have ever done before. I challenge anyone to deny from the figures themselves that a corporation which has a surplus would not be benefited under the bill, and that a corporation which has a debt, or which spends its money for a new plant, or for some other similar purpose, would not be injured. In the rush of the dying hours of this session we should not pass a bill which will do great injury to the weak corporations that happen to be in debt, in debt frequently for the purpose of constructing new plants and aiding in the employment of men, which the President of the United States so properly desires to have them do. Yet, under this bill, if a corporation earning $20,000 takes the money and erects a new plant, and does not declare the earnings in dividends, it is penalized 98 percent for doing exactly what the President has asked the businessmen of this country to do, namely, to put up new plants, and to give employment to the people of the country.

Mr. President, I have little expectation that my wish will come true, but in a matter of this serious consequence, affecting 258,000 corporations, when every member of the Finance Committee will state that no adequate information could be obtained as to the effect of this proposed legislation—legislation such as has never been proposed in any other country in the world, legislation so revolutionary as completely to change our system of corporate taxes—I hope that this conference report may be defeated and provision may be made for the appointment of a commission to study this intricate and difficult question, so that when Congress shall reassemble next January, we may do what is necessary to raise the additional taxes essential to pay for the great expenditures we are making.

Mr. POPE. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. POPE. I take it the Senator is opposed to any taxes upon undistributed profits, because the argument he has made would apply to any sort of a tax or any rate of tax which might be levied on undistributed profits. It would apply to the Senate bill which was passed some time ago. His opposition goes to the principle or idea of levying any tax upon undistributed profits. It that correct?

Mr. BYRD. Mr. President, in response to the Senator from Idaho, I will say that I would favor a tax on undistributed earnings to the extent of 4 percent, because when we repeal the exemption of 4 percent to the individual which now exists, there will then be an incentive to the corporation to retain earnings in its treasury.

I am unalterably opposed to a graduated tax. That is what is proposed in the bill. It starts at 7 percent and it

goes to 27 percent. I voted for the 7-percent flat tax as a compromise. I did so because, after consultation and conference with the chairman of the Finance Committee, it was my understanding that a bill containing that provision would be presented as the Finance Committee bill. I should favor a 4-percent tax. I agreed to the 7-percent tax as a compromise. However, there is a vast difference between a flat 7-percent tax, which treats equally all corporations which retain their earnings, and a graduated tax which starts at 7 percent, as under this bill, and ends at 27 percent.

Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, tables which I send to the desk.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Net income	Total tax		Increase	
	Present law	1936 revenue bill [1]	Amount	Percent
$1,000	$125	$144.40	$19.40	15.52
$2,000	250	288.80	38.80	15.52
$3,000	380	461.10	81.10	21.34
$4,000	510	633.40	123.40	24.20
$5,000	640	805.70	165.70	25.89
$10,000	1,290	2,082.00	792.00	61.40
$20,000	2,640	5,236.00	2,596.00	98.33
$50,000	6,940	15,163.10	8,223.10	118.49
$100,000	14,440	31,502.80	17,062.80	118.16
$200,000	29,440	63,927.80	34,487.80	117.13
$300,000	44,440	96,352.80	51,912.80	116.82
$400,000	59,440	128,777.80	69,337.80	116.65
$500,000	74,440	161,202.80	86,762.80	116.55
$1,000,000	149,440	323,327.80	173,887.80	116.36

[1] Tax computation based on no distribution.

Net income	Total tax		Increase	
	Present law	1936 revenue bill [1]	Amount	Percent
$10,000	$1,290	$1,363.60	$63.60	4.93
$20,000	2,640	3,160.80	520.80	19.73
$50,000	6,940	9,519.40	2,579.40	37.17
$100,000	14,440	20,302.00	5,862.00	40.60
$300,000	44,440	63,052.00	18,612.00	41.88
$400,000	59,440	84,427.00	24,987.00	42.04
$500,000	74,440	105,802.00	31,362.00	42.13
$1,000,000	149,440	212,677.00	63,237.00	42.32

[1] Tax computation based on 50-percent distribution.

Compromise tax bill

Net income	Tax			
	Complete distribution	No distribution	Increase	Percent
$1,000	$80	$144.40	$64.40	80.50
$2,000	160	288.80	128.80	80.50
$3,000	270	461.10	191.10	70.78
$4,000	380	633.40	253.40	66.68
$5,000	490	805.70	315.70	64.43
$10,000	1,040	2,082.00	1,042.00	100.19
$20,000	2,240	5,236.00	2,996.00	133.75
$50,000	6,340	15,163.10	8,823.10	139.17
$100,000	13,840	31,502.80	17,662.80	127.62
$200,000	28,840	63,927.80	35,087.80	121.66
$300,000	43,840	96,352.80	52,512.80	119.78
$400,000	58,840	128,777.80	69,937.80	118.86
$500,000	73,840	161,202.80	87,362.80	118.31
$1,000,000	148,840	323,327.80	174,487.80	117.23
$10,000,000	1,498,840	3,241,077.80	1,742,237.80	116.24
$25,000,000	3,748,840	8,105,327.80	4,356,487.80	116.21
$50,000,000	7,498,840	16,211,637.80	8,712,797.80	116.18

Mr. HASTINGS. Mr. President, I do not propose to discuss the tax bill. I have no sympathy with the recommendation of the President for a tax bill at this session. His only excuse for it was to make certain that he had money enough to meet what he calls permanent expenses. His failure to have enough money to meet permanent expenses is due solely to the fact that he placed the payments due the farmers and a portion of the expenses of the C. C. C. camps in the category of permanent expenses. If he had left these where they were last year, he would have had no excuse for the tax bill.

I have no sympathy with the kind of tax recommended by the President and adopted by the House. It is wrong in principle and destroys business progress in America.

I have no sympathy with the bill passed by the Senate. Both the House and the Senate, in my judgment, are wholly unfair in the conclusion reached that the money raised must be raised from corporations. In my judgment, the conference report, which consists of a combination of the action taken by the House and Senate, is worse than the bill passed by the House and much worse than the bill passed by the Senate. The conference report is a cross between New Deal experiments and New Deal exigency.

In my judgment, when the millions of stockholders all over the country fully realize what the Congress has done in this tax bill, and when the workers of the country, who are dependent upon the success of their corporation employer for their jobs, find that it has placed their jobs in jeopardy, both stockholder and worker will rebel and will show their displeasure in a very effective way.

Mr. GERRY. Mr. President, the conference report came to the Senate this morning. None of us have had time to study it carefully and to know exactly—even those of the committee, who have followed the bill closely—what is in the bill. That, of course, is likely to happen when a conference report comes in at the end of the session. However, it is very clear to those of us who were on the committee that the theory of taxation which is now to be tried out has had very little consideration in connection with a measure of this size, a measure involving new theories of taxation, new theories which must necessarily guess at the amount of revenue which will be raised, and new theories that must be studied very carefully by business unless many people are to suffer and much harm is to be done to the financial and business structure of the country.

It was very clear to those of us who were on the committee that the Treasury Department did not go into this question as thoroughly as we would have liked it to have gone, because there was information which would have been very important to have which we were unable to obtain. I am not blaming the Treasury Department entirely for that. The task was a terrific one. As the Senator from Virginia [Mr. BYRD] has said, a commission should have been appointed to study the whole question very carefully. That has been done in England when it has been desired to adopt any new system of taxation. They have taken their treasury officials, they have taken businessmen, they have taken actuaries, and have gone thoroughly into every question involved and obtained very general advice on the subject; and they have usually taken, I think, from 1 to 2 years to do it.

It is not exactly fair to criticize the Treasury for not being able to get all the information on a subject of this size when apparently they have been studying it for but a few months. I know that all the men in the Department, the experts with whom I have come into contact, have been working very hard.

I think it may also be fair to say on the other side that they have determined upon a theory, and having adopted a theory as to what they wanted to do, a new theory of taxation—why they wanted to adopt it I do not know—but, having adopted a new theory of taxation which appealed to the Treasury, then they proceeded to try to prove their case. Very likely that is natural, but it does not give one the same confidence in their estimates that it would if it were absolutely an unbiased working out of a principle with the pros and cons considered in a more judicial manner.

Mr. BORAH. Mr. President, what are the reliable figures with reference to the amount which it is supposed the bill will raise in the way of taxes?

Mr. GERRY. Mr. President, I am not speaking from my own desk, where I have data, but I think it would be very difficult to say exactly what are the reliable figures. I think it can be estimated very closely with respect to the tax on corporations, but not as to tax on surpluses. What I am really referring to is the tax on surpluses, and the Treasury has nothing to go on with reference to that. With respect to a corporation tax which is now in existence, concerning

which they have past figures, I think the Treasury estimates should be thoroughly accurate, but when they get into the question of the surplus tax then they are going into a new field, and I doubt very much whether their estimates on that are correct. As a matter of fact, in the hearings, Mr. May, one of the best-known actuaries in this country, differed very strongly with the Treasury in what the results would be in the raising of the revenue.

Mr. KING. Mr. President, the amount that would be collected from corporations under the bill now under consideration and from all sources covered by the bill will approximate nearly $800,000,000. Of that amount $100,000,000 will come from the tax upon corporation stock. Six or seven million dollars will come from excess profits. Over $500,000,000, in all, will come from corporations. From about $72,000,000 to $100,000,000 will be derived from the windfall taxes. Thirty million dollars will be received from liquidations. From $5,000,000 to $10,000,000 will be received from excise taxes—perhaps a little more—$15,000,000, as appears in the bill. So that the aggregate will be between $775,000,000 and $800,000,000.

Mr. GERRY. Mr. President, I should like to ask the Senator from Utah a question in order to bring the matter out clearly. Of course, one of the troubles with the conference report is that we cannot know upon what basis the Treasury officials have estimated this new surplus tax, because different rates have been fixed from those discussed in the committee. How much does the Senator estimate that the new surplus tax which has been put into the conference report, with the new rate, is going to bring in?

Mr. KING. That is a little difficult to segregate. First there is the normal tax, which is graduated.

Mr. GERRY. But in the committee there was a segregation. The Treasury, as I recollect its figures, had put down so much for the surplus tax. What figures do they place in the conference report?

Mr. KING. I do not know whether they have segregated that and indicated a certain amount of surplus tax, but the aggregate amount from corporations under this bill will be within the limits which I have just indicated.

Mr. BORAH. Mr. President——

Mr. GERRY. I yield to the Senator from Idaho.

Mr. BORAH. Before the Senator from Utah takes his seat, let me invite attention to this statement which was made by the able Senator from Massachusetts [Mr. WALSH] on behalf of himself and the Senator from Georgia [Mr. GEORGE].

> The plan penalizes the small corporation and the corporation with insufficient reserves and is of decided advantage to the large corporation and the corporation with excessive surpluses.

I should like to have that criticism answered or discussed because, so far as my vote is concerned, the entire matter turns upon that point. I am willing to speculate as to how much revenue may be secured by the imposition of taxes, but I should like that suggestion to be discussed. Those of us who are not on the committee are dealing with this matter at a great disadvantage.

Mr. BARKLEY. Mr. President, will the Senator from Rhode Island yield?

Mr. GERRY. I yield.

Mr. BARKLEY. I wish to say that some of us hope to be able to explain that matter to the satisfaction of the Senator from Idaho before the vote shall be taken.

Mr. BORAH. Very well.

Mr. GERRY. Mr. President, I think the Senator from Virginia [Mr. BYRD] has gone very thoroughly into that question and has set forth the figures; but I should like first to cover the point I have been discussing with reference to taxes on surpluses and how the Treasury has arrived at its figures. Then I will take up the question of the Senator from Idaho.

I do not know how much the Treasury Department estimates will be raised by the taxes on the surpluses of corporations. Perhaps Mr. Parker, whom I see sitting next to the chairman of the committee, might tell me.

Mr. BARKLEY. Mr. President, the total amount of new revenue which will be derived from the corporation taxes is estimated to be $634,000,000. That includes the tax on undistributed adjusted income and the subjection of dividends from corporations to the normal tax when in the hands of stockholders. The entire amount to be derived from corporation taxes not now derived will amount to about $634,000,000.

Mr. GERRY. Very well. I thank the Senator.

Mr. BARKLEY. That does not include the additional amount from liquidation or the amount expected to be received from foreign corporations and other miscellaneous items.

Mr. GERRY. With all due respect to him, the explanation of the Senator from Kentucky is as clear as mud, because it does not, as I understand, segregate the amounts and show how much the surplus tax is going to bring in. I do not believe it has been possible to arrive at reliable estimates in the short time available since the conferees agreed to the conference report.

I said before I was interrupted that I thought the Treasury Department was trying to make a guess. For example, in the case of the tax on surpluses the Treasury experts before the committee said that a 7-percent tax on corporation surpluses would not force the distribution of surpluses. To my mind, that is absolutely an absurd statement to start with, because there are hundreds of corporations that are very much affected by a 7-percent tax, and naturally the directors of such corporations are going to be influenced by a tax that is as high as 7 percent on their undistributed surpluses.

I do not know whether the Treasury Department in estimating the amount of revenue that will be raised from the tax on surpluses from the low brackets—I think the lowest bracket under the report of the conference committee is 7 percent—say, "Well, this will not cause corporations to distribute anything"; so they disregard it and then proceed to estimate further on the other brackets and base their estimates on the brackets above the 7-percent one, but I doubt it. I have pretty serious doubts as to whether the Treasury estimates as to the graduated surplus tax are anything more than guesses.

Mr. KING. Mr. President, will the Senator yield?

Mr. GERRY. I yield.

Mr. KING. Does the Senator differentiate between undistributed profits and surpluses? He has used the word "surpluses", and I was wondering if he included profits.

Mr. GERRY. I had reference to the amount the tax on undistributed profits would force out.

Mr. KING. The Senator knows that many corporations have profits above their expenditures, but also have obligations which would very quickly dissipate those profits, while there are other corporations that have large surpluses and no obligations; so that the surpluses ought to be differentiated from the profits.

Mr. GERRY. Oh, yes. Of course in the committee we have been so used to discussing and talking about the tax on surpluses that I have probably not made myself entirely clear.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. GERRY. I yield.

Mr. HASTINGS. I wish to say frankly to the Senator from Rhode Island—and when I say this, I intend no reflection upon the Treasury—that we had trouble for nearly 2 weeks during which the conference was meeting in obtaining estimates. When this proposal was made, it looked to the Treasury as though it might be acceptable if it would raise sufficient revenue. As I say, without any reflection upon the Treasury, I received the distinct impression that the Treasury experts were trying to make their guess agreeable to the conference, and that is just about as much as one can get out of it. The Treasury Department was anxious for the bill to be passed; the members of the conference believe it was necessary to reach some agreement; and when the Treasury found a proposal which was likely to be agreeable

to the conference they made such a statement, in my judgment, as they thought would be satisfactory to the conference. That is just about all we have.

Mr. BARKLEY. Mr. President, will the Senator from Rhode Island yield there?

Mr. GERRY. I yield.

Mr. BARKLEY. The statement of the Senator from Delaware is nothing more nor less than a reflection upon the tax experts of the Treasury Department of the United States. I dare say the Senator from Delaware did not see or talk with a single expert in the Treasury Department from the time when the committee on conference asked for an estimate according to the schedule which we had prepared and the submission of the estimate to the conferees the next day or the following day.

Mr. HASTINGS. But did the Senator from Kentucky do so?

Mr. BARKLEY. I did not. I did not go to the Treasury Department and peer over the shoulders of the tax experts to see if I could discover some error in their calculations. We sent these schedules to the Treasury Department after we had agreed upon them, and we did not agree upon them, except tentatively, until we found they would raise the revenue which was desired. No member of the conference committee was in the Treasury Department; nobody sought to influence any official of the Treasury. All we asked was a report from the recognized statisticians of the Treasury as to how much money these schedules would raise.

Mr. HASTINGS. But does not the Senator from Kentucky agree, with every other member of the committee, that these estimates of the Treasury were nothing more than guesses?

Mr. BARKLEY. No; I do not.

Mr. HASTINGS. They are perhaps a little better guesses than the committee itself could make, but I do not believe any member of the committee was at all satisfied that the estimates furnished by the Treasury Department afforded any information that the conference committee could do anything more than gamble with.

Mr. BARKLEY. Of course, no one in the Treasury Department or anywhere else can be exact as to how much money any schedule of rates will raise. The only criticism that we heard in the conference committee or any faultfinding among the conferees was that the Treasury experts had underestimated the amount of the revenue that might be raised by these schedules.

Mr. HASTINGS. I agree with that.

Mr. BARKLEY. But even assuming all of them to be guesses, assuming that they are nothing more nor less than guesses, they certainly cannot be as wide of the mark as was the Secretary of the Treasury in a former administration when he missed the estimate by $900,000,000 a year.

Mr. GERRY. Mr. President, I have not been criticizing the Treasury experts unduly on the basis of their estimates. I do not think they have had sufficient time to estimate on this conference report exactly how much revenue will be brought in. I feel that in a question of this sort, involving a new tax, it is very difficult to estimate how much the revenue will be, because they have no basis on which to calculate. I think, therefore, in view of the circumstances, there is very grave question as to whether the estimates are accurate or whether they can be used as a sound basis of calculation.

The tax proposed by the bill on the undistributed profits of corporations, to my mind, brings out a situation which shows the theory of the bill and the tax to be absolutely in disagreement. Under the theory of the bill, the profits of corporations are to be taxed on a graded scale unless they are distributed, and the greater the distribution the less the tax is to be.

Of course, that means that the corporation which has a surplus, as the Senator from Virginia [Mr. BYRD] has already shown, has a great advantage over the corporation which has no surplus. The corporation with a surplus can well distribute and carry on its development without anything like the difficulty of the small corporation or the corporation with no surplus. The corporation which has absolutely disregarded the principle of the bill and has accumulated a surplus, which has been thrifty and used sound business judgment, is recognized in the bill and is given an advantage, while the corporation which has carried out the theory of the bill and paid out all its profits in dividends and has no surplus, is penalized. In other words, this new theory of taxation will work greater hardships on the corporations which have lived up to the theory of thrift in the past.

A corporation struggling along, trying to get ahead, building up a new business, necessarily needs all the surplus it can obtain. The corporation which is established, which has a surplus, has a great advantage. When we undertake to prevent the struggling corporation from building up we are tending toward the aiding of monopoly, and that is what this bill will do.

The Senator from Virginia submitted statistics in support of his position. I have the tables before me showing exactly how much the small corporation will be penalized under the terms of the bill. I shall not go into those figures because the Senate has already heard them.

Another thing that has been overlooked and which is very often overlooked in consideration of a tax bill is that the stock of a large corporation may be held by a very large number of small stockholders. What we are really interested in is not to penalize the little fellow, but to try to put the burden on those best able to pay. If we put the very heavy tax burden on the corporation which has many small stockholders, we will be penalizing them because the corporation is only the medium for their investment.

The individual or the partnership has certain advantages. When the members of a partnership pay their tax they pay it once; but if the corporation pays its tax on its retained profits and then it eventually has to pay them out, a tax is paid twice. The partnership or individual has the advantage there.

Of course, fundamentally, corporations are formed so that individuals may accumulate capital, develop industry, and business. If we are going to tax surpluses because we do not believe the corporations should be allowed to exist, that is another question. The Senator from Georgia [Mr. GEORGE] brought that out very thoroughly and clearly when the bill was before the Senate for consideration. However, we cannot inaugurate such a drastic change in the financial structure of the country without doing endless harm to thousands of people and to industry large and small. It would increase unemployment to an enormous extent. Nothing, in my opinion, would be more unsound.

Therefore, Mr. President, under the circumstances and after very serious and careful study of the bill during and since the hearings, I cannot but feel that the bill is based fundamentally on a reversal of a principle which has prevailed through the ages. In other words, it is proposed to tax and discourage thrift. The bill goes absolutely against the parable of the 10 virgins, half of whom, the wise ones, saved their oil and were prepared when the crisis came. If this bill had been a law previous to the panic and its provisions had been in effect, the condition in this country would have been chaotic. Thousands of investors would have been in much greater distress and unemployment would have been immeasurably greater. The thing that saved many people, the thing that prevented unemployment in many businesses, was the surplus that had been accumulated during the good years. Neither a corporation nor an individual nor any sound business can go forward and accomplish results unless based on thrift and saving. This bill is advocating the directly opposite principle.

Mr. BARKLEY obtained the floor.

Mr. BORAH. Mr. President, I should like to ask the Senator to keep in mind a matter which I understand has had much to do with the formulation of the bill, and that is the legal proposition that we may not tax accumulated surpluses.

Mr. BARKLEY. Yes; I am going to discuss that feature.

Mr. BORAH. I should like to know upon what legal principle that rests. It is property. Why could we not tax it?

Mr. BARKLEY. What I said a while ago was that we could not tax it as income. We could tax it as property. I did not say it could not be taxed. I said it could not be taxed as income, but only as property, and that the Federal Government up to this time has not attempted to tax capital as such.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BARKLEY. Certainly.

Mr. WALSH. I do not want to delay the Senator but give him full opportunity to present his argument. I should like to request that at the conclusion of the Senator's remarks there may be read at the desk a telegram which I have received from the New England Council of Industries in reference to the bill.

Mr. BARKLEY. I have no objection to having it read now.

Mr. WALSH. I thank the Senator.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

BOSTON, MASS., *June 19, 1936.*

Hon. DAVID I. WALSH,
United States Senator,
Senate Office Building, Washington, D. C.:

I wish again to call to your attention the economic unsoundness of the proposed undistributed earnings tax bill H. R. 12395. This is a matter of vital seriousness to the 16,000 small- and medium-size enterprises of New England industry. The success of these companies for years past has been founded on their ability to develop and expand by plowing back a portion of their earnings each year. Under the proposed tax bill these concerns face the alternative of either paying no dividends in order to retain the cash essential to the operation of their companies or face an actual deficit in cash requirements after paying the nominal dividend and the proposed undistributed-earnings tax. The size of these New England concerns prevents permanent capital financing at any reasonable cost. The complete utilization of earnings makes temporary bank loans impossible. This bill will force widespread shut-downs and unemployment throughout the New England area. We most earnestly ask your opposition to or drastic modification of the proposed bill.

WINTHROP L. CARTER,
President, New England Council.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, with an amendment, in which it requested the concurrence of the Senate, and that the House had agreed to the amendment of the Senate to the title of the bill.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 8316) to exempt the Indian Service from the requirements of section 4 of the Executive Order No. 6166, dated June 10, 1933.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

H. R. 255. An act to provide for the commemoration of the Battle of Eutaw Springs, in the State of South Carolina;

H. R. 1362. An act conferring jurisdiction upon the United States District Court for the Western District of Texas to hear, determine, and render judgment upon the claim of R. A. Ramey, doing business as Ramey Bros.;

H. R. 1397. An act to withdraw certain public lands from settlement and entry;

H. R. 2155. An act for the relief of Francisco M. Acayan;

H. R. 2932. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of the International-Great Northern Railroad Co. against the United States;

H. R. 3952. An act for the relief of Mr. and Mrs. Bruce Lee;

H. R. 4059. An act for the relief of Ella B. Kimball, daughter and only heir of Jeremiah Simonson;

H. R. 4364. An act for the relief of Andrew Johnson;

H. R. 4641. An act authorizing the President to present a gold medal to George M. Cohan;

H. R. 4707. An act validating certain applications for and entries of public lands, and for other purposes;

H. R. 5078. An act for the relief of Mrs. Charles F. Eikenberg;

H. R. 5754. An act for the relief of Emma M. Pearson;

H. R. 5829. An act for the relief of Daniel J. Hagerty;

H. R. 6668. An act for the relief of S. John Hegstad;

H. R. 6951. An act for the relief of Thomas J. English;

H. R. 7256. An act for the relief of Perry H. Callahan and Malcolm W. Callahan;

H. R. 7463. An act for the relief of Lawrence R. Lennon;

H. R. 7642. An act for the relief of the estate of Frank W. Trick;

H. R. 7727. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of George B. Marx, Inc.;

H. R. 7818. An act for the relief of Caroline M. Hyde;

H. R. 7839. An act for the relief of C. E. Rightor;

H. R. 7864. An act for the relief of Edward P. Oldham, Jr.;

H. R. 8321. An act for the relief of Julia Long;

H. R. 8322. An act for the relief of Merwin A. Kiel;

H. R. 8373. An act for the relief of James Fitzgerald;

H. R. 8502. An act for the relief of Theresa Link, Wencel Link, Edward Block, and John Meyers;

H. R. 8521. An act for the relief of Elsie O'Brine;

H. R. 8597. An act to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea"; to maintain discipline on shipboard; and for other purposes;

H. R. 8643. An act for the relief of Mr. and Mrs. Frank Daley;

H. R. 8688. An act for the relief of Grace Schultz;

H. R. 8720. An act for the relief of Louis Manzumin;

H. R. 8799. An act for the relief of John N. Hunter, Edmund M. Cook, Fred C. Putnam, Merchants National Bank of South Bend, Ind., and St. Joseph Loan & Trust Co., of South Bend, Ind.;

H. R. 8841. An act for the relief of Estelle Mary MacDonald and Marilyn MacDonald;

H. R. 9078. An act for the relief of Bertha W. Lamphear;

H. R. 9111. An act for the relief of Evanell Durrance;

H. R. 9313. An act for the relief of the estate of Hans Ditmanson, deceased;

H. R. 9314. An act for the relief of the estate of Henry Copple, deceased;

H. R. 9315. An act for the relief of the estate of Fred Wilkins, deceased;

H. R. 10044. An act for the relief of Lt. Col. Fernand H. Gouaux;

H. R. 10168. An act for the relief of Arch A. Gary;

H. R. 10279. An act for the relief of the Pocahontas Fuel Co., Inc.;

H. R. 10439. An act for the relief of John B. Ricketts;

H. R. 10591. An act to authorize the Secretary of Agriculture to investigate and report on traffic conditions, with recommendations for corrective legislation;

H. R. 11022. An act for the relief of Ethel Armes;

H. R. 11123. An act for the relief of Edward A. Foote, Jr., and others;

H. R. 11176. An act increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark.;

H. R. 11180. An act to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes;

H. R. 11379. An act for the relief of William H. Milton;

H. R. 11538. An act for the relief of the Orland reclamation project, California;

H. R. 11555. An act to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in

the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission;

H. R. 11581. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11597. An act for the relief of L. A. Peveler;

H. R. 11615. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

H. R. 11926. An act to provide for a term of court at Durham, N. C.;

H. R. 12002. An act to authorize a preliminary examination of the Lackawanna River with a view to the control of its floods;

H. R. 12007. An act to authorize a preliminary examination of the Penobscot River, Maine, and its tributaries, with a view to the control of their floods;

H. R. 12008. An act to authorize a preliminary examination of the Androscoggin River, in Maine and New Hampshire, and its tributaries, with a view to the control of their floods;

H. R. 12062. An act to authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona in exchange for certain other lands, and for other purposes;

H. R. 12144. An act for the relief of the Federal Enameling & Stamping Co.;

H. R. 12220. An act to authorize the adjustment of the boundary of the Fort Marion National Monument, Florida, in the vicinity of Fort Marion Circle, and for other purposes;

H. R. 12353. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925;

H. R. 12494. An act to provide for the establishment of a Coast Guard station on Lake St. Clair, Mich.;

H. R. 12624. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes;

H. R. 12758. An act to increase the pension to certain veterans of the Regular Establishment on the rolls March 19, 1933;

H. R. 13001. An act to eliminate unnecessary expense in the administration of estates of deceased and incompetent veterans, and for other purposes;

H. J. Res. 366. Joint resolution providing for the establishment of a game-management supply depot and laboratory, and for other purposes;

H. J. Res. 532. Joint resolution for the establishment of a commission in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg in 1938;

H. J. Res. 606. Joint resolution amending section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1935; and

H. J. Res. 639. Joint resolution to provide certain administrative expenses for the Division of Territories and Island Possessions, Department of the Interior, and for other purposes.

INTERNAL-REVENUE TAXATION—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes.

Mr. BARKLEY. Mr. President, I fully appreciate the difficulty which confronts any man who is not a tax expert, who has not spent his whole life in writing and interpreting tax bills, in attempting to explain or understand a complicated tax bill the results of which are based upon contingencies that nobody can foresee, either in business or in politics.

I think I speak the truth when I say that all of us regret that it was necessary to consider a tax bill at all at this session of Congress. I, myself, in private conversation and in one or two public statements at the beginning of this session, said I did not believe any new tax law would be required at this session of Congress in order to meet the requirements of the Government. We were unable, however, to foresee what either the Congress of the United States or the Supreme Court of the United States would do. This bill is here because of the action of the Supreme Court of the United States in a certain case with which we are all familiar, and the action of the Congress of the United States in the passage of the Adjusted Compensation Act, the two together requiring about $620,000,000 of permanent revenue and about $570,000,000 of temporary revenue.

Those who heard or read the message of the President will recall that in that message he set out in detail the needs of the Treasury for both permanent and temporary increase in the revenues of the Government. Neither the House bill nor the Senate bill attempted to raise or would raise as much money as the President requested in his message of March 3, or indicated as needed by the Treasury. The House bill did provide as much permanent revenue, and provided the temporary revenue for 1 year, whereas the President had suggested that this five-hundred-and-odd million dollars of temporary revenue be spread out over a period of 3 years at the rate of about $173,000,000 per year. The House bill provided the permanent revenue and 1 year's installment of the temporary revenue over and above the amount of money now being collected or estimated for this year as the income of the Treasury.

It will be recalled that in the President's message he called attention to the fact that a large number of corporations in the United States—whether by design or otherwise I need not indicate—were as a matter of fact escaping taxation except on the normal rates of 12½ to 15½ percent, by reason of their failure to distribute any of their earnings or any large proportion of their earnings, and that by the refusal of these corporations to make distribution of their income to their stockholders, the United States Government was losing a large amount of revenue, because the income was not taxed in the possession of the stockholder, by reason of its failure to be distributed. What the President was seeking in his suggestion, and what the House of Representatives was seeking in its bill, was to provide a tax system by which the total aggregate net earnings of all corporations, whether distributed or undistributed, would pay into the Treasury the same amount of money that the Treasury would collect if their earnings were all distributed and each individual stockholder paid upon the earnings according to his bracket as an individual taxpayer.

I grant that the proposal in a sense was a new one, although in 1924 the Senate of the United States adopted a similar tax provision in the revenue act of that year. It was debated here for days, as I recall—though I was not then a Member of the Senate, but was a Member of the other body—and was adopted by the Senate, went to the House, and there was eliminated. So it was not a new suggestion. It was not one originated by the President of the United States or by any officer or other person in the Treasury, legal or otherwise. It was before the Senate and was discussed more than a decade ago.

The President in his message suggested, but only as a suggestion—because he emphasized the fact that, after all, it was within the discretion and power of both Houses of Congress to determine from what source this additional revenue would be obtained, the means by which the deficiency might be made up, by which the loss of money to the Treasury might be made up, by which all corporations and those holding stock in corporations might be required to pay into the Treasury of the United States as much money as would be collected if all corporations distributed all their net income to the holders of their stock. In order to accomplish that, it was suggested that all present corporation taxes be repealed and that the tax system be thereby simplified.

That repeal would have included the present normal income tax on corporations of 12½ to 15½ percent. It would have included the repeal of the excess-profits tax on corporations. It would have included the repeal of the present capital-stock tax on corporations. In trying to work out that suggestion and that theory in the other body, which required long hearings and most serious consideration, the House of Representatives finally worked out the bill which they sent to us about 2 months ago.

When the bill reached the Senate, because of the complicated tables and the involved language contained in the bill, it was frankly difficult to understand all of its provisions, or to work out at a table with pen and ink, or pencil and tablet, the tax that would be derived from corporations under it. The bill provided that corporations which distributed all of their net income should pay no tax whatever; and that meant, of course, as pointed out by the distinguished Senator from Virginia [Mr. BYRD], that certain large corporations like the American Telegraph & Telephone Co., the R. J. Reynolds Tobacco Co., and some others named by the Senator from Virginia, would not pay any tax at all, because they have already been distributing all their income, and thereby have been making it possible for the Treasury to collect part of that money from the individual stockholders in whatever brackets they occupy in the income-tax set-up. Of course, it was true—nobody attempted to deny—that the House bill would have relieved from any corporation tax the great corporations which had been distributing all their earnings, because it proposed to repeal the present tax of 12½ to 15 percent; but that was a mere incident of the change in the taxing system.

If the system itself was correct, if it was sound and scientific, if it was the proper form of corporate taxation, then it was a mere inconsequential incident, so far as the justice of the tax was concerned, that a few large corporations which up to this day have been distributing all their income, but which tomorrow might change their policy if they saw fit to do so, would be allowed to escape taxation as corporations under the provisions of the House bill. Of course, however, that was compensated for by the fact that many corporations which are not now distributing their net adjusted income, or what stockholders are primarily interested in and entitled to, dividends upon their stock, would have more than offset by their payments the loss to the Treasury occasioned by the failure to receive payments from large corporations, perhaps a dozen or two dozen or even 100 or even 150 out of a total of 500,000 corporations in the United States, 257,000 of which this year will make reports to the Treasury as having net income upon which taxes will be paid under the provisions of this bill and even under the provisions of the present law.

Of course, it sounded well to have it said that a few corporations, large and popular, would escape corporate taxes under the bill, no matter if by reason of that millions of dollars would be brought into the Treasury by compelling corporations which refuse to distribute their earnings, in order that their stockholders may escape taxation on their income tax, to pay.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRD. Does the Senator from Kentucky mean to indicate that he favors the original House bill?

Mr. BARKLEY. No; I do not. I did not favor it in the committee, and that is why I voted for the Senate committee bill.

Mr. BYRD. The Senator was defending it.

Mr. BARKLEY. No; I am not defending it. I am talking about the Senator's objection to the House bill, because a few large corporations escape the corporate tax under it.

Mr. BYRD. I understood the Senator to say that that objection was of little consequence.

Mr. BARKLEY. I think it was, in the wide stretches of a tax system. But, in order to meet that objection with whatever force it may have impressed members of the committee and of the Senate, the Senate committee brought in a bill which not only did not relieve these corporations from taxation but increased the taxes they pay upon the net income of the year, and provided a 7-percent flat rate upon the undistributed portion of their annual income.

The Senator from Virginia was opposed to that, and now that we have provided an increase above the House rates in order to meet the Senator's objection, now that we have provided a maximum corporate tax of 15 percent upon the net income of the American Telephone & Telegraph Co., of R. J. Reynolds & Co., and of the others named by the Senator, who would escape under the House bill, he objects to the bill because we do not step back into the past and undertake to tax reserves already built up by these corporations.

I have no doubt that if we had done that the Senator from Virginia would be as vigorously opposed to the bill as he is to it in its present form or in the form in which the House sent it to us, and the form in which the Senate committee reported it and it thenceforth went to the House. It is always easy to find some reason why one is against a tax bill if he does not want to vote for it. Nobody likes to vote for a tax bill. I do not like to vote for a tax bill. I get no peculiar pleasure in voting to tax anyone.

It has been suggested that all the men who came before the Finance Committee in the 2 weeks of hearings which were conducted by the committee were opposed to the bill which passed the House; and that is true. We did not expect anyone to pay his expenses to Washington and to advocate that bill, or to advocate any other bill which would raise his taxes. Nobody ever comes to Washington from outside of Washington in behalf of a tax bill, unless it is a tariff bill which will put money into his pockets. Then we have hordes of them coming here and asking that the Government use the taxing power in order that they may reap where they do not sow. Nobody ever comes here to advocate an increase in his taxes, either income, corporate, or other taxes.

There was serious difficulty in the Committee on Finance growing out of the novelty of this tax system, the difficulty to understand it, and the uncertainty which a good many members honestly have felt with respect to the revenue which it might produce.

Mr. SHIPSTEAD. Mr. President, is the Senator a member of the Committee on Appropriations?

Mr. BARKLEY. I am not.

Mr. SHIPSTEAD. I was wondering whether anyone could give us some information as to the proportion of people who come here asking for appropriations as compared with the number of people who come here to ask how they can avoid assisting in paying them.

Mr. BARKLEY. Yes; it is a hundred to nothing in favor of the appropriations as against taxes. That is the proportion.

Mr. GLASS. And the difficulty is that we always make the appropriations. [Laughter.]

Mr. BARKLEY. Mr. President, I was attempting to show the difficulties which confronted the Committee on Finance in trying to rewrite the tax bill. Although many members started into the hearing favorable to the bill as it passed the House, it soon became apparent that the Senate committee could not agree to the House bill as a whole. For one thing, it proposed to wipe out $1,100,000,000 of assured revenue, and, by a rearrangement of the form of corporate taxes, not only to absorb that loss but to raise nearly $800,000,000 in addition.

The result was that the Senate committee, after long deliberation and much travail, in which all members were seeking honestly to arrive at a wise decision, reported a bill retaining all present corporate taxes and putting a flat rate of 7 percent upon undistributed net income. The bill would raise less money than the bill which passed the House, but it would raise a sufficiently large sum to make it adequate for the purposes of the Treasury.

The bill was sent to conference. It has been stated here today that this is a mongrel bill, because of its mixed breed, I suppose, because it is a mixture of normal corporate taxes and a tax upon undistributed profits. All tax bills which contain more than one kind of taxes are mongrel tax bills.

I do not remember a tax bill which has been brought into the Senate since I have been a Member of it which has not been a mongrel tax bill, according to that standard. We have brought in bills levying excise taxes upon automobiles, upon candy, upon furs, upon watches and clocks, and jewelry, in the same bill providing for an increase in the rates on income-tax payers. Such a bill was just as much a mongrel product as is the bill we have before us, and more so. A bill which levies one rate of tax upon one amount and another upon another is a mongrel bill, because it at least is a mixture of rates. I do not think that argument is entitled to any consideration.

I desire to call attention now to the difference between the House and Senate bills and the bill now before us under the conference report.

If any Senator desires to have a break-down of the amount of money which the Treasury Department estimated would be raised under the tax bill, I am prepared to give it, as furnished by the Treasury authorities. In addition to reducing the normal rate on corporations from 12½ percent to 15 percent, to 8 percent to 15 percent, making the minimum 8 percent and the maximum 15 percent, we have repealed the exemption of the 4-percent normal tax on dividends received by stockholders, which up to this time have been exempt from taxation, and the repeal of that exemption will bring $127,000,000 into the Treasury of the United States.

The increase in revenue brought about by the graduated rate on undistributed corporate incomes is estimated to be $295,000,000.

The increase in revenue derived from individual taxpayers brought about by the distribution of income of corporations not now being distributed, because of these graduated rates upon undistributed income, will amount to $279,000,000.

An increase of $6,000,000 due to intercorporate dividends which are taxed brings the total increase in the revenue up to $707,000,000.

Thirty-three million dollars represents the loss due to the reduction in minimum rate on corporations from 12½ percent to 8 percent. That reduces the total amount of revenue to $674,000,000, which was the estimate of the Treasury Department upon the figures submitted to them by the conference committee based on these rates, ranging from 8 percent to 15 percent for the corporate tax and from 7 percent to 27 percent on undistributed profits.

The loss of revenue income brought about by the reduction of the capital-stock tax from $1.40 to $1 is $40,000,000, leaving a net of $634,000,000 revenue to the Treasury under this conference report over and above the present revenue under existing law.

Mr. GERRY. Mr. President, can the Senator tell me whether that 7-percent tax, the first tax on the undistributed profits, was taken into account in the Treasury estimates as to raising revenue?

Mr. BARKLEY. The 7 percent, the minimum rate on the first 10 percent of undistributed income, was taken into consideration, subject to a $5,000 exemption.

Mr. GERRY. That is not what I mean. What I have in mind is this: I wondered if the Treasury decided that the 7-percent rate would raise revenue, because, when the Treasury officials made the estimate for us in the committee, they said that a 7-percent tax on undistributed profits would not cause any distribution, and therefore there would be no revenue derived.

Mr. BARKLEY. There were those who contended that a flat rate of 7 percent on undistributed profits would not force any distribution, but whether it would have forced it or not, under the flat rate provided by the Senate bill they estimated $217,000,000 or $215,000,000—it does not matter which—$215,000,000, I will say, as the revenue which will be brought in by the 7-percent flat tax on undistributed income. They did express the opinion that a flat rate of 7 percent would not bring about any distribution.

Mr. GERRY. What I am trying to find out is what revenue is expected to be raised by the 7-percent tax. I do not wish unduly to interrupt the Senator.

Mr. BARKLEY. I do not object to being interrupted. The Treasury took the position, as any sensible man must take it, that a flat rate of 7 percent on all undistributed income of a corporation will not force out as much distribution as a minimum rate of 7 percent and a maximum of 27 percent. I do not think that is open to dispute. So, Mr. President, the total amount of new revenue derived by this bill over and above the amount now being received from corporation taxes will be $634,000,000.

In addition to that we are proposing by the so-called "windfall" tax to raise about $82,000,000.

There are other miscellaneous items which are provided for, which I need not go into, which raise the total to about $807,000,000 additional revenue.

It has been contended here by the Senator from Virginia [Mr. BYRD], for whom I have, as he knows, an affectionate regard, that the bill will be unjust to the small corporations; that it will put a penalty upon thrift; that it will make impossible in the future the laying aside of reserves by corporations.

I desire to call attention to the difference between the House and Senate bills and the conference report which is now before us. I wish to say that about 90 percent of all the corporations in the United States are what may be termed small corporations—not necessarily weak corporations, for if a corporation is capitalized at $100,000 and makes a $10,000 net income that is 10 percent on its capital stock. It is 5 percent on a capital of $200,000; it is 1 percent on a capitalization of $1,000,000. We have not, however, in our discussion divided these corporations according to the size of their capital, but the size of their income, because if a million-dollar corporation has only $10,000 income it pays the same taxes that will be paid by a $100,000 corporation which makes $10,000 income—because this tax is based upon income and not on capitalization, just as the tax I pay is based on my income and not on what I own. If I had a million dollars and made $10,000 a year I would pay the same income tax that you would pay if you did not have a dime but made $10,000, because the income tax is a tax on income and not on property, not on accumulations, and not on reserves.

Let us take first a $10,000 corporation. Of course, obviously we cannot raise $650,000,000 additional taxes from corporations without increasing the tax on most of them, and the table put into the RECORD by the Senator from Virginia compares what they pay now under the 12½ to 15 percent with what they will pay under the conference report figures. Of course, most of them will pay more.

Mr. BYRD. The purpose of the table was to show the difference between the weak corporation and the strong corporation. It was to show that the corporation which was in a strong position would pay less tax than a weaker corporation which could not declare all of its earnings in dividends.

Mr. BARKLEY. There has been no adequate definition of "weak" or "strong" corporation that I know of. We have undertaken to figure, I think, according to income, and if they receive no income they pay no tax. If they have no net income, they pay no tax under this bill, except the normal rate from 8 to 15 percent, which they have been paying right along.

Under the House bill the corporation that paid out no dividends at all would have paid $2,967 in taxes. Under the Senate bill it would have paid out $2,778. Under the conference report it will pay out $2,082.

If we are to say that a small corporation is a corporation that makes $10,000 net, regardless of its capital, and pays out none of it in dividends, then the conference report will result in a smaller tax than either the House or the Senate bill. If a $10,000 corporation pays out $1,000, the tax under the House bill would have been $2,612. Under the Senate bill it would have been $2,108. Under the conference report it will be $1,862.

So while that $1,862 is a larger sum than the corporation now pays at the rate of 12½ to 15½ percent it is smaller

than the amount paid either under the House or the Senate bills.

If the corporation with $10,000 income pays $2,000 in dividends, under the House bill the tax would have been $2,258, under the Senate bill $2,038, and under the conference report it will be $1,678.

The same thing is true all the way down the line, with a $3,000 distribution, $4,000 distribution, $5,000 distribution, $6,000 distribution, except when we get up to a distribution of $6,000, under the House bill the tax would have been $638, under the Senate bill $1,758, and under the conference report $1,247.

Mr. BYRD. Mr. President, is the Senator referring to a complete distribution or a partial distribution, or what?

Mr. BARKLEY. No; I am referring to a $10,000 corporation. First it makes no distribution, and then I am going all the way down the line until it distributes the whole $10,000.

Mr. BYRD. I fear the Senator did not correctly catch my remarks this morning. I was comparing in the conference measure the difference between a $10,000 corporation which declared all of its earnings and a $10,000 corporation which declared none whatever. Under the conference measure there is a 100-percent difference between those two corporations. That is not true under the Senate bill.

Mr. BARKLEY. Under the conference report bill a corporation that earned $10,000 and paid out all of it, of course, would be relieved of any tax on undistributed income, and, therefore, under the conference report bill would pay $1,040; whereas under the conference report bill, if it paid out nothing at all, it would be taxed $2,080.

Mr. BYRD. In other words, there is a hundred-percent increase as between the corporation that pays everything out and the corporation that pays nothing out? That would not be the result under the Senate bill.

Mr. BARKLEY. Of course, the same thing applies even to a greater extent to a hundred-thousand-dollar corporation, the figures for which I will give in just a moment.

Now, let us take a corporation that makes a hundred thousand dollars net income; that is 10 percent on a million-dollar capitalization and 5 percent of a $2,000,000 capitalization. I presume nobody will contend that that is a small or weak corporation.

Mr. BYRD. Mr. President, when we speak of small and weak corporations it appears to me that we are discussing a $10,000 corporation as a weak corporation and a million-dollar corporation as a strong corporation. There may be a small corporation that is weak and there may be a small corporation that is strong.

Mr. BARKLEY. Yes; and there may be a small corporation that is strong and there may be a large one that is not. Strength cannot be determined by the amount of capital stock.

Mr. BYRD. I understand that.

Mr. BARKLEY. It is necessary to take into consideration many things; this bill is based on income, and we are talking now about a small corporation as a corporation with a small income and a large corporation as a corporation with a large income.

Mr. BYRD. I think, in all fairness, the Senator should compare the small corporation that pays its earnings out in dividends and the small corporation that cannot pay its earnings out in dividends and explain that in respect to a $10,000 corporation there is a hundred-percent difference between the tax on a corporation that pays out all its earnings and the corporation that pays out nothing. In other words, the corporation with a $10,000 income that owes a debt and cannot pay out its earnings has got to pay a hundred percent more than a corporation that pays out all its earnings.

Mr. BARKLEY. Yes; and a human being incorporated under the laws of any State because of a desire to do business as a corporation, that has a $10,000 debt or a hundred-thousand-dollar debt gets no credit whatever for being in debt. All the credit he gets is for the interest he pays on his debt.

Mr. BYRD. The Senator does not contend that an individual is not penalized by reason of having a debt and paying it off, does he?

Mr. BARKLEY. Oh, no; and we are not proposing to penalize a corporation that is in debt any more than we are proposing to penalize an individual who is in debt. I cannot, for the life of me, understand why it is that if a corporation has gone in debt in the past, however improvident that indebtedness may be, it ought to be allowed to deduct from its net income in any year the amount of its debt when it pays a tax, anymore than if I am in debt, as most of us are, I ought to be allowed to deduct my debts from the amount of my income before I am required to pay my taxes.

Mr. BYRD. I think the tax should be deducted from the corporation's income.

Mr. BARKLEY. The Senator believes that there ought to be what he calls a "cushion" for debt-ridden corporations?

Mr. BYRD. Otherwise corporations have to pay a supertax.

Mr. BARKLEY. That is what I am talking about.

Mr. BYRD. The Senator is confusing the two. I think the Senator and I should agree, that under the conference bill a corporation that owes $10,000 and that is compelled to pay that amount on its debt has to pay a penalty of a hundred percent, as compared to a corporation that can pay its earnings out in dividends.

Mr. BARKLEY. If the Senator means that we have made no allowance for debts accumulated in the past, the Senator is correct. The Senator knows that every expert in the Treasury and every member of the Senate and House committees dealing with this subject recognize the impossibility of providing for the exemption of debts, because of past mismanagement or any other reason, without creating loopholes through which all corporations that happen to owe debts might escape any tax whatever.

Now let us take the $100,000 corporation. A corporation that earns $100,000 a year net and makes no distribution whatever would have paid under the House bill $42,500 in taxes; under the Senate bill $23,219; under the conference committee bill $31,502; and the amount of the tax declines in proportion to the amount the corporation distributes to its stockholders.

Whenever we reach a bracket where a $100,000 corporation pays out all of its earnings, instead of paying $31,500, it will pay only $13,840, and the difference will be made up by the payment of the income tax by the stockholders of that corporation, who will receive the $100,000 by distribution and will pay their individual income tax upon it when they make out their returns each year.

What have we done for the little corporation? I am not contending that the small corporation, by which I mean corporations with a net income of $10,000 or less, will not pay more tax than they are now paying. Some of them will; some of them will pay very little more, because the minimum rate under the undistributed-tax provision is 7 percent and the minimum rate under the normal-tax provision is 8 percent. So 8 and 7 make 15, and the highest tax that any of the small corporations on the first 10 percent of their income or upon their whole income will be a combination of 15 percent on the total, or 8 percent on the whole and 7 percent on the first 10 percent.

If their earnings are $10,000, the rate will be 7 percent on $1,000, and so on up to 27 percent. So in order to avoid the impossibility of writing into this bill what are called "cushions" for debt-ridden corporations or corporations with deficits, which will pay no tax, anyway, unless they have a net income for the year, we thought it wise to reduce the normal tax from 12½ percent to 8 percent and to put upon the little corporations a minimum of 7 percent, the combined rate being only 15 percent, whereas on the larger corporations there is imposed not only a maximum of 15 percent normal tax but a maximum of 27 percent undistributed-income tax, which makes a maximum of 42 percent on the large corporations in the high brackets that distribute no money whatever to their stockholders. The lowest tax that will be paid by such a corporation that distributes all its income will be 15 percent, because if it pays out all its earnings it pays no tax on undistributed profits. The lowest

tax that will be paid by a small corporation making $10,000 and paying it all out will be 7 percent, or $700.

Mr. President, I do not desire to consume any more of the time of the Senate, except to say that no tax bill has ever been before this body that has received more earnest and sincere and laborious consideration than the tax bill we are now considering. The House Committee on Ways and Means held hearings for weeks upon the bill, and then they were in secret session for weeks writing the bill. When it came to the Senate we held hearings for 2 weeks on the bill, and we did not deny any interest in the United States representation before the committee. We undertook for the next month to write the bill which we brought into the Senate. We have had this bill under consideration ever since the 3d of March, when the President sent his message here. Aside from a tariff bill, I dare say no revenue bill ever received more sincere, more earnest, more faithful, or laborious consideration than the bill which is presented by the conference committee. While, as I said at the beginning, none of us relish the necessity for levying these taxes, and all of us would prefer to adjourn without increasing the burden of taxes on the American people, we all know that we cannot do that.

We must pass a tax bill. I believe that this is the fairest and most sincere and the most just that we have been able to bring out in the confusion brought about in the beginning by the tax bill presented by the House and the difficulty in the Senate committee to work out the theory upon which the House bill was predicated and to work out the difference between the House and the Senate in nearly 2 weeks of hard work in conference.

It has been suggested that we ought to reduce our expenditures; that we ought to balance our Budget. We all are in favor of balancing the Budget; I should like to balance mine if I could, and I think every other Senator here would like to balance his if he is unable to balance it; we all desire to balance the Budget; but, Mr. President, nobody who has demanded a balanced Budget, no Senator on this floor who has demanded a reduction of the expenditures of our Government, has as yet pointed out where that reduction ought to be made.

Mr. BYRD. Mr. President, I can point out where the reduction can be made.

Mr. BARKLEY. Very well.

Mr. BYRD. I offered an amendment to the deficiency appropriation to reduce the relief appropriation 20 percent. That amendment was defeated; and now I want to ask the Senator at this point whether he thinks the National Government should spend $1,000,000,000 more in the fiscal year 1937 than it will spend in the fiscal year 1936 in view of the improvement in conditions throughout the country?

Mr. BARKLEY. I say the Government ought to spend $1,000,000,000 or any other amount that is necessary to keep American men, women, and children from starving to death or freezing in the winter from the cold.

Mr. BYRD. Does the Senator think that more money will be needed in 1937 to keep them from starving and freezing than is needed in 1936?

Mr. BARKLEY. We are not appropriating more money; we are appropriating $1,425,000,000 this year, whereas we appropriated $4,800,000,000 last year and over $3,000,000,000 the year before that.

Mr. BYRD. But the Budget Director, who is the responsible financial agent of the Government, says that a billion dollars more will be spent in 1937 than in 1936 if the appropriation bills which have been passed by this Congress are all carried into effect.

Mr. BARKLEY. Which includes the payment of over two and one-half billion dollars for the soldiers' bonus, which was not contemplated when the Congress first met in session in January last.

Mr. BYRD. The Senator is entirely mistaken about that. The bonus was included in the 1936 Budget.

Mr. BARKLEY. Not all of it was included. But notwithstanding the desire of the Senator to reduce expenditures Congress has appropriated the money. Congress has gone on record. The Senator moved to reduce the amount by 20 percent, but by an overwhelming vote the Senate declined to do it. We have got to meet the expenditures of the Government, whether the Senator is right or wrong or whether we are right or wrong.

Mr. BYRD. The Senator made the statement that no Member of this body had stated where appropriations could be reduced, and I merely wanted to correct the Senator in that respect.

Mr. BARKLEY. The Senator from Virginia did make a motion to reduce the lump sum by 20 percent. Of course it was easy, as it is always easy, to make a blanket motion to reduce expenditures by 20 percent, but what I meant to say was and what I still say is that no Senator has pointed out in detail where any man, woman, or child in the United States is getting more money than he or she ought to get or where we are spending more than we ought to expend.

Mr. BYRD. Does not the Senator understand the relief appropriation was a lump-sum appropriation and could only be reduced in a lump way by a 20-percent reduction?

Mr. BARKLEY. Yes; and if that theory should be carried out, the man or woman who was drawing $4 a week for relief could only draw $3.60. If that is the way the Senator desires to bring about economy, I cannot join in that effort.

Mr. President, I have no desire to take any more time of the Senate. I wish I might be able to say to my constituents and to myself and to my friend from Virginia that this money is not needed; but it is needed. The necessity confronts us. Whether Congress has been improvident or wasteful only history will determine, but I voted for these appropriations, and I am not going to vote to deny the Federal Treasury the right to balance its Budget so long as it is necessary to incur these expenses and raise this additional amount.

Mr. BYRD. Does the Senator from Kentucky favor spending $1,000,000,000 more in the fiscal year 1937 than was spent in the fiscal year 1936?

Mr. BARKLEY. I favor what I have voted for, and I have voted for all these appropriations.

Mr. BYRD. I wanted to get that clear.

Mr. BARKLEY. That is a perfectly frank answer. If I had been opposed to the expenditure of money, I would have joined the Senator from Virginia and voted against all these appropriations, but I did not conceive that to be my duty though I accord to him full good faith as he has seen his duty and its performance as a Member of this body.

Mr. President, I ask unanimous consent that the two tables which I send to the desk and to which I have referred may be embodied in my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Break-down of $674,000,000

Increase from normal tax (4 percent) on dividends	$127,000,000
Increase from corporate undistributed profits tax	295,000,000
Increase from individual surtaxes due to increased dividend distribution	279,000,000
Increase due to intercompany dividend tax	6,000,000
Total	707,000,000
Loss from normal tax decrease to corporations	33,000,000
Net	674,000,000
Deduct for reduction in capital-stock tax	40,000,000
Net	634,000,000

Corporations with net incomes of—

$10,000				$100,000			
Dividends paid	House bill	Senate bill	Conference report	Dividends paid	House bill	Senate bill	Conference report
0	$2,967	$2,178	$2,082	0	$42,500	$23,219	$31,502
$1,000	2,612	2,108	1,862	$10,000	37,500	22,519	28,802
$2,000	2,258	2,038	1,678	$20,000	32,500	21,819	26,102
$3,000	1,903	1,968	1,508	$30,000	27,500	21,119	23,402
$4,000	1,548	1,898	1,387	$40,000	22,500	20,419	20,979
$5,000	1,193	1,828	1,317	$50,000	17,500	19,719	18,779
$6,000	838	1,758	1,247	$60,000	13,125	19,019	16,994
$7,000	535	1,688	1,177	$70,000	9,375	18,319	15,348
$8,000	280	1,618	1,107	$80,000	6,000	17,619	14,271
$9,000	90	1,590	1,040	$90,000	2,857	17,440	13,840
$10,000	0	1,590	1,040	$100,000	0	17,440	13,840

FUNERAL EXPENSES OF THE LATE SENATOR FLETCHER

Mr. LOFTIN. Mr. President, I ask unanimous consent for the immediate consideration of Senate Resolution 324, relating to the funeral expenses of the late Senator Fletcher.

The PRESIDING OFFICER (Mr. TRUMAN in the chair). Is there objection?

There being no objection, the resolution (S. Res. 324) submitted by Mr. LOFTIN, on the 18th instant, was considered and unanimously agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. Duncan U. Fletcher, late a Senator from the State of Florida, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

CITIZENS STATE BANK OF MARIANNA, FLA.

Mr. BAILEY. From the Committee on Claims, I report back favorably, without amendment, the bill (H. R. 2435) for the relief of the Citizens State Bank of Marianna, Fla., and I submit a report (No. 2452) thereon.

Mr. LOFTIN. Mr. President, I ask unanimous consent for the immediate consideration of House bill 2435, just reported by the Senator from North Carolina.

The PRESIDING OFFICER. The clerk will state the title of the bill.

Is there objection to the request of the Senator from Florida?

Mr. HALE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOFTIN subsequently said: Mr. President, I ask unanimous consent for the present consideration of House bill 2435, reported today from the Committee on Claims.

There being no objection, the bill (H. R. 2435) for the relief of the Citizens State Bank, of Marianna, Fla., was considered, ordered to a third reading, read the third time, and passed.

INTERNAL-REVENUE TAXATION

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes.

Mr. LA FOLLETTE. Mr. President, it is not my purpose to detain the Senate to discuss the conference report at length. I assume, however, that when the Senate passed its bill and asked for a conference with the House and appointed conferees they were under instruction to reach, if possible, a fair and equitable compromise between the position taken by the Senate and the position taken by the House. So far as I was individually concerned as a member of the conference I was guided by that principle in our deliberations.

Obviously there was a wide divergence of principle between the bill as it passed the House and the bill as it passed the Senate. The conferees on the part of the Senate have been under severe criticism because they reached a compromise with the conferees on the part of the House. Personally I think that was the object of the conference. I wish to say not only for my colleagues, but also for myself, that up to the point where the conference was on the verge of breaking up and in reporting a disagreement we stood unitedly for the position taken by the Senate when it passed its bill. If my recollection serves me correctly, for five consecutive days the House and Senate representatives in conference debated the principles underlying their respective bills.

Mr. President, the fact is, as any unbiased mind will admit, that the conferees on the part of the Senate forced the conferees on the part of the House to abandon their bill, as the basis of compromise. The Senate conferees unitedly took the position that unless the conferees on the part of the House were ready to accept a normal tax upon corporations it would be necessary for the conferees to report a disagreement. Confronted with the responsibility of deliberations upon a measure upon which hinged the adjournment of the present session of Congress, we succeeded in persuading the Representatives of the House in the conference to accept this proposal.

Then the Senate conferees insisted that the complications and intricacies of the House bill made necessary by their classification of corporations must be dropped from the measure which was to be taken as the basis of discussion in an effort to reach a compromise. Finally, as Senators can see from studying the conference report, the House of Representatives through its conferees abandoned their position.

Then all that was left in conference was the question of compromising the rates of taxes between those imposed by the bill as it passed the House and the rates of tax imposed by the bill as it passed the Senate. It seems to me that the conferees on the part of the Senate would have been derelict in their duty and in their responsibility to this body if they had not been willing to sit down at the table as reasonable men and attempt to arrive at a compromise upon the question of rates of taxes as between the bill as it passed the House and the bill as it passed the Senate.

I do not wish to burden the RECORD by further reference to the tables from which the Senator from Kentucky [Mr. BARKLEY] has quoted, but I contend that they demonstrate that the Senate and House conferees reached an honest and an equitable compromise upon the divergence of the rates contained in the respective bills. For instance, a corporation with $100,000 of net income which paid no dividends, under the terms of the bill as it passed the House would have paid a tax of $42,500; under the provisions of the bill as it passed the Senate that same corporation under the same conditions would have paid $23,219; and under the conference report, the corporation would pay $31,502. In other words, the effective tax upon a 100-percent retention by a corporation with $100,000 of income was fixed by arriving at a compromise between $23,219 as provided in the bill as it passed the Senate and $42,500 as provided in the bill as it passed the House.

The same thing holds true with respect to a corporation with a net income of $10,000, except that under the conference report the treatment of corporations with $10,000 of net taxable income is more liberal than under the provisions of either the bill as it passed the House or the bill as it passed the Senate.

In other words, Senators who supported the Senate bill on the theory that it was less onerous in its levying of taxes upon small corporations, now attack the report of the conferees even though for the great majority of corporations—namely, those with $10,000 or less of net income—the conference report will collect less tax from them than would the Senate bill had it prevailed in conference and become law.

I recognize that merely summing up totals is perhaps misleading, but they are indicative of the efforts put forth by the conferees representing the House and the Senate to reach an agreement.

The House receded on 170 amendments. The House receded on 50 amendments with amendments. The Senate receded on 60 amendments.

The House yielded upon the important liquidation provision placed in the bill under the leadership of the Senator from Georgia [Mr. GEORGE] to enable corporations with complicated corporate structures to liquidate and not to pay excessive penalties in the process.

The House of Representatives yielded upon the so-called Bailey amendment, which plugs up the loopholes that have been discovered by the use of partially processed or substitute materials for fats and oils, and in which the farmers of the country are so vitally interested.

The House conferees accepted the important provision of the Senate on the unjust enrichment title.

The House conferees accepted the important provisions of the Senate on the refunds and floor-stock taxes.

The House conferees accepted the Senate contract cushion—that is, the cushion providing for corporations which are under contract not to pay dividends, which was a much broader and more liberal cushion than the one contained in the House bill.

The House conferees accepted the Senate's amendment on the common-trust provision, which was of great and vital importance to one Senator who has now so vigorously attacked the conference report.

The House conferees accepted the Senate's amendment as to investment trusts, which was likewise of great importance because of their operation in the State of the Senator who last night filed minority views on behalf of himself and others attacking the conference report.

The House conferees accepted the Senate's provision to restore section 102. Senators will remember that that is the section designed—although it has failed to operate effectively—to prevent accumulations of profits in corporations for the purpose of avoiding the surtax.

The House conferees accepted the Senate's amendment restoring to the law section 351 in regard to personal holding companies.

The House conferees accepted the Senate's proposal that the capital-stock and excess-profits tax should be retained permanently, although in the compromise we reduced the rate to $1.

The House conferees accepted the Senate's amendment on the fur tax.

The House conferees accepted the Senate's amendment to repeal the tax on jewelry.

The House conferees accepted the Senate's amendment relating to shingles.

Mr. President, I desire to say on behalf of the conferees representing the House of Representatives that they were most liberal in their attitude during the conference; for Senators should bear in mind that the able and distinguished members of the Ways and Means Committee of the House had given weeks and weeks and weeks of study to their bill. I desire further to testify that I have never participated in a conference where there was a more conscientious desire to maintain the respective positions of the two Houses, but at the same time to discharge the important responsibility of reporting to the respective Houses a measure which was an honest and a just compromise of the fundamental differences between the two upon this important piece of legislation.

Mr. President, the Senator from Virginia [Mr. BYRD] has spoken about the tax on the small corporation. In the first place, let it be admitted in this debate that all proposals were designed primarily to place a great proportion of the burden of increased taxation upon corporations. This was based upon the sound idea that corporate profits have increased more than any other source of income.

It was the principle of the House bill. It was the principle of the Senate committee's bill. It was the principle of the bill as it passed the Senate, and that is the principle embodied in the conference report. Obviously, if we are going to get some $620,000,000 to $640,000,000 of increased revenue from the earnings of corporations, they will have to pay increased taxes; but all through this debate I have heard so much about the small corporation that I hardly expected that the conferees would be attacked because their bill was harsh upon them.

The Senator from Virginia distributed to the respective Senators today some interesting tables. They show that under the conferees' bill the increase in tax upon a corporate earning of $1,000 would be 15.52 percent over existing law; but the Senator from Virginia was paired in favor of a bill, and he helped to force the Senate to write a bill, which increased the tax on the first $1,000 of corporate income 71 percent above present law.

Mr. BYRD. Mr. President, I hope the Senator will be fair about this matter.

Mr. LA FOLLETTE. I wish to be fair.

Mr. BYRD. My contention is not that we are increasing the taxation on the corporations to which I have referred. My contention is that the plan advocated by the Senator is very injurious to the weak corporation which is unable to declare its earnings in dividends, and is correspondingly beneficial to the strong corporation which is able to declare its earnings in dividends. That is the basis of my argument.

Mr. LA FOLLETTE. I am coming to that; but these are the tables which the Senator gave out to the newspapers, and this is the particular table which the New York Times carried in respect to the Senator's statement, and this table is on the desk of every Senator.

Mr. BYRD. I will state to the Senator that the figures in the table were obtained from the Treasury experts, and are correct.

Mr. LA FOLLETTE. I am not attacking the figures. I am just trying to make them a little more comprehensive and complete.

Ever since this controversy started the Senator from Virginia has been the champion of the small corporation; so his table shows what would happen to a corporation with $2,000 of net income. He says that under the conference report there would be a 15.52-percent increase over the existing law in the taxation on such a corporation; but the Senator from Virginia helped pass a bill through the Senate which would have soaked that $2,000 net-income corporation 71 percent more than it pays under the existing law.

Now let us take the corporation with $3,000 net taxable income. The Senator's table shows that the conference committee bill would ask that corporation to pay 21.34 percent more than the existing law; but the Senate committee's bill, which had the approval of the Senator from Virginia, would have soaked that corporation 70 percent more than the existing law.

Here is a $4,000 corporation. We are now getting up to the point where we are including a large number of the corporations. The Senator's table shows that the conference report, if it becomes a law, will ask the corporation with $4,000 net taxable income to pay 24.20 percent more than it pays under existing law; but the Senate's bill would have soaked the corporation with $4,000 of net taxable income 69 percent more than the present law.

Let us take a $5,000 corporation. There the increase would be 25.89 percent, according to the Senator's table, over existing law if the conference report should be enacted into law; but under the Senate's bill the corporation with $5,000 of net taxable income would have been soaked 69 percent more than it would have paid under the existing law.

Here is a $10,000 corporation. According to the Senator's table, the conference report would increase the tax upon a corporation with $10,000 of taxable income 61.4 percent, but the bill which the Senator from Virginia supported would have increased the tax on that corporation over existing law 68 percent.

A corporation with $20,000 of net taxable income—and here we cross the line as between the Senate bill and the bill reported by the conferees, because the treatment which the conferees gave to the smaller corporations, of course, becomes less effective as their net taxable income becomes larger. At $20,000, according to the Senator's table, the conferees' report would increase the tax over existing law 98.33 percent, whereas the bill as it passed the Senate would have increased it 67 percent.

In the case of a $50,000 corporation, the tax under the conferees' report would be 118.49 percent increase over existing law, whereas under the Senate bill it would have been 64 percent increase over existing law.

I skip now to a corporation of $1,000,000, as to which the increase over existing law under the conference report is 116.36, whereas under the Senate bill it would have been 58 percent.

I point out that the Senate bill would have increased the burden upon the small corporation 71 percent, whereas upon the large corporation which had $1,000,000 of taxable income the Senate bill would have increased the burden only 58 percent. Under the pending proposal the smallest corporation, the one making $1,000, will be asked to increase its tax contribution by only 15½ percent, whereas we ask the corporation with a net taxable income of $1,000,000 to increase its contribution 116.38 percent.

I point out that of course these figures are all based on not a dollar of dividends being paid out, whereas, as a matter of fact, it has been common experience over the past 10 years that on the average corporations have retained about 30 percent of their net taxable income each year.

Mr. President, I have a table furnished by the Senator from Virginia showing the distribution of 50 percent of the net taxable incomes by corporations. Let us see what the comparison would be between the Senate bill supported by the Senator from Virginia and the conference committee bill which he now opposes.

A corporation with $10,000 of net taxable income under the conference report bill will be asked to increase its taxes 4.93 percent, whereas the Senate bill proposed to jack up the taxes on such a corporation 46 percent above existing law.

I refer now to a corporation with $1,000,000 of taxable income. Under the conference report bill, assuming a distribution of 50 percent of its dividends, the conference report would increase the tax on the $1,000,000 corporation 42.32 percent, whereas the Senate bill would have increased the tax over existing law only 30 percent.

There, again, the more onerous burden laid upon the corporation of a million dollars' income or less under the Senate bill than under the conference bill is very clearly shown, for from $10,000 to a million dollars the Senate conferees' report increases the burden from 4.93 percent over existing law to 42.32 percent, whereas the bill which passed the Senate increased the burden upon the $10,000 corporation 46 percent and asked the corporation with a net taxable income of a million dollars to contribute only 30 percent more.

Mr. President, I see no point in going over the arguments which were made when the bill was under consideration in the Senate. I desire, however, to point out that, so far as I know, there is no way under the Constitution of the United States—at least, no one has suggested it—whereby we can retroactively tax the accumulated surpluses of corporations. It is under the system which the Senator from Virginia and others who agree with him seek to have maintained that these huge accumulations of corporation capital have grown up until today the competitive advantage of those huge aggregations of capital is tremendous, but, so far as I know, there is no way under the Constitution whereby we can remedy that situation by taxing the accumulated surpluses retroactively.

Mr. President, the question arises as to how we are to meet that situation in the future. As I see it, under the conference committee bill small corporations—or large ones, for that matter—will have no difficulty in retaining every dollar of their net income every year without the payment of a single penny of undistributed-profits tax if they will only pay out to their stockholders evidences of their proportionate share in those earnings which will be taxable in the hands of the stockholders.

Furthermore, we have provided for corporations of $50,000 of net income or less that they may take $5,000 of that net taxable income, and that they may pay only 7 percent, the lowest rate, upon that $5,000, even though the $5,000 exceeds 10 percent of their adjusted net income.

We have graduated the normal tax more widely and more generously in favor of the smaller corporations than ever before. The conferees have reported a bill which spreads the normal corporation tax from 8 percent to 15 percent, and in that respect it is so far in advance over the Senate bill in its treatment of the small corporations that they are not even within shouting distance of each other, for under the Senate bill it was proposed to jack up the normal tax rate upon even the smallest corporations 3 percent, whereas upon the smallest corporations the conferees have reduced the tax 4½ percent.

Mr. BARKLEY. Which amounts, in percentages based upon the present minimum rate and the rate in the bill, to about 40-percent reduction.

Mr. LA FOLLETTE. I meant that the rate itself had been reduced by that much.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BYRD. I think the records will show that the Senator's statement applies only to those corporations which make a complete distribution. The reduction does not apply to a corporation which does not make a complete distribution.

Mr. LA FOLLETTE. Mr. President, let us not get confused about this matter. Under both the Senate bill and the conference report the corporation pays its normal tax if it has any net income.

Mr. BYRD. The super tax is not as high in the Senate bill as under the bill advocated by the conferees.

Mr. LA FOLLETTE. Yes; but I have just finished showing that the Senator asked the small corporations to pay more, to contribute a greater percentage over existing law, under the Senate bill, than is asked of them under the conference report.

No one can say that the conferees did not labor long and hard in an effort to meet the situation confronting the smaller corporations in this country. At the same time, I desire to be frank and to say that in order to reach a compromise with the House of Representatives, we did have to increase the tax upon the undistributed net income. But I assume that every Member of the Senate who has paid any attention to this legislation must recognize that we had to meet the House upon common ground somewhere, that we could not expect the House of Representatives to yield to the Senate upon the entire bill.

I wish to say in conclusion that there has been much said about the corporations which are in debt, but I point out that an individual who has a million dollars of debt and who makes a million dollars of net taxable income in 1 year has to pay about $640,000 in taxes to Uncle Sam, and he has left only about $360,000 to apply on his million-dollar debt, whereas the corporation which is a million dollars in debt and makes a million dollars of net taxable income and distributes no dividends will pay a tax, under the conference report of $323,000 and will have left $677,000 to apply upon its million-dollar debt if it desires to do so, as compared with the individual in the same situation, who will find himself with only $360,000 to apply upon his million-dollar indebtedness.

In my judgment, Mr. President, this measure is a just and equitable compromise between the Senate and the House of Representatives. By and large it contains the structure of the Senate bill. It is a compromise sufficient so that the principle embodied in the message of the President of the United States and in the bill passed by the House of Representatives will have an opportunity to be tested, and at the same time we will not run the risk of losing any of the revenue which we are now receiving from corporations.

I sincerely hope the report will be adopted.

LEVISA FORK OF BIG SANDY RIVER

Mr. BARKLEY. Mr. President, I ask unanimous consent for the present consideration of House bill 12490.

There being no objection, the bill (H. R. 12490) authorizing a preliminary examination of the Levisa Fork of the Big Sandy River in the vicinity of the Breaks of Sandy was considered, ordered to a third reading, read the third time, and passed.

INTERNAL-REVENUE TAXATION

The Senate resumed consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R.

12395) to provide revenue, equalize taxation, and for other purposes.

Mr. KING. Mr. President, may I ask the Senator from Oregon, the leader on the other side, whether there are any Senators on his side of the chamber who desire to speak at this time with reference to the tax bill? I desire to know so I may be able to allocate the time on this side of the aisle.

Mr. McNARY. I have made a casual canvass of the situation and I am not now aware of any Senator on this side of the aisle who desires to speak. The Senator from Idaho [Mr. BORAH] is on his feet and may desire to speak.

Mr. BORAH. I wish to take up 2 or 3 minutes of time. Much has been said about the taxation retroactively of accumulated surpluses being obnoxious to the Constitution. I realize it is not a practicable proposition at this time; that it is something we cannot deal with under the present circumstances, but I should like to know under what provision of the Constitution Congress may not levy a tax upon the accumulated surpluses which corporations have.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. LA FOLLETTE. I think I am the one who was responsible for having injected that statement into the discussion and I have predicated it upon the statement of the chief counsel of the Treasury Department, and also upon the statement in corroboration of his position made by lawyers who are members of the Finance Committee.

Mr. KING. Mr. President, robbing the interrogation of any legalistic characteristics, there are other questions involved that make it absolutely impossible, it seems to me, to make an application of that principle.

Mr. BORAH. Mr. President, I realize so far as concerns the tax bill in its present situation that it is an impracticable question which I am presenting, but I do not accept at all the doctrine that there is anything in the Constitution which inhibits Congress from taxing such surpluses.

Mr. KING. Mr. President, classifications would have to be made and the respective organizations would have to be brought within those classifications. Let me say to the Senator that any application of that doctrine, if it were legal, would be fraught with such disastrous consequences economically and industrially that I think we would all shrink from its application. Let me give an illustration. Take Mr. Ford. All of the funds or profits which he makes he plows back into the creation of new factories and the production of new machines and furnishing employment to thousands and thousands of people. Much of his profits today consist of factories and plants which are being changed and remodeled from year to year. Recently he had to remodel one plant and lost $50,000,000. If we attempted to assemble all those earnings, much of which have been lost, and then to apply any rule for the taxation of the so-called profits and reserves, we would work serious injury, not only to those engaged in the industries but also to the employees in the country generally.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. BARKLEY. I did not mean to leave the impression earlier in the day when I was discussing this matter that we could not tax the existing surpluses. My injection of the subject into the debate grew out of the complaint of one of the opponents of the bill that we were not taxing surpluses; that we had left untouched the great corporations which had accumulated large surpluses in the past. I said that, of course, it is true we do not tax them in this bill, and we could not tax those surpluses in the bill as income, but we could levy a tax on the surpluses as property. I agree with the Senator from Idaho on that subject.

Mr. BORAH. That was the only point in which I was interested. I was not making the observation as a criticism of this measure, but I can readily see that in the future that might be a very important proposition, and if I had my way about it, it would be put into effect rather speedily.

Mr. BARKLEY. If the sort of tax we are proposing here now had existed in the past, it certainly would have curbed the accumulation of large and unnecessary surpluses on the part of the great corporations.

Mr. LA FOLLETTE. Mr. President, in hurrying along with my statement, I think I did not properly qualify it. What I should have said was that it was stated before the Finance Committee, and I was basing my original statement here on the floor on that premise, that there was no way by which we could tax accumulated surpluses under a graduated income tax, because they are property, and, as the Senator knows, the court went so far in Eisner against McCumber as to say when a corporation paid into the hands of the stockholder something representing that accumulation which was merely a slip of paper, that we could not tax it as income.

Mr. KING. Mr. President, I desire to say in conclusion, with respect to the tax on accumulated surpluses, that I think the decisions of the courts have regarded such a tax as a tax on property, and therefore subject to the rule of apportionment as that principle is applied by the Constitution.

Again I ask the Senator from Oregon whether there are any Senators on his side of the aisle who desire to speak to the tax measure?

Mr. McNARY. I have made a casual canvass on this side of the Chamber, and I know of no Senator here who desires further to discuss the pending bill.

Mr. KING. I thank the Senator very much.

Mr. BYRD. I understand the Senator from Missouri [Mr. CLARK] wishes to speak on the measure.

Mr. KING. Is he in the Chamber at the moment?

Mr. BYRD. He is not here just now.

Mr. KING. I suggest the absence of a quorum because the Senator from Texas [Mr. CONNALLY] wishes to take the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	La Follette	Pope
Ashurst	Connally	Lewis	Radcliffe
Bachman	Copeland	Loftin	Reynolds
Bailey	Davis	Lonergan	Robinson
Barkley	Dieterich	McAdoo	Russell
Benson	Duffy	McGill	Schwellenbach
Bilbo	Frazier	McKellar	Sheppard
Black	George	McNary	Shipstead
Bone	Gerry	Maloney	Steiwer
Borah	Gibson	Metcalf	Thomas, Okla.
Brown	Glass	Minton	Thomas, Utah
Bulkley	Guffey	Moore	Townsend
Bulow	Hale	Murphy	Truman
Burke	Harrison	Murray	Tydings
Byrd	Hastings	Neely	Vandenberg
Byrnes	Hatch	Norris	Van Nuys
Capper	Hayden	Nye	Wagner
Caraway	Holt	O'Mahoney	Walsh
Carey	King	Pittman	Wheeler

The PRESIDING OFFICER. Seventy-six Senators having answered to their names, a quorum is present.

Mr. BARKLEY. Mr. President, I presume the proponents of the bill will be entitled to conclude the discussion. If any Senator desires to speak in opposition to the bill, I think he ought to proceed now. We have only one more speech on this side.

Mr. BYRD. Mr. President, a parliamentary inquiry: What is the division of time?

Mr. BARKLEY. About 15 minutes each.

The PRESIDING OFFICER. It is about 15 minutes to each side.

Mr. BYRD. The Senator from Missouri [Mr. CLARK] desires to be heard, but he does not appear to be in the Chamber at the moment.

Mr. CONNALLY. Mr. President, the pending tax bill is not going to suit those who are against any tax bill, but the Senate and Senators cannot take that view of a tax bill; we have got to act as Senators and not as taxpayers.

This bill is not going to suit those who will pay more taxes; no tax bill ever did that I know anything about; but we cannot as Senators pass on the bill as we would if we were

simply taxpayers. We have got to pass on it as Senators of the United States.

This bill is not going to suit that type of statesmanship which believes in lavish appropriations and no taxes at all. We cannot hope to get any votes from them, if there are any such—and I do not say there are—but it is not going to appeal to that type of statesmanship which loudly demands that the Treasury make liberal appropriations for all activities and then takes a spasm of economy when it comes to passing a tax bill. So we shall not look for any support from that classification.

But, Mr. President, what about Senators of the United States? When the Government has written its I O U, or its promise to pay, or has made its pledges through appropriations to do certain things and the bills begin to come due, what is the duty of Senators of the United States? Is it to enact legislation to pay the bills or simply to write new I O U's and postpone the day of judgment to a future time?

This bill would not be here but for the fact that the Congress, not as individuals but as a Congress, recently enacted the soldiers' adjusted-compensation bill, and the courts recently declared to be unconstitutional the processing taxes under the Agricultural Adjustment Administration. As the result of the enactment of that bill and of the decision of the courts, a great hole was blown in the Treasury of the United States, and it is the duty of the Congress to the American people, regardless of how Members of the Congress may have voted on the bonus, and regardless of whether they voted for other legislative enactments, to provide the money with which to pay our honest debts.

I did not vote for some of these measures; I did not vote for the housing bill, which passed the Senate the other day and which calls for appropriations of $500,000,000; but does that lessen my obligation? If a measure is once passed and becomes a draft on the Treasury, does that lessen my obligation as a Senator to walk up and take the responsibility for the enactment of legislation designed to put into the Treasury the money that so many insist on paying out of the Treasury? I did not vote for some other measures which have made some of the heaviest charges on the Treasury, but is that any reason why I should say that I am not willing to vote for taxes to redeem the promises of the Government?

I am wondering what some Senators on the other side of the aisle who were so loud and so eloquent and so insistent and so frenzied in their appeals for the passage of legislation that called for the expenditure of billions of dollars out of the Treasury are going to say when they go back to their constituents. Are they going to say, "We voted to appropriate the money for you, but we did not have the courage to vote to tax you in order to redeem the pledges made to you"?

Mr. President, what is the necessity for a tax bill—a larger outlay than there is income—and, according to all sound economics and governmental policies, we should make provision to place in the Treasury more money than is derived from the revenues now being received. Where is the money coming from? We cannot reach up and pluck it out of the blue sky. The Government has no old socks containing money hidden away to which we can conveniently resort. Where is the money coming from? It has got to come out of the people of the United States; it has got to come out either of individuals or of the corporations of the United States.

The Government needs $620,000,000. Where are we proposing to get it? We are proposing to get practically all of it from corporations. Some one immediately asks, "Why from corporations? Why not tax the individual taxpayers?" I shall tell you why, Mr. President. If the business of the corporations of America were conducted by individuals and taxes were paid by them as individuals, just as other individuals pay their taxes, it would cost the corporations in excess of $600,000,000 more than they are now paying.

In other words, after the Government shall have exacted from corporations $600,000,000, they will not be paying into the Treasury any more than would be paid if the various industries represented were carried on privately by individual taxpayers. Is not that just? Is it not fair that corporate business should bear the same burden as the equivalent individual activity of a citizen? When it comes to paying taxes to the Government, is there any reason why a corporation should have a greater immunity and a greater privilege than has an individual citizen? Has the corporation been plunged into any sort of bath of immunity that gives it a privileged status over the citizen? Of course not. So that is one reason why these added taxes should come out of the corporations, because when we get them from that source we will not proportionately increase the burden of the corporation over the burden borne by the individual citizen.

Now, let us see what else there is about it. Up until about 1928 the highest surtax and normal tax on individuals was 25 percent. A 20-percent surtax as a maximum, as the Senator from Nebraska will remember, was advocated by Mr. Mellon. What has happened? At the time when that law was in force the corporations were paying only 12½ percent; but in the meantime we have lifted the individual income tax from a maximum of 25 percent to 79 percent. Think of it! The maximum rate on individual incomes up to 1928 was 25 percent, whereas under the law today the maximum is 79 percent, while the corporate rate has only been lifted to 15 percent. So the point I am undertaking to make before the Senate is that since 1928 the great bulk of the increases in taxes have been on the individual incomes rather than upon the incomes of corporations.

In addition to the reasons already given, what further reason is there why this tax should be laid on corporations rather than on individuals? Another reason is that corporate income, according to the last available figures, demonstrates that corporations have had a more pronounced reaction from the depression, that their earnings have been greater, and their profits have been larger than either rents, salaries, or individual incomes upon which the ordinary taxpayer pays his income tax. So, in that regard, because of their increased profits, and because of the larger measure of prosperity they are enjoying, the corporations are better able to stand this increased burden than are the individual income-tax payers of the country.

Mr. President, if we do not get it from the corporations, where are we going to get it? We have got to get it from the individual income-tax payer, and we have already demonstrated that the individual income-tax payers are now paying more, in proportion, than the corporations are paying, and we have shown already that the income tax on individuals has been increased within the past 8 years at a much sharper rate than that upon corporations.

Mr. President, this bill, I am sure, is not satisfactory in all its particulars to any Member of the Senate. Were any individual member of the conference committee permitted to write the bill according to his own fancy it would not be identical with the bill as presented by the conference report. That is the case with all legislation. But why a conference committee after all? The necessity for a conference committee is obvious. Its very nomenclature suggests compromise. Its very creation means that we have to adjust differences, that the Senate must give way here and the House must give way there; otherwise we would rarely, if ever, have legislation of any kind.

The conference report in the main, in its major aspects, conforms more nearly to the terms of the Senate bill than to those of the bill as it passed the House. The theory of the House bill was that all corporate taxes which we have heretofore levied were to be abolished and in lieu thereof a single tax on undistributed profits was to be imposed on the theory—and it is a beautiful theory, but like many beautiful theories it is difficult to apply—that if all corporations paid out all of their profits in the form of dividends the individual income-tax payers would pay a sufficiently increased amount on their individual incomes to take the place of all corporate taxes. That is a wonderful theory, but early in the hearings before the Senate committee there were those of us who became convinced that it was a dangerous thing

to adopt at this moment, that it was unwise to discard the normal taxes on corporations which afforded a sure return of revenue, and to embrace an experimental and untried plan when the Government was in such dire need of increased revenue.

The arguments which have been made by Senators against the whole bill to the effect that it discourages the accumulation of surpluses no doubt had influence upon other Senators and persuaded them to lessen the rigor of the new scheme by proposing that we retain the present normal corporation taxes and superimpose thereon graduated rates on undistributed surpluses sufficient to give some encouragement and some stimulation to the payment of these undistributed profits in the form of dividends.

Thereby hangs the tale of the conference report. The conference report represents both theories. It retains in substance the normal corporate tax with the exception that at the instance of the House conferees the rates in the lower brackets on the smaller corporations were reduced from 12½ to 8 percent.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Texas yield to the Senator from Kentucky?

Mr. CONNALLY. I yield.

Mr. BARKLEY. The plan proposed would allow both plans of taxation to run along parallel so that the Treasury and the Government, from the experience to come, may have more valuable information to submit to Congress in the future as to which is the better plan.

Mr. CONNALLY. The Senator from Kentucky is correct. One of the reasons that made some of us timid about embracing the new principle was that the Government and the Treasury had no experience, had the benefit of no accumulated studies as to a tax on undistributed profits. So instead of discarding all present taxes and embarking upon an absolutely untried and new plan, we proposed that we should retain in large measure the present normal rates and cautiously extend our footsteps into the new and untried territory. That is what we have done.

Mr. President, much has been said about the small corporation. Frankly, I regard this bill as more liberal to the small corporations. What is a small corporation? Under the terms of the bill a small corporation is one with a small net income. It may have a large capital or it may have a small capital, but because of its small capitalization why should it have any extraordinarily liberal treatment? The whole bill is based on the theory of net income. If a corporation does not earn a net income it pays no tax. If it earns a net income over and above its exemptions, its deductions, its depletions, its obsolescence for old machinery, its depreciation and other liberal deductions which the law gives it, and if it makes a net income over all those deductions it ought to pay a tax to the Government which gives it security and protects its property and enables it to make this large return.

The whole theory of the income tax is carried out in the present bill. The theory of the individual income tax is that unless a man has an income he pays no tax. The bill is based on the same theory with regard to corporations. If a corporation makes no net income it pays no tax, but if it does earn a net income it ought to walk up to the tax window just as the individual citizen does, and discharge its obligation to the Government.

The bill is kind to the little corporation because it reduces the normal tax on corporations in the lower brackets from 12½ percent to 8 percent. It is kind to the little corporation because it allows it a flat deduction of $2,000. When it comes to the tax on undistributed profits, the little corporation is allowed a special provision to $5,000, or 10 percent of its net income, whichever is the largest, so it amounts in any case of a corporation with a net income under $50,000 to $5,000 from the undistributed-profits tax.

Mr. President, I hold in my hand a table based on the 50-percent net distribution. Fifty-percent net distribution of profits is 5 percent less than all corporations averaged over a period of 10 years. In other words, without this tax and left to their own devices, without any pressure from the Government or from anybody else, the average distribution by all corporations over a 10-year period was about 55 percent. Based on a 50-percent distribution we find that the compromise revenue bill will tax a corporation with $1,000 net income less than it is taxed now under the present law. I invite the attention of the Senator from Virginia [Mr. BYRD] to that fact. A corporation with $1,000 net income under the present law would pay $125 and under the proposed plan embraced in the conference report would pay $112.20.

Mr. BORAH. Mr. President, there is so much confusion in the Chamber I could not hear the Senator clearly. Will he repeat his figures?

Mr. CONNALLY. The Senator from Texas was undertaking to point out that on an average 50-percent distribution of net income we have certain figures which reflect the result. He also observed that 50-percent average distribution is 5 percent less than all the corporations of the country averaged over a 10-year period of their own volition and without any pressure tax at all. We take it that that is a fairly reflective figure. On that basis, with a 50-percent distribution, a corporation with a net income of $1,000 under the present law would pay $125. It could still distribute under the terms of the conference report 50 percent of its net income and pay only $112.20 tax. We take that basis because that is more nearly the average distribution of the corporations according to their own desire.

Mr. BYRD. Mr. President, I think at that point the Senator should make it clear that under the conferees' report the corporation which earned $1,000 and made no distribution would pay $144, as compared to one that made complete distribution that would pay $80—an increase of 80 percent as between the strong and the weak $1,000 corporation.

Mr. CONNALLY. That is true. I shall answer the Senator.

The Senator says the corporation which has an income of $1,000 and makes no distribution will have to pay a tax of $144. Why should it not make some distribution? It is $1,000 better off than it was the year before. It has made $1,000 net profit.

Mr. BYRD. Suppose it has a debt to pay?

Mr. CONNALLY. Well, it had the debt the year before, and it got by in the face of debt, and still made $1,000 net.

Mr. BYRD. But no previous law ever penalized a company for paying a debt.

Mr. LA FOLLETTE. Mr. President——

Mr. CONNALLY. Mr. President, I am very fond of the Senator from Virginia; and one of the most painful things to me—not even less painful than the prospect of having to pay some of this tax—is my regret at having to differ with the Senator from Virginia, but let me say this:

A great deal has been said about corporations that owe debts. Well, suppose they owe debts, and they make $100,000 net profit? Are they not worth $100,000 more than they were worth the year before? Are they not in better position not only to pay their debts but to pay some of their stockholders a few dollars in dividends? If they do not make any profit, they do not pay a cent. So I cannot shed many tears over a poor, little $100,000-income corporation because it happens to owe debts. If it does owe debts, the chances are that it has assets for the debts. If it owes money, and has a good manager and a good board of directors, the chances are that they are going to see to it that it has some additional plant or some additional inventories. So debts do not represent waste. Debts mean that the company is trying to do something. It is trying to get ahead.

Mr. BYRD. Then why should we penalize the company that creates a debt and then tries to pay it?

Mr. CONNALLY. We are not penalizing it.

Mr. BYRD. This bill penalizes it.

Mr. LA FOLLETTE. Mr. President——

Mr. CONNALLY. Just a moment. The Senator from Virginia cannot get out of his head the idea that because we make companies pay a tax somewhat comparable to the tax their stockholders would pay if they had the money, we are penalizing the companies. Whose money is it? It is the stockholders' money. The companies say, "We will not let the stockholders have it. We will keep it in our treasuries." We say, "If you do, fine; but when you do, you must pay at least a part of the tax which the owner of the income would pay if he had it in his own pocket instead of its being in your pocket."

Mr. LA FOLLETTE. Mr. President——

Mr. CONNALLY. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. The point I wish to reemphasize is that the bill which the Senator from Virginia helped to write, and helped to pass through the Senate, would have asked the $1,000 corporation which did not pay out a penny of dividends to pay 71 percent more than it is paying under existing law, whereas under similar circumstances the conferees' bill would ask it to pay only 15½-percent increase over existing law.

Mr. BYRD. Mr. President——

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Virginia?

Mr. CONNALLY. The Senator yields.

Mr. BYRD. I have no desire to interrupt the Senator——

Mr. CONNALLY. I have only 3 minutes left.

Mr. BYRD. But, as a matter of fact, the Senator has spoken about 15 minutes longer than his time.

Mr. CONNALLY. I am sorry.

Mr. BYRD. All I wish to do is to make the point of order that there is no quorum present, so that we may have a roll call before the vote is taken.

Mr. CONNALLY. Mr. President, I do not yield for the purpose of making the point of no quorum.

Mr. BYRD. Mr. President, the Senator's time has expired.

The VICE PRESIDENT. Just a moment. The Senator from Texas has the floor, as the Chair understands. Does the Senator from Texas yield to the Senator from Virginia?

Mr. CONNALLY. I will say to the Senator from Virginia that I am perfectly willing to yield.

Mr. ROBINSON. Mr. President, a quorum will be called for at the conclusion of the debate.

Mr. CONNALLY. I thank the Senator.

Mr. President, I absolve the Senator from Virginia from the charge of the Senator from Wisconsin about supporting the Senate bill. The Senator from Virginia did support the Senate bill, but he did so unwillingly. He did so like a young calf with a rope around his neck. He slid and slipped and did not want to go, but he went; so I do not think it is fair for the Senator from Wisconsin to say that the Senator from Virginia supported the Senate bill.

Mr. BYRD. I will say to the Senator from Texas that I supported the compromise bill just as the Senator from Texas is supporting this proposition, much of which the Senator from Texas does not believe in.

Mr. CONNALLY. I was trying to be fair to the Senator from Virginia and admit that he had not at any time advocated a tax on undistributed corporate profits. He did support the Senate bill as a matter of compromise; but the Senator from Virginia will bear witness that the Senator from Texas was one of the first in the committee to say that we ought to retain the present flat corporate taxes, and superimpose on top of them a graduated rate on undistributed profits. Does the Senator dissent from that statement?

Mr. BYRD. I agree with the Senator from Texas.

Mr. CONNALLY. Mr. President, when the necessity arose for obtaining $600,000,000 of new money—I do not mean new from the printing press, but I mean new money from the pockets of the people—my theory was that the best way to do it was to keep what we now have, namely, the flat corporate rate, the capital-stock tax, and the excess-profits tax, and then go out for the other $600,000,000, and devise new plans for raising it in the form of an undistributed-profits tax, and superimpose that tax on the present tax.

The VICE PRESIDENT. The hour of 2 o'clock and 30 minutes p. m. having arrived, under the special order the Senate will now vote on the conference report. The question is on agreeing to the conference report.

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Lewis	Reynolds
Ashurst	Connally	Lonergan	Robinson
Bachman	Copeland	McAdoo	Russell
Bailey	Davis	McGill	Schwellenbach
Benson	Dieterich	McKellar	Sheppard
Bilbo	Duffy	McNary	Shipstead
Black	Frazier	Maloney	Steiwer
Bone	Gerry	Metcalf	Thomas, Okla.
Borah	Gibson	Minton	Thomas, Utah
Brown	Glass	Moore	Townsend
Bulkley	Guffey	Murphy	Truman
Bulow	Hale	Murray	Tydings
Burke	Harrison	Neely	Vandenberg
Byrd	Hastings	Norris	Van Nuys
Byrnes	Hatch	Nye	Walsh
Capper	Hayden	O'Mahoney	Wheeler
Caraway	Holt	Pittman	
Carey	King	Pope	
Chavez	La Follette	Radcliffe	

Mr. LEWIS. I announce the absence of certain Senators for the same reasons stated on a previous roll call.

The VICE PRESIDENT. Seventy-three Senators having answered to their names, a quorum is present.

The question is on agreeing to the conference report. The yeas and nays have been ordered, and the Clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BILBO (when his name was called). I have a general pair with the senior Senator from Iowa [Mr. DICKINSON]. In his absence, I withhold my vote. If permitted to vote, I would vote "nay."

Mr. VANDENBERG (when Mr. COUZENS' name was called). My colleague, the senior Senator from Michigan [Mr. COUZENS], is necessarily absent from the Senate. He is paired with the Senator from Louisiana [Mrs. LONG]. If my colleague were present, he would vote "nay." I am advised that Mrs. LONG would vote "yea."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I transfer that pair to the junior Senator from Maine [Mr. WHITE], and vote "nay." If the junior Senator from Kentucky [Mr. LOGAN] were present he would vote "yea." If the junior Senator from Maine [Mr. WHITE] were present he would vote "nay."

Mr. MCNARY (when Mr. DICKINSON'S name was called). The senior Senator from Iowa [Mr. DICKINSON] is necessarily absent. He has a pair with the junior Senator from Mississippi [Mr. BILBO]. If the Senator from Iowa [Mr. DICKINSON] were present he would vote "nay."

Mr. DIETERICH (when his name was called). On this vote I have a pair with the Senator from Oklahoma [Mr. GORE]. Not knowing how he would vote on this question, I withhold my vote.

Mr. LEWIS (when his name was called). On this vote I announce that I have a pair with the Senator from Georgia [Mr. GEORGE]. With that statement I leave the record for the present.

The roll call was concluded.

Mr. LEWIS. The Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], and the Senator from Nevada [Mr. MCCARRAN] are detained from the Senate on account of illness. The Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Georgia [Mr. GEORGE], the Senator from Oklahoma [Mr. GORE], the Senator from Kentucky [Mr. LOGAN], the Senators from Louisiana [Mrs. LONG and Mr. OVERTON], the Senator from Florida [Mr. LOFTIN], and the Senator from South Carolina [Mr. SMITH] are unavoidably detained.

The Senator from New York [Mr. WAGNER] is detained on departmental business. He has a general pair on the passage of this bill with the Senator from South Carolina [Mr. SMITH]. I am not advised how either Senator would vote if present.

Mr. WALSH. My colleague [Mr. COOLIDGE] is unavoidably absent. If present he would vote "nay."

Mr. BILBO. Since the Senator from Oregon [Mr. MCNARY] has announced the position of the Senator from Iowa [Mr. DICKINSON], and has stated that if present he would vote "nay", I am at liberty to vote, and I vote "nay."

Mr. LEWIS. I reannounce the absence of certain Senators as announced by me on the previous roll call.

Mr. MCNARY. I desire to announce the following pairs on this question:

The Senator from New Hampshire [Mr. KEYES] with the Senator from Louisiana [Mr. OVERTON].

The Senator from Vermont [Mr. AUSTIN] with the Senator from Alabama [Mr. BANKHEAD].

The Senator from New Jersey [Mr. BARBOUR] with the Senator from Colorado [Mr. COSTIGAN].

The Senator from South Dakota [Mr. NORBECK] with the Senator from Nevada [Mr. MCCARRAN].

The Senator from New Hampshire [Mr. KEYES], the Senator from Vermont [Mr. AUSTIN], the Senator from New Jersey [Mr. BARBOUR], and the Senator from Nevada [Mr. MCCARRAN] would, if present, vote "nay", and the Senator from Louisiana [Mr. OVERTON], the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], and the Senator from South Dakota [Mr. NORBECK], would, if present, vote "yea."

The Senator from California [Mr. JOHNSON] is absent on account of illness.

The result was announced—yeas 42, nays 29, as follows:

YEAS—42

Ashurst	Connally	McKellar	Robinson
Bachman	Duffy	Maloney	Schwellenbach
Barkley	Frazier	Minton	Sheppard
Benson	Guffey	Murray	Shipstead
Black	Harrison	Neely	Thomas, Okla.
Bone	Hatch	Norris	Thomas, Utah
Borah	Hayden	Nye	Truman
Brown	King	O'Mahoney	Van Nuys
Bulow	La Follette	Pope	Wheeler
Byrnes	McAdoo	Radcliffe	
Chavez	McGill	Reynolds	

NAYS—29

Adams	Clark	Holt	Steiwer
Bailey	Copeland	Lonergan	Townsend
Bilbo	Davis	McNary	Tydings
Bulkley	Gerry	Metcalf	Vandenberg
Burke	Gibson	Moore	Walsh
Byrd	Glass	Murphy	
Capper	Hale	Pittman	
Carey	Hastings	Russell	

NOT VOTING—24

Austin	Couzens	Johnson	McCarran
Bankhead	Dickinson	Keyes	Norbeck
Barbour	Dieterich	Lewis	Overton
Caraway	Donahey	Loftin	Smith
Coolidge	George	Logan	Wagner
Costigan	Gore	Long	White

So the conference report was agreed to.

The VICE PRESIDENT laid before the Senate the following action of the House of Representatives, which was read:

IN THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
June 19, 1936.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 281 to the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes, and concur therein with the following amendment:

In lieu of the matter proposed to be inserted by said amendmen insert:

"SEC. 915. SALARIES AND ADMINISTRATIVE EXPENSES.

"Funds made available to the Secretary of Agriculture by the appropriation for the fiscal year 1936 in section 32 of Public, No. 320, Seventy-fourth Congress, approved August 24, 1935, to the extent of the unobligated balance thereof; and by the appropriation in section 12 (a) of the Agricultural Adjustment Act, in an amount not in excess of $15,000,000; shall be available until June 30, 1937, for transfer to the Treasury Department for salaries and administrative expenses in carrying out the provisions of this title and of title IV, including necessary investigative work, and for refunds and payments under title IV. Such funds shall be available for expenditure by the Secretary of the Treasury for personal services and rent in the District of Columbia and elsewhere, for law books, books of reference, press releases, trade journals, periodicals, and newspapers, for contracting reporting services, printing and paper in addition to allotments under the existing law, travel expenses, for mileage and per diem of witnesses, in lieu of subsistence, payment of which mileage and per diem may be made in advance upon certification of such officer as the Commissioner or the Secretary may designate, and such certification shall be conclusive. In addition to the foregoing, the administrative expenses provided for in this section shall include such miscellaneous expenses as may be authorized or approved by the Commissioner or the Secretary for carrying out the provisions of this title, including witness fees and mileage for experts, notarial fees, or like services, and stenographic work for taking depositions."

Mr. KING. I move that the Senate agree to the amendment of the House to Senate amendment numbered 281.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 2647. An act authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors, materialmen, and laborers for material and labor furnished in the construction of a post-office building at Hempstead, N. Y.;

S. 3405. An act for the relief of Capt. James W. Darr; and

S. 4780. An act to extend the laws governing inspection of vessels, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 81. An act to provide for the collection and publication of statistics of peanuts by the Department of Agriculture;

S. 1896. An act to provide for interest payments on American Embassy drafts;

S. 2039. An act making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies;

S. 2293. An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States;

S. 3247. An act to waive any exclusive jurisdiction over premises of Public Works Administration slum-clearance and low-cost housing projects, to authorize payments to States and political subdivisions in lieu of taxes on such premises, and for other purposes;

S. 4020. An act to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon;

S. 4268. An act to authorize the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.;

S. 4390. An act to amend the National Defense Act relating to the Medical Administrative Corps;

S. 4567. An act to authorize the Secretary of Agriculture to extend and renew for the term of 10 years a lease to the Chicago, Milwaukee & St. Paul Railway Co. of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, and for a right-of-way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 9, 1926;

S. 4699. An act to provide a commissioned strength for the Corps of Engineers, United States Army, for the efficient performance of military and other statutory duties assigned to that corps;

S. 4784. An act to permit mining within the Glacier Bay National Monument;

S. 4786. An act to authorize the Secretary of Agriculture to make such adjustments and revisions found to be due on

contracts entered into by the Government with crop producers under the Agricultural Adjustment Act;

H. R. 1962. An act for the relief of Albert H. Jacobson;

H. R. 3943. An act for the relief of D. E. Wooldridge;

H. R. 10504. An act for the relief of Booth & Co., Inc., a Delaware corporation;

H. R. 11331. An act to authorize the sale and conveyance by the Department of the Interior to the State of Minnesota of the southwest quarter northwest quarter section 3, township 159 north, range 35 west, fifth principal meridian, in the State of Minnesota;

H. R. 12971. An act to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.;

S. J. Res. 251. Joint resolution granting the consent of Congress to the city and county of San Francisco to construct a causeway and highways on Yerba Buena Island in San Francisco Bay, and for other purposes;

S. J. Res. 277. Joint resolution to investigate corporations engaged in manufacture, sale, or distribution of agricultural implements and machinery;

S. J. Res. 291. Joint resolution amending section 11 of the Soil Conservation and Domestic Allotment Act;

H. J. Res. 388. Joint resolution to authorize the issuance of a reentry permit to Tonio Mori Moto and his readmission upon application while such permit remains valid;

H. J. Res. 608. Joint resolution extending for 2 years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1938, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter; and

H. J. Res. 641. Joint resolution making appropriations for the payment of expenses incurred in an election contest for a seat in the House of Representatives from the Twentieth Congressional District of the State of New York.

LANDS IN LAWRENCE COUNTY, ALA.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4727) to quiet title and possession with respect to certain lands in Lawrence County, Ala., which was to strike out all after the enacting clause and insert:

That all the right, title, and interest of the United States, except such right, title, and interest as has been acquired by the United States through purchase or condemnation, in and to all of fractional section 25 which lies south of the Elk River Shoals Canal and the northwest quarter of section 36, township 3 south, range 7 west, Huntsville meridian, in Lawrence County, Ala., be, and the same is hereby released, relinquished, and confirmed by the United States to the owners of the equitable titles thereto, as fully and completely in every respect whatever as could be done by patents issued according to law: *Provided*, That this act shall amount to a relinquishment of any title the United States has, or is supposed to have, in and to any of said lands and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, or interest of any person or body corporate whatever, the true intent of this act being to concede and abandon all right, title, and interest of the United States to the lands described herein to those persons, estates, firms, or corporations who would be the equitable owners of said lands under the laws of the State of Alabama, in the absence of the said interest, title, and estate of the United States.

Mr. BLACK. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

SEVENTY-FIFTH ANNIVERSARY OF BATTLE OF ANTIETAM

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 255) to provide for the participation of the United States in the commemoration of the seventy-fifth anniversary of the Battle of Antietam, which was to strike out all after the enacting clause and insert:

That there is hereby established a commission to be known as the United States Antietam Celebration Commission (hereinafter referred to as the Commission) and to be composed of seven commissioners, as follows: Three persons to be appointed by the President of the United States; two Senators, by the President of the Senate; and two Representatives, by the Speaker of the House of Representatives. The commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. It shall be the duty of the Commission to arrange, in cooperation with State, county, and other organizations, an appropriate observance and celebration, to take place during the week of September 12, 1937, of the seventy-fifth anniversary of the Battle of Antietam.

SEC. 3. The Commission shall cease to exist within 30 days after the date of the expiration of the celebration.

Mr. TYDINGS. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

THE MERCHANT MARINE

The VICE PRESIDENT laid before the Senate the following action of the House of Representatives, which was read:

IN THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
June 19, 1936.

Resolved, That the House agree to the amendment of the Senate to the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, with the following amendment:

Strike out all of section 303 of title III of said Senate amendment; and

That the House agree to the amendment of the Senate to the title of the bill.

Mr. COPELAND. Mr. President, this means that section 303, the part of the bill dealing with the continuous-discharge feature, is eliminated from the bill, because within a week we have passed another bill which had that provision in it. I move that the Senate concur in the amendment of the House to the text of the Senate amendment.

Mr. BORAH. Mr. President, is this the measure which we passed yesterday?

Mr. COPELAND. I refer to a provision included in another bill passed during the last week, about the continuous-discharge feature. There is a difference of just one or two words. It seemed wise to do away with any possibility of conflict by omitting it from this bill.

Mr. BORAH. The bill which was passed here yesterday is the bill which has been sent back by the conference committee?

Mr. COPELAND. That is correct.

Mr. BORAH. And that is the only change?

Mr. COPELAND. That is the only change.

The VICE PRESIDENT. The question is on the motion of the Senator from New York that the Senate concur in the amendment of the House to the text of the Senate amendment.

The motion was agreed to.

APPROPRIATIONS FOR TREASURY AND POST OFFICE DEPARTMENTS—CONFERENCE REPORT

Mr. GLASS. Mr. President, I desire to call up the conference report on the Treasury and Post Office Departments bill. I infer it will not encounter any opposition.

The VICE PRESIDENT. Without objection, consideration of the report will be resumed.

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes.

(The report is printed at page 10181 of the proceedings of yesterday.)

Mr. GLASS. I move that the conference report be agreed to.

The motion was agreed to.

ENTRY UNDER BOND OF EXPOSITION EXHIBITS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 3843) to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and

sea, and all other exhibits for exposition purposes, which was, to strike out all after the enacting clause and insert:

That all articles which shall be imported from foreign countries for the sole purpose of exhibition or display at a permanent exhibition or exhibitions and/or at a temporary exhibition or exhibitions of the arts, sciences, and industries, and products of the soil, mine, and sea, to be held at any time and from time to time by the Port of New York Authority, a municipal corporate instrumentality organized pursuant to a compact entered into on April 30, 1921, between the States of New York and New Jersey and consented to by the Congress of the United States (ch. 77, U. S. Stat. L., vol. 42, pt. I, p. 174), and/or by its tenants or licensees in the building known as the Port Authority Commerce Building, located on the block bounded by Eighth and Ninth Avenues, Fifteenth and Sixteenth Streets, Borough of Manhattan, city and State of New York, upon which articles there shall be a tariff or customs duty, shall be admitted free of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful, at any time during or at the close of any exhibition held pursuant to this act, to sell for delivery at the close thereof any goods or property imported for and actually displayed at such exhibition, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when sold or withdrawn for consumption or use in the United States, shall be subject to the duty, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal and to the requirements of the tariff laws in effect at such date: *Provided further*, That the Port of New York Authority shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this act, and that all necessary governmental expenses incurred as a result of exhibitions authorized under this act, including salaries of customs officials in charge of imported articles, shall be paid to the Treasury of the United States by the Port of New York Authority under regulations to be prescribed by the Secretary of the Treasury: *Provided further*, That all such articles shall, at the expiration of 2 years, be subject to the impost duty then in force, unless the same shall have been sold or exported from this country prior to that period of time: *And provided further*, That nothing in this act contained shall be construed as an invitation, express or implied, from the Government of the United States to any foreign government, state, municipality, corporation, partnership, or individual to import any articles for the purpose of exhibition at the said exhibitions.

Mr. COPELAND. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

SUITS IN BEHALF OF INDIANS OF CALIFORNIA

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1793) to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602), which was, on page 4, line 7, to strike out all after the words "set-off" down to and including "Indians", in line 10.

Mr. ROBINSON. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF THE NATIONAL DEFENSE ACT

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2460) to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes", which was, on page 1, line 10, after the word "States", to insert "or as commissioned officers, regular, temporary, or reserve, of the Navy or Marine Corps."

Mr. WALSH. I move that the Senate concur in the amendment of the House.

Mr. HALE. Mr. President, I should like to ask the Senator what the bill is.

Mr. WALSH. This is a bill which extends certain privileges to Reserve officers of the Army, and the House added an amendment including naval officers. That is the amendment which has been accepted.

The VICE PRESIDENT. The question is on the motion of the Senator from Massachusetts.

The motion was agreed to.

AMENDMENT OF WAR MINERALS RELIEF ACT

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1567), to amend section 5 of the act of March 2, 1919, generally known as the War Minerals Relief Act, which were, on page 1, line 3, to strike out "person" and insert "claimant"; on page 2, line 4, after "and" to insert "any newly presented evidence or facts not before his predecessors and, except where in conflict with the provisions of this act"; on page 2, lines 5 and 6, to strike out "Supreme Court of the District of Columbia" and insert "courts"; and on page 2, line 13, after "claimant", to insert:

The rights of any corporation which filed a claim under section 5 of the act of March 2, 1919, but which ceased to exist at any time after filing such claim, shall be held and considered to descend—

(1) to the persons who at the time such corporation ceased to exist were entitled under the laws of the State of incorporation to share in the assets of such corporation upon the dissolution thereof, or if any such person be dead, or dies after the enactment of this act but before he receives the benefits of this act, to his legal representative as personal property; and

(2) to any officer, director, or stockholder of such corporation at the time it ceased to exist as trustee for the persons or legal representatives referred to in clause (1); and such persons or their legal representatives and such officers, directors, and stockholders shall be entitled to the benefits of this act.

Mr. HAYDEN. Mr. President, it is the intent and purpose of the House amendment to enable only those small corporations, which through failure to receive notice of their rights under the 1929 amendment to the War Minerals Relief Act, to directly appear before the Department of the Interior and have their claims for out-of-pocket losses reviewed, although they did not file under the 1929 amendment.

As stated on the floor of the House, only about 94 claims are involved under the entire bill and the total payments will not exceed $75,000.

I move that the Senate concur in the amendments of the House.

The motion was agreed to.

REGULATION OF INTERSTATE TRAFFIC IN BITUMINOUS COAL

Mr. NEELY. Mr. President, I again renew my motion to proceed to the consideration of House bill 12800, the bituminous coal conservation bill.

Mr. McNARY. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McNARY. The Senator from West Virginia now proposes to proceed to the consideration of what is known as the Guffey coal bill. At not later than 3 o'clock by unanimous consent we are to vote upon this particular motion, are we not?

The VICE PRESIDENT. As to whether the Senate will take up the bill.

Mr. McNARY. At not later than 3 o'clock the Senate is to vote on that question. Will that action not be taken automatically without a motion?

The VICE PRESIDENT. The motion would automatically come before the Senate, but at any time prior to 3 o'clock any Senator may make a motion to take the bill up, because the unanimous consent provided that the vote should be taken at not later than 3 o'clock.

Mr. McNARY. Then the motion made at this time, while it is a renewal of the motion made earlier in the week, would not foreclose further debate?

The VICE PRESIDENT. Not at all.

THE GRAZING ACT

Mr. ADAMS. Mr. President—

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Colorado?

Mr. NEELY. I yield.

Mr. ADAMS. I desire to ask unanimous consent that the Senate proceed to the consideration of House bill 10094. I assume the request would require laying aside temporarily the pending motion, though not the order which has been made to take a vote at 3 o'clock.

I may say that when this bill was reached on the regular call of the calendar it was objected to, but the objection has since been withdrawn. The objection which was made by the Senator from Arizona [Mr. ASHURST] was withdrawn yesterday by an open statement. The bill involves a necessary correction of the situation with reference to grazing lands and conservation of our soil.

The VICE PRESIDENT. The Chair will say to the Senator from West Virginia [Mr. NEELY] that in case he yields to the Senator from Colorado the Chair will again recognize him to renew his motion.

Mr. McNARY. Mr. President, I have no objection to the consideration of the bill now suggested by the Senator from Colorado. There was some objection to the bill, but I think it has been wholly dissipated. Inasmuch as the Senate is to vote at 3 o'clock or sooner upon a unanimous-consent proposal there should be no transaction of business between now and the time that vote is taken. Therefore I object to any legislation other than that provided for in the unanimous-consent agreement.

The VICE PRESIDENT. The Senator from Oregon gives notice of objection to any legislation other than that provided for in the unanimous-consent agreement between now and 3 o'clock.

The question is on the motion of the Senator from West Virginia that the Senate proceed to the consideration of what is known as the Guffey coal bill.

Mr. ADAMS subsequently said:

Mr. President, I ask unanimous consent for the immediate consideration of House bill 10094. A few moments ago I endeavored to secure unanimous consent for its consideration, but the Senator from Oregon [Mr. MCNARY] then said he would not permit consideration of any legislation until the general unanimous-consent agreement had been carried out. He said there was no objection to the bill except that he did not want to interfere at that time with the program. There will be no discussion about the bill. It is important that it should go to the House and have an amendment concurred in there.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Colorado?

There being no objection the Senate proceeded to consider the bill (H. R. 10094) to amend section 1 of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269), which had been reported from the Committee on Public Lands and Surveys with an amendment, to strike out all after the enacting clause and insert:

That the first sentence of section 1 of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes", approved June 28, 1934, is amended by striking out the words "eighty million" and inserting in lieu thereof the words "one hundred and forty-two million."

SEC. 2. Section 7 of such act is amended to read as follows:

"SEC. 7. That the Secretary of the Interior is hereby authorized, in his discretion, to examine and classify any lands withdrawn or reserved by Executive order of November 26, 1934 (no. 6910), and amendments thereto, and Executive order of February 5, 1935 (no. 6964), or within a grazing district, which are more valuable or suitable for the production of agricultural crops than for the production of native grasses and forage plants, or more valuable or suitable for any other use than for the use provided for under this act, or proper for acquisition in satisfaction of any outstanding lieu, exchange or script rights or land grant, and to open such lands to entry, selection, or location for disposal in accordance with such classification under applicable public-land laws, except that homestead entries shall not be allowed for tracts exceeding 320 acres in area. Such lands shall not be subject to disposition, settlement, or occupation until after the same have been classified and opened to entry: *Provided*, That locations and entries under the mining laws, including the act of February 25, 1920, as amended, may be made upon such withdrawn and reserved areas without regard to classification and without restrictions or limitation by any provision of this act. Where such lands are located within grazing districts reasonable notice shall be given by the Secretary of the Interior to any grazing permittee of such lands. The applicant, after his entry, selection, or location is allowed, shall be entitled to the possession and use of such lands: *Provided*, That upon the application of any applicant qualified to make entry, selection, or location, under the public-land laws, filed in the land office of the proper district, the Secretary of the Interior shall cause any tract to be classified, and such application, if allowed by the Secretary of the Interior, shall entitled the applicant to a preference right to enter, select, or locate such lands if opened to entry as herein provided."

SEC. 3. Section 8 of such act is amended to read as follows:

"SEC. 8. (a) That where such action will promote the purposes of the district or facilitate its administration, the Secretary is authorized, for the purpose of this act only, to accept on behalf of the United States any lands within the exterior boundaries of a grazing district as a gift.

"(b) When public interests will be benefited thereby the Secretary is authorized to accept on behalf of the United States title to any privately owned lands within or without the boundaries of a grazing district, and in exchange therefor to issue patent for not to exceed an equal value of surveyed grazing district land or of unreserved surveyed public land in the same State or within a distance of not more than 50 miles within the adjoining State nearest the base lands.

"(c) Upon application of any State to exchange lands within or without the boundaries of a grazing district the Secretary of the Interior shall, and is hereby directed to proceed with such exchange at the earliest practicable date and to cooperate fully with the State to that end, but no State shall be permitted to select lieu lands in another State. The Secretary of the Interior shall accept on behalf of the United States title to any State-owned lands within or without the boundaries of a grazing district, and in exchange therefor issue patent to surveyed grazing district land not otherwise reserved or appropriated or unappropriated and unreserved surveyed public land; and in making such exchange the Secretary is authorized to patent to such State, land either of equal value or of equal acreage: *Provided*, That no State shall select public lands in a grazing district in furtherance of any exchange unless the lands offered by the State in such exchange lie within such grazing district and the selected lands lie in a reasonably compact body which is so located as not to interfere with the administration or value of the remaining land in such district for grazing purposes as set forth in this act.

"When an exchange is based on lands of equal acreage and the selected lands are mineral in character, the patent thereto shall contain a reservation of all minerals to the United States; and in making exchanges of equal acreage the Secretary of the Interior is authorized to accept title to offered lands which are mineral in character, with a mineral reservation to the State.

"For the purpose of effecting exchanges based on lands of equal acreage the identification and area of unsurveyed school sections may be determined by protraction or otherwise. The selection by the State of lands in lieu of any such protracted school sections shall be a waiver of all of its right to such sections.

"(d) Before any such exchange under this section shall be effected, notice of the contemplated exchange, describing the lands involved, shall be published by the Secretary of the Interior once each week for 4 successive weeks in some newspaper of general circulation in the county or counties in which may be situated the lands to be accepted, and in the same manner in some like newspaper published in any county in which may be situated any lands to be given in such exchange; lands conveyed to the United States under this act shall, upon acceptance of title, become public lands, and if located within the exterior boundaries of a grazing district they shall become a part of the district within the boundaries of which they are located: *Provided*, That either party to an exchange based upon equal value under this section may make reservations of minerals, easements, or rights of use. Where reservations are made in lands conveyed either to or by the United States the right to enjoy them shall be subject to such reasonable conditions respecting ingress and egress and the use of the surface of the land as may be deemed necessary. Where mineral reservations are made by the grantor in lands conveyed by the United States it shall be so stipulated in the patent, and any person who prospects for or acquires the right to mine and remove the reserved mineral deposits may enter and occupy so much of the surface as may be required for all purposes incident to the prospecting for, mining, and removal of the minerals therefrom, and may mine and remove such minerals, upon payment to the owner of the surface for damages caused to the land and improvements thereon. No fee shall be charged for any exchange of land made under this act except one-half of the cost of publishing notice of a proposed exchange as herein provided."

SEC. 4. Section 10 of such act is amended to read as follows:

"SEC. 10. That, except as provided in sections 9 and 11 hereof, all moneys received under the authority of this act shall be deposited in the Treasury of the United States as miscellaneous receipts, but 25 percent of all moneys received under this act during any fiscal year is hereby made available, when appropriated by the Congress, for expenditure by the Secretary of the Interior for the construction, purchase, or maintenance of range improvements, and 50 percent of the money received under this act during any fiscal year shall be paid at the end thereof by the Secretary of the Treasury to the State in which the grazing districts or the lands producing such moneys are situated, to be expended as the State legislature of such State may prescribe for the benefit of the county or counties in which the grazing

districts or the lands producing such moneys are situated: *Provided*, That if any grazing district or any leased tract is in more than one State or county, the distributive share to each from the proceeds of said district or leased tract shall be proportional to its area in said district or leased tract."

SEC. 5. Section 15 of such act is amended to read as follows:

"SEC. 15. The Secretary of the Interior is further authorized, in his discretion, where vacant, unappropriated, and unreserved lands of the public domain are so situated as not to justify their inclusion in any grazing district to be established pursuant to this act, to lease any such lands for grazing purposes, upon such terms and conditions as the Secretary may prescribe: *Provided*, That preference shall be given to owners, homesteaders, lessees, or other lawful occupants of contiguous lands to the extent necessary to permit proper use of such contiguous lands, except, that when such isolated or disconnected tracts embrace 760 acres or less, the owners, homesteaders, lessees, or other lawful occupants of lands contiguous thereto or cornering thereon shall have a preference right to lease the whole of such tract, during a period of 90 days after such tract is offered for lease, upon the terms and conditions prescribed by the Secretary."

SEC. 6. Such act is further amended by adding the following new section:

"SEC. 17. The President shall have power, with the advice and consent of the Senate, to select a Director of Grazing. The Secretary of the Interior may appoint such Assistant Directors and such other employees as shall be necessary to administer this act. The Civil Service Commission shall give consideration to the practical range experience in public-land States of the persons found eligible for appointment by the Secretary as Assistant Directors or graziers. No Director of Grazing, Assistant Director, or grazier shall be appointed who at the time of appointment or selection has not been for 1 year a bona-fide citizen or resident of the State or of one of the States in which such Director, Assistant Director, or grazier is to serve."

TITLE II—BADLANDS NATIONAL MONUMENT

SECTION 1. The boundaries of the Badlands National Monument, as established by the act of March 4, 1929 (45 Stat. 1553), shall be, and are hereby, extended to include such lands adjacent or contiguous thereto, in the State of South Dakota, including, but not being restricted to, lands designated as submarginal by the Resettlement Administration, as may be determined by the President, by proclamation, within 5 years following the approval of this act, to be necessary for the proper rounding out of the boundaries of said monument or the administration thereof, providing the entire area of such monument shall not exceed 250,000 acres.

SEC. 2. That the provisions of the act of August 25, 1916, entitled "An act to establish a National Park Service, and for other purposes", as amended, are hereby made applicable to and extended over such lands as may be added to the monument under the authority of the foregoing section.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to amend the act entitled 'An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes', approved June 28, 1934 (48 Stat. 1269)."

CONTRACTS WITH INDIAN TRIBES

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 177) to define the term of certain contracts with Indian tribes, which was, on page 2, after line 9, to insert:

SEC. 2. Any existing valid contract heretofore made and approved pursuant to any act of Congress by any tribe, band, or group of Indians with an attorney or attorneys for the rendition of services in the prosecution of claims against the United States under authority of which suit or suits have been filed, and which contains a limitation of time for the completion of the services to be performed may be continued in full force unless a subsequent contract dealing with the same subject matter has been made and approved.

Mr. THOMAS of Oklahoma. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

TERM OF COURT AT BENTON, ILL.

Mr. DIETERICH. Mr. President, from the Committee on the Judiciary I report back favorably, without amendment, House bill 12557, to provide for a term of court at Benton, Ill., and I ask for its immediate consideration. The bill merely changes a term of court in the eastern district of the State of Illinois. There is no objection to the bill.

The PRESIDENT pro tempore. The Senator from Illinois asks unanimous consent for the immediate consideration of a House bill. Is there objection?

Mr. MCNARY. Mr. President, I announced a moment ago that I should object to any bills being taken up until the disposition of the business provided for by the unanimous-consent agreement.

The PRESIDENT pro tempore. The Senator from Oregon made such an announcement.

Mr. DIETERICH. Mr. President, this is a matter peculiarly local in its nature.

Mr. MCNARY. I ask for the regular order.

The PRESIDENT pro tempore. The regular order has been demanded.

The question is on the motion of the Senator from West Virginia [Mr. NEELY].

REGULATION OF INTERSTATE COMMERCE IN BITUMINOUS COAL

The Senate resumed the consideration of the bill (H. R. 12800) to regulate interstate commerce in bituminous coal, and for other purposes.

Mr. NEELY. Mr. President, I cannot yield now for any other purpose than for the discussion of the bituminous-coal bill. I now yield to the Senator from Pennsylvania [Mr. GUFFEY].

Mr. GUFFEY. In January 1935 it was my privilege to introduce in the Senate a bill for the regulation of the bituminous-coal industry. After lengthy hearings before Senate and House committees, and in spite of bitter opposition to the measure, that bill, with certain modifications, became law on August 30, 1935, as the Bituminous Coal Conservation Act of 1935.

Following the decision in the Carter case, in which the United States Supreme Court rendered a decision on May 18, 1936, by a divided Court, it was again my privilege to introduce the Bituminous Coal Act of 1936, which is a restatement in the main of the law previously enacted with the deletion of the provisions held objectionable by the Court.

My boyhood days were spent in the coal-mining districts of western Pennsylvania. Prior to my election as a Member of this body my business experience gave me an intimate insight into the problems of the bituminous-coal industry, and it was with a sympathetic understanding of those problems and a belief that solution could be found only in regulation by the Federal Government that I submitted the original bill in 1935.

From my study of the bituminous-coal industry, from numerous contacts with men engaged in that industry, and from my personal analysis of its problems, I have long been convinced that the bituminous-coal industry is utterly incapable of self-government; that a continuance of so-called free competition in the industry will lead only to utter chaos; that solution of the industry's problems does not lie in action, jointly or independently, by coal-producing States; and that the welfare of the industry and the national interest require regulation of bituminous coal by the Federal Government.

Today bituminous coal is produced in more than 28 States and serves as the major source of fuel and energy for our people and our industries. Four hundred thousand men derive their livelihood from the producing branch of the industry alone. More than 80 percent of the coal produced moved in interstate commerce, and to the railroads bituminous coal is the most profitable commodity transported.

Industrially, coal is essential to the successful operation of the steel and chemical industries, and in times of war ample and dependable supplies of coal are a necessity to the national defense. Nature has endowed our country with enormous coal resources, but, with utter selfishness, those engaged in the industry have made it a sorry mess.

The records of States and Nation are replete with the findings and recommendations of commissions. Plans have been devised by eminent students of government and economics, but meanwhile the industry has continued in its course of unrestrained competition. To those of you who are

unfamiliar with the history of the industry I recommend a careful reading of the record in the Carter case.

Nowhere is more clearly depicted the downward course of a Nation-wide industry under free and unrestricted competition. Not as a threat, but merely as a statement of what will ensue, I predict that failure to enact this bill will result in a continuance of the vicious cycle of price cutting and wage reductions until the Government is faced with another crisis in the industry.

It is not my purpose to review the provisions of the pending bill. Sufficient to say that, with minor changes made in the light of administrative experience, the proposed law embodies the provisions of the Bituminous Coal Conservation Act of 1935, from which, however, have been deleted all provisions relating to labor in order to meet the limitations imposed upon the power of Congress by the Supreme Court in its decision in the Carter case.

This bill has been the subject of bitter controversy, and I believe that I can render no better service to this body in its consideration of the bill than to review the positions of those opposed to the measure.

First, I would list those persons who, as a matter of principle, oppose the intervention of Government in business. In theory, their position is sound. Practically, that position is and will continue to be indefensible so long as human nature remains unchanged and the profit motive continues to dominate the actions of man.

From the very beginning of our Nation, government has intervened in business. Some enterprises, such as handling of the mails, have been taken over entirely by the Federal Government.

Many other enterprises have been regulated in varying degrees as public interest has demanded—railroads, telephone companies, power companies, banks, insurance companies. These are only a few of the instances where Government has found it necessary to intervene in order to protect the public interest, and I venture to predict that as our social and economic life increases in complexity more and more must the force and voice of government be heard in business. I do not share the fear of those who point with trembling finger to a possible complete regimentation of business. I cannot sympathize with those who seek to terrorize the people of our country with the specter of bureaucracy. I retain my faith in the common sense of the American people and their ability to limit the functions of government to the degree necessary for preservation of the principles of democracy. I accept quite calmly the trend toward more definite regulation which necessarily comes with the growth of our Nation, but I cannot share the hysteria which some opponents of this measure voice.

As a second group of opponents to the bill I list those who oppose price regulation as a method of exercising government control over business. These opponents point with pride to the progress which our Nation has made under the so-called free competitive system.

"Let competition be free and unrestrained", they say, "and depend upon the antitrust laws to safeguard the interests of our people."

These men seem to forget the costly lessons which our Nation learned from its experience with rugged individualism. In answer I merely direct their attention to the fact that in no other industry has competition been so free and unrestrained in recent years as in bituminous coal, and I ask, What has been the result?

Each year, in the mining of coal, one-third of the amount produced is wasted and as a result future generations are deprived of that amount of our greatest natural resource. A study of the industry in recent years discloses innumerable bankruptcies among operators—losses of millions of dollars to investors and creditors—thousands of miners and their families living on starvation wages, American standards of living utterly ignored with the result that social problems are created for government to solve, unfair and unethical methods of doing business tolerated and even advocated within the industry, and, more dangerous than all, a very definite trend toward monoply which we, the advocates of democracy, so bitterly condemn.

Let us analyze the situation in the bituminous-coal industry today. In the year 1934 approximately 359,000,000 tons of coal were produced in this country from more than 6,000 mines. In that same year 68 companies produced one-third of the entire tonnage of the Nation. And I venture the prediction that if free and unrestrained competition is continued indefinitely there will be a constantly increasing trend toward the concentration of coal production and coal reserves in the hands of a few financial interests.

The PRESIDENT pro tempore. The hour of 3 o'clock having arrived, under the unanimous-consent agreement the question is on the motion of the Senator from West Virginia [Mr. NEELY] that the Senate proceed to the consideration of House bill 12800, known as the Guffey coal bill.

Mr. NEELY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Lewis	Reynolds
Ashurst	Copeland	Lonergan	Robinson
Bachman	Davis	McAdoo	Russell
Bailey	Dieterich	McGill	Schwellenbach
Barkley	Duffy	McKellar	Sheppard
Benson	Frazier	McNary	Shipstead
Bilbo	George	Maloney	Steiwer
Black	Gerry	Metcalf	Thomas, Okla.
Bone	Gibson	Minton	Thomas, Utah
Borah	Glass	Moore	Truman
Brown	Guffey	Murphy	Tydings
Bulow	Hale	Murray	Vandenberg
Burke	Harrison	Neely	Van Nuys
Byrd	Hastings	Norris	Wagner
Byrnes	Hatch	Nye	Walsh
Capper	Hayden	O'Mahoney	Wheeler
Caraway	Holt	Pittman	
Carey	King	Pope	
Clark	La Follette	Radcliffe	

The PRESIDENT pro tempore. Seventy-three Senators having answered to their names a quorum is present.

The question is on agreeing to the motion of the Senator from West Virginia [Mr. NEELY] that the Senate proceed to the consideration of House bill 12800.

Mr. NEELY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BILBO (when his name was called). I have a general pair with the senior Senator from Iowa [Mr. DICKINSON]. I am informed that if he were present he would vote "nay." If I were permitted to vote I should vote "yea." I withhold my vote.

Mr. CAPPER (when his name was called). On this question I am paired with the senior Senator from Michigan [Mr. COUZENS], who is unavoidably absent. If he were present he would vote "nay." If I were permitted to vote I should vote "yea."

Mr. CAREY (when his name was called). I have a pair with the senior Senator from Ohio [Mr. BULKLEY]. If he were present he would vote "yea." I find that I can transfer that pair to the Senator from South Dakota [Mr. NORBECK], which I do, and will vote. I vote "nay."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I transfer that pair to the junior Senator from Maine [Mr. WHITE]. If the Senator from Kentucky were present he would vote "yea." If the Senator from Maine were present he would vote "nay." I am at liberty to vote and vote "yea."

Mr. TRUMAN (when his name was called). On this question I have a pair with the senior Senator from New Jersey [Mr. BARBOUR]. If he were present he would vote "nay." If I were permitted to vote I would vote "yea."

The roll call was concluded.

Mr. McKELLAR (after having voted in the affirmative). I find that my pair, the Senator from Delaware [Mr. TOWNSEND] is not present. As I am unable to secure a transfer, I withdraw my vote.

Mr. WALSH. My colleague [Mr. COOLIDGE] is unavoidably absent. If present he would vote "nay."

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], and the Senator from Nevada [Mr. MCCARRAN] are detained from the Senate on account of illness. The Senator from North Carolina [Mr. BAILEY], the Senator from Ohio [Mr. DONAHEY], the Senator from Oklahoma [Mr. GORE], the Senator from Kentucky [Mr. LOGAN], and the Senators from Louisiana [Mrs. LONG and Mr. OVERTON] are necessarily detained.

The Senator from Ohio [Mr. BULKLEY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Florida [Mr. LOFTIN], and the Senator from South Carolina [Mr. SMITH] are absent attending the funeral of the late Senator FLETCHER.

Mr. HATCH. My colleague [Mr. CHAVEZ] is paired on this question with the Senator from Massachusetts [Mr. COOLIDGE]. If present and voting, my colleague would vote "yea", and the Senator from Massachusetts would vote "nay."

Mr. MCNARY. I desire to announce the following pairs on this question:

The Senator from New Hampshire [Mr. KEYES] with the Senator from Colorado [Mr. COSTIGAN]; and

The Senator from Vermont [Mr. AUSTIN] with the Senator from Ohio [Mr. DONAHEY].

The Senator from New Hampshire [Mr. KEYES], the Senator from Vermont [Mr. AUSTIN], the Senator from New Jersey [Mr. BARBOUR], and the Senator from Delaware [Mr. TOWNSEND], if present, would vote "nay", and the Senator from Colorado [Mr. COSTIGAN] and the Senator from Ohio [Mr. DONAHEY], if present, would vote "yea."

The Senator from California [Mr. JOHNSON] is absent on account of illness.

The result was announced—yeas 43, nays 24, as follows:

YEAS—43

Adams	Connally	Maloney	Reynolds
Ashurst	Davis	Minton	Robinson
Bachman	Guffey	Moore	Russell
Barkley	Harrison	Murphy	Schwellenbach
Benson	Hatch	Murray	Sheppard
Black	Hayden	Neely	Thomas, Okla.
Bone	La Follette	Norris	Thomas, Utah
Brown	Lewis	O'Mahoney	Van Nuys
Byrnes	Lonergan	Pittman	Wagner
Caraway	McAdoo	Pope	Wheeler
Clark	McGill	Radcliffe	

NAYS—24

Borah	Duffy	Hale	Nye
Bulow	Frazier	Hastings	Shipstead
Burke	George	Holt	Steiwer
Byrd	Gerry	King	Tydings
Carey	Gibson	McNary	Vandenberg
Copeland	Glass	Metcalf	Walsh

NOT VOTING—28

Austin	Chavez	Gore	McKellar
Bailey	Coolidge	Johnson	Norbeck
Bankhead	Costigan	Keyes	Overton
Barbour	Couzens	Loftin	Smith
Bilbo	Dickinson	Logan	Townsend
Bulkley	Dieterich	Long	Truman
Capper	Donahey	McCarran	White

So Mr. NEELY's motion was agreed to; and the Senate proceeded to the consideration of the bill (H. R. 12800) to regulate interstate commerce in bituminous coal, and for other purposes.

The PRESIDENT pro tempore. If there be no amendment to be offered, the question is, Shall the bill be engrossed and read the third time?

Mr. KING. Mr. President——

Mr. NEELY. I send to the desk an amendment, which is offered in behalf of those who favor the bill.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. It is proposed, on page 2, line 15, to strike out the words "Two members of the commission shall be representative of the employees of the industry, two shall be representative of the producers, and three shall have no" and insert in lieu thereof "Two members of the commission shall be experienced bituminous coal-mine workers, two shall have had previous experience as producers, but none of the members shall have any."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from West Virginia.

Mr. NEELY. Mr. President, the effect of this amendment, if adopted, will be to render ineligible for membership on the commission anyone who has a financial interest in the production of coal.

Mr. MCNARY. Mr. President, what is the order now about to be carried out?

The PRESIDENT pro tempore. The Senator from West Virginia [Mr. NEELY] has submitted an amendment. The adoption of the amendment is the question before the Senate.

Mr. MCNARY. Have the committee amendments been disposed of.

The PRESIDENT pro tempore. There are no committee amendments.

Mr. MCNARY. Is it the purpose of the Senator from West Virginia to explain the bill somewhat?

Mr. NEELY. It is my purpose to explain the amendments as they are offered.

Mr. MCNARY. I do not recall that anyone has offered any explanation of the bill or of the differences between the bill as now reported and the bill as it passed the last session of Congress. Is it the intention of the Senator from West Virginia to do so?

Mr. NEELY. The Senator from Oregon was evidently not listening to the able address made in part by the Senator from Pennsylvania [Mr. GUFFEY] within the last hour. He explained the bill, but was interrupted in the midst of his address by the necessity of yielding to enable the Senate to carry out the unanimous-consent agreement at the hour of 3 o'clock.

Mr. MCNARY. I appreciate that. The time was so short and the confusion in the Chamber so great that it was impossible to hear the Senator from Pennsylvania. I find that I have a very limited knowledge of the bill. The Senator from West Virginia has had much to do with legislation of this character. I should like to have him give us an outline of the bill and explain the differences between the bill now before the Senate and the bill which was enacted into law last year, which law was held to be unconstitutional.

Mr. NEELY. I suggest that the Senator from Pennsylvania [Mr. GUFFEY] complete his explanation of the bill. If the Senator from Oregon and other Senators will listen they will hear a very able explanation of the bill.

Mr. GUFFEY obtained the floor.

Mr. HOLT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Radcliffe
Ashurst	Connally	Lewis	Reynolds
Bachman	Copeland	Lonergan	Robinson
Bailey	Davis	McAdoo	Russell
Barkley	Dieterich	McGill	Schwellenbach
Benson	Duffy	McKellar	Sheppard
Bilbo	Frazier	McNary	Shipstead
Black	George	Maloney	Steiwer
Bone	Gerry	Metcalf	Thomas, Okla.
Borah	Gibson	Minton	Thomas, Utah
Brown	Glass	Moore	Townsend
Bulow	Guffey	Murphy	Truman
Burke	Hale	Murray	Tydings
Byrd	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Van Nuys
Capper	Hatch	Nye	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Holt	Pittman	Wheeler
Chavez	King	Pope	

The PRESIDENT pro tempore. Seventy-five Senators having answered to their names, a quorum is present. The Senator from Pennsylvania [Mr. GUFFEY] has the floor.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. GUFFEY. For what purpose?

Mr. HASTINGS. I desire to ask the Senator from West Virginia [Mr. NEELY] a question with respect to the bill.

Mr. GUFFEY. I yield for that purpose.

Mr. HASTINGS. My understanding is the Senate is now considering House bill 12800?

Mr. NEELY. That is correct.

Mr. HASTINGS. That bill actually never has been referred to the Committee on Interstate Commerce, has it?

Mr. NEELY. It has not. It was read twice and ordered to lie on the table.

Mr. HASTINGS. What the Senator from West Virginia proposes to offer in the way of amendments are amendments which were suggested to Senate bill 4668?

Mr. NEELY. It is my purpose to make the House bill conform to the Senate bill in every particular as the Senate bill with its amendments was reported from the Committee on Interstate Commerce.

Mr. HASTINGS. Then the various amendments which the Senator from West Virginia proposes to offer, if adopted, would make the House bill conform to the bill reported by the Senate committee?

Mr. NEELY. Identically with the Senate bill as amended by the committee and reported by the committee.

Mr. HASTINGS. I thank the Senator.

Mr. GUFFEY. Mr. President, continuing my address from the point I had reached when I yielded the floor a little while ago, the next group of opponents of this measure state that they favor some form of regulation but believe that regulation by the establishment and enforcement of minimum prices is theoretically and practically unsound. In bituminous coal today, as in other industries, Government is facing a definite and serious problem. The right of both State and Federal Government to deal with the wages and hours of labor has been denied by judicial interpretation of the Constitution, and while property remains bulwarked with all the majestic defenses of law, labor, which is equally entitled to protection of the law, is left to its own devices.

The coal industry is unique in that more than 60 percent of coal-production costs represent the wages of labor. Clearly, because of the Supreme Court's decisions, we cannot at this time protect the miner and his family directly by wage and hours regulation, but indirectly we can afford him a reasonable measure of protection by ending the reprehensible practice of price cutting by coal producers which, in the past, has always led to reduction in wage rates.

I do not intend to discuss at length the price provisions of the bill. Under its provisions prices are not fixed in the ordinary sense of the term. They include no element of profit to the producer. They are minimum prices determined by a national bituminous coal commission appointed by the President of the United States with the consent of this body, and the commission is to be guided in its work by definite standards laid down in the law which, in my judgment, are sufficiently flexible to meet actual market conditions, and which leave to the industry the highest possible degree of self-determination.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. GUFFEY. I yield to the Senator from Delaware.

Mr. HASTINGS. What particular section of the bill refers to price fixing?

Mr. GUFFEY. I shall come to that. Let me finish this statement, please.

Briefly, we may express the fundamental principle of the bill as follows: In order to establish fair wage levels and to restore fair competitive conditions in the industry, producers of bituminous coal are prohibited from selling their product below minimum prices which are based upon production costs.

Let me turn for a moment to our last group of possible opponents—coal producers, coal miners, and coal consumers. Of those consumers who oppose enactment of this bill I ask only two questions:

Can a consumer of any commodity be heard to complain if he is required to pay for that commodity a price equivalent to its cost of production? How many coal consumers consistently sell their products below cost?

Labor in the coal industry is wholeheartedly supporting this measure. Unquestionably there is bitter disappointment because of the denial by the Supreme Court of the right to protection which labor regards as inalienable; but, believing that this bill embodies all that can be presently obtained, labor urges the necessity of immediate enactment.

To one unfamiliar with coal producers, their position with reference to this bill is difficult to explain. I call particular attention to the fact that under the Coal Conservation Act of 1935, 4,332 producers who in 1934 accounted for a tonnage of 251,000,000 tons, or 70 percent of the entire national output, evidenced their approval of the Coal Conservation Act by accepting the code; and as proof of my statement that free competition causes a definite trend toward monopoly, I call attention to a list of 20 companies, each producing more than 1,000,000 tons annually, whose aggregate production in 1934 exceeded 55,000,000 tons, or 15 percent of the national tonnage; and in their ranks I find the major opponents to this measure.

Is it significant that the Pittsburgh Coal Co., the largest commercial coal company in the United States, dominated by the Mellon interests and producing more than 10,000,000 tons annually, has voiced its opposition to Federal regulation?

Is there any deduction from the fact that the Island Creek Coal Co., a producer of more than 3,500,000 tons annually, opposes this bill?

Is it significant that the Consolidation Coal Co., having a tonnage in excess of 8,000,000 tons annually, has evidenced its bitter opposition?

Likewise, why does the Pocahontas Fuel Co., producing more than 5,000,000 tons annually, demand the right of unregulated competition?

What is the interest of the steel companies and railroads, whose opposition is silent but effective? There can be only one answer: These men demand that their private selfish interests in the coal industry shall rise above the interests of the people as a whole.

For more than a year I have listened patiently to the arguments of advocates and opponents of this measure. The advantages of free and unrestrained competition have been propounded to me. The merits of the marketing-agency plan have been detailed at length. The faults of a system of Federal regulation have been magnified. Today I am convinced beyond a doubt that the bituminous-coal industry must be regulated by Federal law; and equally am I convinced that the proposed law, as redrafted in the light of the Supreme Court's decision, is a reasonable and constitutional exercise of the power of Congress to regulate interstate commerce.

I freely admit that the measure is imperfect, as must be all laws drafted by man; and I acknowledge that in the light of administrative experience modifications must be made from time to time in the future. Nevertheless, I am firmly of the belief that the present measure will be practical and effective in regulating the coal industry, that its advantages will far outweigh its disadvantages, and that its enactment at the present session of Congress will definitely aid in the restoration to a great national industry of a reasonable degree of the peace and prosperity which it so richly deserves.

Mr. President, I ask to have printed in the RECORD at the conclusion of my remarks a list of the prominent coal companies which are opposed to the measure, comprising the producers of 55,000,000 tons annually.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

List of prominent bituminous-coal producers who did not accept the code promulgated under the Bituminous Coal Conservation Act of 1935

Name of producer:	*1934 tonnage*
Berwind-White Coal Mining Co	2,579,203
Black Star Coal Co	1,099,593
Cabin Creek Consolidated Coal Co	1,412,801
Carter Coal Co	2,126,046
Consolidation Coal Co	8,163,087
Hanna Interests	2,801,380
Hume-Sinclair Mining Co	1,243,373
Island Creek Coal Co	3,475,324
Kingston Pocahontas Coal Co	1,781,709
Madeira Hill & Co	1,176,325

List of prominent bituminous-coal producers who did not accept the code promulgated under the Bituminous Coal Conservation Act of 1935—Continued

Name of producer—Continued.	*1934 tonnage*
New River Co	2,956,000
New River & Pocahontas Coal & Coke Co	2,711,654
Pittsburgh Coal Co	10,066,131
Pocahontas Fuel Co	4,997,241
Pond Creek Pocahontas Co	1,563,104
Stonega Coke & Coal Co	1,528,079
Union Collieries Co	1,116,490
West Kentucky Coal Co	1,752,533
Westmoreland Coal Co	1,743,788
Wyatt Coal Sales Co	1,010,928
Total	55,304,789

CONTROL OF GRASSHOPPERS

Mr. McGILL. Mr. President, on yesterday evening there was passed in the House of Representatives House Joint Resolution 642, to enable the Secretary of Agriculture and the Department of Entomology to deal with the grasshopper situation as it is developing at the present time in some 23 States.

The joint resolution involves an appropriation of $250,000. No part of the appropriation is to be used, as I understand, except in expenditures for the purchase of poison bait, or the manufacture thereof, and so forth; and it is to be utilized through the Bureau of Entomology and the State agricultural colleges and by State governments cooperating with the Department of Agriculture in the administration of the measure.

I have here a letter which I received today as a result of some inquiries I have made with reference to this situation. Before I make a request, I wish to refer to some portions of the letter, in order that the Senate may have more information than it now possesses as to the necessity for the passage of the measure at this time.

The letter is from the chief of the Bureau of Entomology in the Department of Agriculture. It is written to me on this date. Among other things, the Chief of the Bureau has this to say:

> The Bureau of Entomology and Plant Quarantine has no funds to purchase and distribute bait materials for grasshopper control. The appropriation which authorized cooperation with the States for grasshopper control was only available for the fiscal years 1934 and 1935.
>
> The following summary of grasshopper infestations has been prepared from information supplied by field agents of the Bureau, cooperating State entomologists, and similar sources:
>
> Grasshoppers occur in outbreak numbers in some 23 States.

I wish the Senate to understand that is a condition developing at the present time.

> The intensity of infestations varies in the different sections. In the more northern areas eggs have just begun to hatch. The information now available indicates that the degree of infestation coincides in general with the areas where large numbers of eggs were deposited last fall.
>
> Important outbreaks occur in the following States: Montana, Kansas, Nebraska, California, Colorado, Illinois, Iowa, North Dakota, South Dakota, Oklahoma, Michigan, Idaho, New Mexico, Oregon, Utah, Wisconsin, and Wyoming.

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kansas yield to the Senator from Tennessee?

Mr. McGILL. I yield to the Senator.

Mr. McKELLAR. Is this the measure which was sent over from the House last night relative to grasshoppers?

Mr. McGILL. It was sent here yesterday evening.

Mr. McKELLAR. The joint resolution went before the Committee on Appropriations; and I had a talk with the Senator from Virginia [Mr. GLASS], the chairman of the committee, relative to it. Inasmuch as not a step or even a suggestion as to an appropriation at this late time of the year had been made regarding the problem, the Senator from Virginia felt that the committee ought not to approve the joint resolution; so, as far as I know, the committee has not done so.

Mr. McGILL. I will say to the Senator from Tennessee that personally I have not discussed this measure with the Senator from Virginia [Mr. GLASS]. I understand, however, that during the afternoon it has been discussed with him here.

Mr. McKELLAR. Yes; it has been.

Mr. McGILL. The Senator has had this letter presented to him, I think, by the Senator from Oklahoma [Mr. THOMAS]; and while I am not authorized to say what the Senator from Virginia would do, I do not believe he would object to the consideration of the joint resolution.

Mr. McKELLAR. Mr. President, in view of the conversation I had with the Senator from Virginia, I think I shall have to take up the matter with him. I hope the Senator from Kansas will continue his explanation, and let me confer with the Senator from Virginia.

Mr. McGILL. I wish the Senator from Tennessee would do so.

Mr. President, this letter goes on to show that there are urgent requests for aid from the Department of Entomology at the present time from the States of Kansas, Missouri, Oklahoma, Illinois, and Montana.

Mr. President, I, personally, have had some experience which gives me a little knowledge with reference to the destruction of crops caused by the ravages of grasshoppers when they come in large numbers in the agricultural territories of the West, the Middle West, and the Northwest.

I have today received a telegram from the State entomologist of the State of Kansas, in which he advises me that the grasshoppers are seriously injuring the crops in the State of Kansas at the present time. We feel that a condition is developing which, unless it is checked, will mean the destruction of valuable crops of the farmers not only of Kansas, but of some 23 States which have been investigated, and from which reports have been received, excerpts from which I have read, as contained in the letter to which I have just referred.

Mr. President, as I understand, it has been the custom in years gone by for the Congress to make appropriations to deal with situations such as this one, but the last appropriation made for this purpose was in 1934, and the money was used that year and part of the year 1935.

No funds are available to the Division of Entomology of the Department of Agriculture to deal with the situation at this time. My judgment, formed from letters I have received and telegrams which have come to me from people in my State, and from the information provided in the letter of the Director of the Bureau, is that unless this appropriation is made by the Congress at this time it will mean the destruction of valuable crops throughout a great area in this country.

Mr. President, I have made this brief explanation before submitting any request of the Senate in order that the importance of the measure might be clearly understood. The joint resolution involves an appropriation of only $250,000. It was passed by the House of Representatives, as I stated, last evening, after a brief discussion, without any objection.

I ask unanimous consent that the Committee on Appropriations be discharged from further consideration of House Joint Resolution 642, and that the Senate proceed to the immediate consideration of the joint resolution.

Mr. McNARY. Mr. President, I have long realized the destructive force of grasshoppers when moving in myriads. As chairman of the Committee on Agriculture and Forestry of the Senate for many years I became familiar with this subject. We made appropriations to control and destroy the pest, which kills crops and is destructive of gardens through the great intermountain country.

This matter comes before us today in a very peculiar way, inasmuch as it has not been handled by the Committee on Appropriations. The procedure is different from what has usually been followed. The bill comes from the House, and instead of going to the committee, it has gone to the desk, and is called up without any action of the Committee on Appropriations.

I shall not object to the proposed legislation, but I desire to call attention to the fact that this is an unusual procedure. I do not expect nor do I propose to sit idly by

and permit various bills to be taken off the calendar if we are to finish the session this afternoon or tonight. There are exceptional cases, and I am willing to treat this as an unusual situation in order to meet the emergency so far as I am concerned.

I desire to make it clear that I shall not permit general legislation in the way of taking orders off the calendar which have not been considered, which have no place here with the unfinished business, and which must be taken up by unanimous consent. But in view of the peculiar situation in this case I am willing to waive the rule and content myself with making this statement.

Mr. McKELLAR. Mr. President, as I told the Senator from Kansas I would do, I called the Senator from Virginia [Mr. GLASS], the chairman of the Committee on Appropriations, and he takes the position that inasmuch as this matter has not been considered by the Committee on Appropriations of the House of Representatives, and has not been considered by the Committee on Appropriations of the Senate, and cannot be considered, he feels that an objection ought to be made, and for the present I make objection.

Mr. McGILL. Mr. President, will the Senator withhold his objection a moment?

Mr. McKELLAR. Certainly.

Mr. NORRIS. Mr. President, I should like to say to the Senator that while what he says is true, my understanding was that the chairman of the Committee on Appropriations who has been consulted about this matter, would not object to it.

Mr. McKELLAR. No; he asked that objection be made.

Mr. NORRIS. As a matter of fact, assuming that we are to adjourn today—and I presume that is a fact—an objection would absolutely kill the joint resolution.

Mr. McKELLAR. That is true. Has the Senator any information from Nebraska as to the ravages of the grasshoppers?

Mr. NORRIS. Oh, no; I am getting my information from the Department of Agriculture. There are indications that some of the money might be needed in Kansas, Nebraska, California, Colorado, Illinois, Iowa, North Dakota, South Dakota, Oklahoma, Michigan, Montana, New Mexico, Wisconsin, Utah, Oregon, and Wyoming.

It is not at all probable that all of those States will be affected, but the Department of Agriculture has a rather correct idea of where this pest is likely to occur, from a knowledge of the eggs which were laid last fall, about which they have information.

I believe there are two counties in Nebraska, three in Oklahoma, and possibly counties in other States where the eggs are hatching out now, and unless something is done in those places great damage will occur. In fact, if the Senator has an idea of what a grasshopper pest means, he knows that it involves the absolute destruction of every growing thing that is on the ground.

Mr. McKELLAR. What time of the year do they usually come?

Mr. NORRIS. It depends on circumstances. I suppose in Oklahoma they are probably pretty well hatched out now. They move north gradually. It will be some time before they get to North Dakota. The eggs are laid in the fall. The danger is that in some of these localities—I do not think in all of them, but in perhaps quite a number of localities—there will be counties and parts of counties where the destruction will mean an absolute loss to the farmers of their crops.

Unless objection is withheld and we pass this legislation today, the probability is that no relief whatever can come to those localities. I appeal to the Senator not to make an objection.

Mr. McKELLAR. Mr. President, I ask the Senator from Kansas to withhold the request for the present, and let me look into it further. I hope it will be that I can withdraw the objection.

Mr. MURPHY. Mr. President, I will say to the Senator that I am deeply interested in this appropriation being made. I spoke about the matter to the Senator from Virginia [Mr. GLASS], as chairman of the Committee on Appropriations, this morning, and he said he would counsel with a number of the members of the committee, and I think it is a courtesy due the Senator from Virginia to give him an opportunity to be heard before we take any action.

Mr. McKELLAR. That is why I have asked the Senator from Kansas to withhold the request for the present.

Mr. CLARK. Mr. President, I join in the request that the Senator from Kansas withdraw the motion for the present.

Mr. McGILL. Mr. President, the course suggested by the Senator from Iowa and the Senator from Missouri and others is entirely agreeable to me, and I will renew the request at a later period in the session today. I wish to make a brief statement, however, before yielding the floor.

From information I have received recently I gather that the situation existing in the Middle West at the present time is not an ordinary condition. It is unusual, but is such as has occurred in times gone by in the history of that section when these insects have destroyed practically everything which grew throughout that section of the country. It is time that the Congress enacted a measure of this kind to take care of the situation before further damage to crops occurs.

Mr. President, it was my understanding that the chairman of the Committee on Appropriations had discussed this measure with some Senators who are in favor of it. However, I am more than willing to yield in order that they may have a further opportunity to discuss it with him.

I ask that the letter which I have received from the Director of the Bureau of Entomology, Department of Agriculture, may be printed in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE,
Washington, D. C., June 20, 1936.

Hon. GEORGE McGILL,
United States Senate.

DEAR SENATOR: The following is submitted in response to your telephone request of today for immediate information on grasshopper infestations.

The Bureau of Entomology and Plant Quarantine has no funds to purchase and distribute bait materials for grasshopper control. The appropriation which authorized cooperation with the States for grasshopper control was only available for the fiscal years 1934 and 1935.

The following summary of grasshopper infestations has been prepared from information supplied by field agents of the Bureau, cooperating State entomologists, and similar sources:

Grasshoppers occur in outbreak numbers in some 23 States. The intensity of infestation varies in the different sections. In the more northern areas, eggs have just begun to hatch. The information now available indicates that the degree of infestation coincides in general with the areas where large numbers of eggs were deposited last fall.

Important outbreaks occur in the following States: Montana, Kansas, Nebraska, California, Colorado, Illinois, Iowa, North Dakota, South Dakota, Oklahoma, Michigan, Idaho, New Mexico, Oregon, Utah, Wisconsin, and Wyoming. Conditions as to infestation are perhaps more severe in Iowa, Nebraska, and Kansas. Urgent requests for aid have, however, been received from Missouri, Oklahoma, Illinois, and Montana.

In some 30 to 40 counties in Kansas grasshoppers are more abundant than have been seen for many years.

In about 20 counties of eastern Nebraska the infestation is moderate to heavy and in about 10 counties in the western half of the State similar conditions occur. Small scattered infestations are also appearing in other counties.

Over 60 cars of bait have already been used in Iowa. Part of this is the unused portion of bait secured under previous Federal appropriations. The unused portion of Federal bait in Iowa has been augmented by transfer of some which had previously been allotted to Minnesota.

An unexpected development occurred in Illinois where a heavy infestation exists on a tract of 5,000 to 8,000 acres.

The infestation in Oklahoma is in the northern section of the State and includes Noble, Kay, and Garfield Counties. Reports of damage have also been received from Grant and Pawnee Counties.

In the more southern areas where outbreaks occur the grasshoppers hatched early and have spread into the fields. In these sections they are now about half grown and cover more area. Therefore, in these sections more bait will be required to protect the crops than if the work had been carried on earlier in the season.

Yours very truly,

S. A. ROHWER,
Acting Chief of Bureau.

DEPENDENTS OF JAMES B. KILEY

Mr. COPELAND. Mr. President, I apologize to the Senator for requesting the consideration of two bills out of order, but I have been in a conference all day and I must return to it. I ask unanimous consent for the present consideration of House bill 9191, which has passed the House and has been unanimously, favorably reported by the Committee on Claims.

There being no objection, the bill (H. R. 9191) for the relief of the dependents of James B. Kiley was considered, ordered to a third reading, read the third time, and passed.

PRELIMINARY EXAMINATION OF INTRACOASTAL WATERWAY IN FLORIDA

Mr. COPELAND. Mr. President, I ask for immediate consideration of House bill 12458. Somewhere there is a Senate bill which corresponds to it, which has been lost.

The PRESIDENT pro tempore. The Chair lays before the Senate House bill 12458.

The bill (H. R. 12458) authorizing a preliminary examination of the intracoastal waterway throughout Broward County, Fla., was read twice by its title.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

INVESTIGATION OF OCEAN TRADE ROUTES

Mr. BARKLEY. Mr. President, I ask unanimous consent for the immediate consideration of Senate Resolution 307.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 307) providing for an investigation of the ocean trade routes between the United States and South America, submitted by Mr. BARKLEY on May 26, 1936, which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with amendments, on page 1, line 5, after the word "America" to insert "and between ports of the United States and South Africa"; and on page 2, line 19, after the word "exceed" to strike out "$20,000" and insert in lieu thereof "$5,000", so as to make the resolution read:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete investigation of the ocean trade routes between ports of the United States and South America, and between ports of the United States and South Africa, and to investigate the service now maintained on such routes, the contracts, transactions, and obligations between the United States of America and any steamship line and its trustees, the operation of all American-flag services on such routes, the necessity or advisability of the construction of additional combination cargo and passenger ships for such routes, and what obligations, legal or moral, exist on the part of the United States toward security holders of any steamship line or other operators on account of existing ocean-mail contract or contracts or other transactions heretofore had between the United States of America and any such line; and shall investigate and report upon the recommendations contained in the report of the Secretary of Commerce transmitted to the President of the Senate by the Acting Secretary of Commerce on February 10, 1936.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the session and recesses of the Senate in the Seventy-fourth and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures within the limits of this resolution as it deems advisable. The cost of stenographic services in reporting such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, which sum is hereby appropriated, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The committee shall report to the Senate as soon as practicable the results of its investigation, together with its recommendations, if any, for necessary legislation.

The amendments were agreed to.

The resolution as amended was agreed to.

Mr. BARKLEY. I ask unanimous consent that the committee provided for in Senate Resolution 307, just adopted, may be appointed by the Vice President during the recess of the Senate if the appointment cannot be made prior to final adjournment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

HERALD PUBLISHING CO.

Mr. BYRNES. Mr. President, I ask for the present consideration of Calendar No. 2574, being House bill 3777, for the relief of the Herald Publishing Co.

There being no objection, the bill (H. R. 3777) for the relief of the Herald Publishing Co., was considered, ordered to a third reading, read the third time, and passed.

REVENUE TRANSFER STAMPS

Mr. WALSH. Mr. President, I ask for the immediate consideration of Calendar No. 2565, being House bill 12324, to amend section 723 (a) of the Revenue Act of 1932, as amended. The purpose of the bill is to amend section 723 (a) of the Revenue Act of 1932, as amended, so as to relieve incorporated stock brokerage firms from a discrimination with respect to stamp taxes on deliveries and transfers of corporate stock through them which results from a ruling of counsel for the Bureau of Internal Revenue published in the Bulletin of March 9, 1936.

These stamps are sold by the Internal Revenue Bureau at one price to incorporated brokers and at another price to unincorporated brokers. The purpose of the bill is to relieve that discrimination.

Mr. McKELLAR. Has the Finance Committee passed upon the bill?

Mr. WALSH. Yes; it has been favorably reported by the Finance Committee.

Mr. McNARY. It has been considered by the Finance Committee?

Mr. WALSH. Yes; I have on my desk a poll of the committee practically unanimously approving the bill. It is a very minor bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

DEPORTATION OF ALIEN CRIMINALS

Mr. ROBINSON. Mr. President, there are on the calendar two bills, Senate bill 2969 and House bill 8163, having relation to the deportation of criminals and other subjects. The Senate bill was considered for several days by the Senate and no final action was taken. It does not appear that the measure can be disposed of at this time.

I ask leave to have printed in the RECORD as a part of my remarks a letter addressed to me by the Commissioner of Immigration, together with certain other statements and memoranda regarding the matter.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

UNITED STATES DEPARTMENT OF LABOR,
IMMIGRATION AND NATURALIZATION SERVICE,
Washington, June 18, 1936.

Hon. JOSEPH T. ROBINSON,
United States Senate, Washington, D. C.

MY DEAR SENATOR ROBINSON: May I set before you the situation which will result if there is adverse action or if there is no action before the adjournment of Congress on the Kerr-Coolidge bill (S. 2969, H. R. 8163) which has been approved by the President, the Secretary of State, the Attorney General, and the Secretary of Labor.

(1) More than 3,000 aliens of good character will be separated from their families and deported.

They will leave behind more than 7,000 members of their immediate families, including more than 5,000 American-citizen wives and children who will for the most part become public charges.

(2) Every month's delay in strengthening the present law means that more than 500 alien criminals and illegal entries escape deportation.

At least 15,000 criminals and illegal entries have escaped during more than 2 years the passage of this legislation has been delayed. If there is no action in the present Congress this number will probably have reached 20,000 or more before legislation can be introduced and enacted in the next session.

If, however, corrective legislation is enacted at this session we will be able to avoid a mass deportation which will be an outrage to our civilization and a scandal and disgrace to America in the eyes of the world. We will also be able to deport more than three times as many alien criminals as can be deported under the present law.

Very sincerely yours,

D. W. MACCORMACK,
Commissioner.

PARTIAL LIST OF ORGANIZATIONS ENDORSING THE KERR-COOLIDGE BILL

American Bar Association.
American Citizenship League, Pittsburgh, Pa.
American Federation of Labor.
American Friends Committee.
Association of the Bar of the City of New York.
Board of Social Service of the Episcopal Diocese of Newark, N. J.
Committee of Fifty for Social Action in the Passaic (N. J.) Valley.
Department of Social Service of the Episcopal Diocese of Albany, N. Y.
Federal Council of the Churches of Christ in America.
Federation of Hungarian Churches and Societies of Los Angeles, Calif.
Foreign Language Information Service.
Immigrants Protective League.
Indiana State Senate.
International Association of Chiefs of Police.
International Association of Catholic Alumnae.
International Institute, Young Women's Christian Association.
International Migration Service.
National Council of Jewish Women.
National Catholic Welfare Conference.
National Crime Commission.
National Institute of Immigrant Welfare.
National League for American Citizenship.
Northwest International Anti-Crime Conference (Washington, Oregon, California, Idaho, and Montana).
Norwegian-American Civic Committee.
Oregon League of Women Voters.
Polish Association of America.
Second Baptist and First Methodist Churches of Edmeston, N. Y.
Southeastern Michigan Association of Chiefs of Police.
Southeastern Missouri Council of Churches.
State of Illinois Committee on Citizenship and Naturalization.
Toledo Federation of Women's Clubs.
Travelers Aid Society.
United German Societies of Greater New York.
Washington, Iowa, City Ministerial Association.
Young Women's Christian Association, National Board.

The National Catholic Welfare Conference, representing the Catholic bishops and clergy of the United States, has endorsed the bill and more than 2,200 of the leading protestant bishops and clergy of the country have likewise given it their approval.

RESOLUTIONS OF NATIONAL ORGANIZATIONS SPECIFICALLY ENDORSING THE KERR-COOLIDGE BILL

American Bar Association.
The International Association of Chiefs of Police.

AMERICAN BAR ASSOCIATION

At a meeting of the executive committee of the American Bar Association, held at Washington, D. C., on May 6–9, 1935, upon motion, duly carried, the following resolution was adopted with the understanding that the bill was to be amended so as to provide for an interdepartmental committee, or board, composed of representatives of the Departments of State, Justice, and Labor, to pass upon cases involving extraordinary hardships:

"*Resolved*, That the executive committee of the American Bar Association favors the enactment into law of H. R. 6795, introduced in the Seventy-fourth Congress by Congressman KERR, of North Carolina, which is intended to increase the classes of undesirable aliens, particularly criminals, subject to deportation; to strengthen the Government's authority to effect deportations; and permit alleviation of certain extraordinary hardships such as separation of families or enforced termination of long-established residence in cases of aliens of good character."

Resolution adopted at the forty-second annual convention of the International Association of Chiefs of Police, Ambassador Hotel, Atlantic City, N. J., July 11, 1935

RESOLUTION REGARDING DEPORTATION OF ALIENS

Whereas the Immigration and Naturalization Service of the United States Department of Labor has been for the past 2 years engaged in an intensive study of the deportation laws and their enforcement; and

Whereas the results of this study reveal that it is imperative to give the Department of Labor powers that it now lacks, and badly needs, for the apprehension of aliens who have entered the country illegally; to make possible the deportation of many alien criminals who cannot be reached under existing laws; and to authorize the Secretary of Labor to exercise limited discretionary power in certain deportation cases, in which extreme hardship to individuals, often including American-born wives and children, is not justified or compensated by any corresponding public advantage; and

Whereas bill H. R. 8163, introduced by Congressman KERR and referred to the Committee on Immigration and Naturalization, provides for the foregoing recommendations and renders violators of State narcotic laws subject to deportation in the same manner as violators of Federal narcotic statutes; and further provides for the deportation of any alien who has been convicted in the United States within 5 years of the institution of deportation proceedings against him of a crime involving moral turpitude, even if the alien is not sentenced to imprisonment, as required under existing law, and if the deportation of the alien who has been convicted in the United States within 5 years of the institution of deportation proceedings against him of a crime involving moral turpitude, even if the alien is not sentenced to imprisonment, as required under existing law, and if the deportation of the alien who has been convicted in the United States within 5 years of the institution of deportation proceedings against him of the crime of possessing or carrying any concealed or dangerous weapon, if the deportation of such alien is in the public interest; and

Whereas the members of this association consider the above proposals necessary for the welfare and protection of the people of the United States: Now, therefore, be it

Resolved, The International Association of Chiefs of Police requests the Congress of the United States to enact the provisions of bill H. R. 8163, and that the secretary of the association send a copy of this resolution to the chairman of the Committee on Immigration and Naturalization.

RESOLUTIONS OF NATIONAL ORGANIZATIONS NOT MENTIONING THE KERR-COOLIDGE BILL BY NAME BUT URGING IMMEDIATE ACTION ON THE ALIEN PROBLEM

Chamber of Commerce resolution.
General Federation of Women's Clubs.
Executive Committee of the American Legion.

Resolution adopted at twenty-fourth annual meeting Chamber of Commerce of the United States, Washington, D. C., April 28–30, 1936

CRIME AND DEPORTATION

Definite action should be taken to free the country of alien criminals. There should be immediate extension of provisions of law for deportation to include all classes of criminal aliens convicted within 5 years of any crime involving moral turpitude, even if there was not sentence of imprisonment, aliens violating State narcotic laws, alien smugglers, and aliens convicted of possessing or carrying concealed or dangerous weapons.

On the other hand, there should be such amendment to existing law as to prevent deportation from being visited suddenly upon law-abiding aliens who have been resident in the United States for many years. There should be provision which would allow such aliens, upon a proper showing of their good character and useful lives, to remain. Any such provision, however, should contain such limitations that it may not be utilized upon behalf of any alien Communist, anarchist, criminal, or member of the immoral classes.

The General Federation of Women's Clubs, which includes more than 14,000 women's organizations throughout the country and has a membership of more than 2,000,000 at the annual council meeting on April 30, 1936, passed the following resolution:

"That the General Federation of Women's Clubs petition the Congress of the United States to pass legislation during the present session which shall strengthen the existing laws relating to the deportation of criminal aliens, making it mandatory that those aliens shall be deported who have been convicted of violating the narcotic laws, State or Federal statutes; of illegal smuggling of aliens into this country; or who shall have been convicted of crimes involving moral turpitude, carrying with it a sentence of imprisonment of a year or more, as well as those known to be habitual criminals."

[Executive committee of the American Legion, meeting at Indianapolis, May 4, 1936]

RESOLUTION ON IMMIGRATION LEGISLATION

Whereas there are pending before Congress different measures dealing with the subject of immigration; and

Whereas numerous amendments have been proposed to the pending measures by Congressmen and Senators of divergent views; and

Whereas the matter of tightening our immigration restrictions and securing stricter and more efficacious enforcement of immigration law has been at a standstill through several sessions of Congress by reason of the widely divergent views of Congressmen and Senators and the diversion of strength among opposing groups; and

Whereas it appears certain the stalemate will continue and no beneficial immigration legislation will be obtained at this session of Congress if the American Legion continues to insist upon the passage of legislation embodying the full program endorsed at the St. Louis national convention; and

Whereas it appears that urgently needed restrictions and enforcement measures can be obtained if the American Legion yields in part and urges a compromise; and

Whereas the Americanism commission has reached the conclusions above recited, after hearing the subject discussed at length by E. J. Shaughnessy, Deputy Commissioner of Immigration and Naturalization, Department of Labor, the national commander and the national legislative director: Now, therefore, be it

Resolved, That the national Americanism commission recommends to the national executive committee that the legislative director of the American Legion be authorized and directed to endeavor to secure at this session of Congress the passage of an immigration act embodying so much of the program endorsed at the St. Louis convention as will not bar immediate passage and which act, in his judgment, will effect a substantial betterment of existing law.

PARTIAL LIST OF NEWSPAPERS SUPPORTING KERR-COOLIDGE BILL

Albany (N. Y.) Knickerbocker Press.
Atlanta (Ga.) Constitution.
Atlanta (Ga.) Journal.
Bethlehem (Pa.) Globe-Times.
Birmingham (Ala.) News.
Birmingham (Ala.) Post.
Bisbee (Ariz.) Daily Review.
Boston (Mass.) Globe.
Boston (Mass.) Herald.
Boston (Mass.) Post.
Brooklyn (N. Y.) Eagle.
Buffalo (N. Y.) Courier-Express.
Buffalo (N. Y.) Times.
Canton (Ohio) Repository.
Charlotte (N. C.) News.
Chicago (Ill.) Daily News.
Chicago (Ill.) Tribune.
Cleveland (Ohio) Press.
Davenport (Iowa) Times.
Dayton (Ohio) News.
Denver (Colo.) Rocky Mountain News.
Detroit (Mich.) News.
Duluth (Minn.) Herald.
El Paso (Tex.) Herald-Post.
El Paso (Tex.) Times.
Evansville (Ind.) Courier.
Fresno (Calif.) Bee.
Fort Worth (Tex.) Star-Telegram.
Galveston (Tex.) News.
Grand Rapids (Mich.) Herald.
Greensboro (N. C.) News.
Gulfport (Miss.) Daily Herald.
Hamilton (Ohio) Journal-News.
Hartford (Conn.) Courant.
Helena (Mont.) Independent.
Houston (Tex.) Press.
Jackson (Miss.) Clarion Ledger.
Jacksonville (Fla.) Florida Times-Union.
Kansas City (Mo.) Star.
Kenosha (Wis.) News.
Little Rock (Ark.) Democrat.
Louisville (Ky.) Courier-Journal.
Lowell (Mass.) Sun.
Lynn (Mass.) Telegram-News.
McKeesport (Pa.) News.
Memphis (Tenn.) Commercial Appeal.
Miami (Fla.) News.
Miami (Fla.) Herald.
Minneapolis (Minn.) Star.
Minot (N. Dak.) News.
Modesto (Calif.) Bee.
Montgomery (Ala.) Advertiser.
Nashville (Tenn.) Banner.
New Haven (Conn.) Journal-Courier.
New York (N. Y.) Herald Tribune.
New York (N. Y.) Times.
New York (N. Y.) World Telegram.
Niagara Falls (N. Y.) Gazette.
Olympia (Wash.) Olympian.
Pawtucket (R. I.) Times.
Paterson (N. J.) Call.
Pittsburgh (Pa.) Post-Gazette.
Pittsburgh (Pa.) Press.
Pontiac (Mich.) Press.
Port Huron (Mich.) Times-Herald.
Providence (R. I.) Evening Bulletin.
Racine (Wis.) Journal-Times.
Raleigh (N. C.) News and Observer.
Rochester (N. Y.) Democrat and Chronicle.
Saginaw (Mich.) News.
St. Louis (Mo.) Post-Dispatch.
St. Paul (Minn.) Dispatch.
St. Paul (Minn.) Pioneer Press.
Salt Lake City (Utah) Deseret News.
San Diego (Calif.) Evening Tribune.
San Francisco (Calif.) Chronicle.
San Francisco (Calif.) News.
Scranton (Pa.) Times.
Seattle (Wash.) Times.
Springfield (Ohio) News-Sun.
Savannah (Ga.) News.
Syracuse (N. Y.) Herald.
Syracuse (N. Y.) Post-Standard.
Tacoma (Wash.) Ledger.
Toledo (Ohio) Blade.
Troy (N. Y.) Times-Record.
Tulsa (Okla.) World.
Utica (N. Y.) Press.
Washington (D. C.) Daily News.
Washington (D. C.) Post.
Waterbury (Conn.) Democrat.
Wheeling (W. Va.) Intelligencer.
Wilkes-Barre (Pa.) Record.
Youngstown (Ohio) Telegram.
Youngstown (Ohio) Vindicator.

REVIEW OF LEGISLATION ENACTED DURING PRESENT ADMINISTRATION

Mr. ROBINSON. Mr. President, I also ask leave to have printed in the RECORD a comprehensive statement and review of the legislation enacted during the present administration, the statement to be printed in the RECORD within the time limit prescribed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CORA AKINS

Mr. GEORGE. Mr. President, I ask unanimous consent for the present consideration of calendar no. 2580, being House bill 2335, a special relief bill involving a very small amount. It is for the relief of Cora Akins. The bill came over from the House, and has been favorably reported by the Committee on Claims.

Mr. McNARY. Mr. President, it is not a pleasant duty for me to object to the consideration of a bill at this time, but I must do so. If we are going through the calendar let us go through the calendar in order that every Senator may have an equal opportunity and advantage. I am willing, as I stated a little while ago, to take up bills that are highly emergent in character, but if we start in with one relief bill we will soon have 30 or 40 or 50 being considered. I do not know where the end will be.

I suggest to the Senator from Arkansas that if he desires to have the calendar gone through that is one thing; but if we are going to take up one item after another in one order and exclude others, that is a different proposition. For myself, I shall object to going through the calendar piece by piece and bill by bill without any idea of the logic involved or the merits of the various propositions.

I think it was rather understood, according to the RECORD last evening, that when we agreed to the two conference reports there would be a very great effort made to get through with the work of the Senate today.

Mr. ROBINSON. Mr. President, to proceed to the consideration of the calendar would displace the unfinished business. I do not desire that that be done, and I do not believe the Senate would desire it to be done.

Mr. McNARY. Mr. President, let me ask the Senator from Georgia a question. The bill was called up on the calendar a few days ago and doubtless there were objections or the bill would have passed.

Mr. GEORGE. Mr. President, if there be nothing else done by unanimous consent it is quite agreeable to me. However, we have been passing bills all afternoon. I withdraw my request and enter now a statement that I shall object to anything else by unanimous consent.

Mr. McNARY. I wish to be eminently fair to the Senator from Georgia. If the bill is a new claim and presents an emergency situation I should be very glad to have the Senator so declare himself.

Mr. GEORGE. This is an emergency bill. It involves a very small amount of money. If it had to be passed again through both Houses of Congress it would delay the matter more than a year.

Mr. McNARY. Was objection made to it at the last call of the calendar?

Mr. GEORGE. No. It was not at that time on the calendar for the reason that I did not have the time, being on the conference committee, to get it before the committee and secure action. It is a House bill. It is not a Senate bill.

Mr. McNARY. Mr. President, in view of the statement of the Senator from Georgia, I shall withdraw my objection to this one bill.

Mr. GEORGE. I thank the Senator.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the following Senate bill and joint resolution:

S. 4634. An act to provide for the selection of certain lands in the State of California for the use of the California State park system; and

S. J. Res. 115. Joint resolution designating the last Sunday in September as "Gold Star Mother's Day", and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7736) to provide for the establishment of the Whitman National Monument.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2953) to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 8368) to enforce the twenty-first amendment.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 11217. An act to amend section 76 of the Judicial Code, as amended, with respect to the terms of the Federal district court held at Tallahassee, Fla;

H. R. 12410. An act to amend section 8 of the act entitled "An act to establish a National Archives of the United States Government, and for other purposes", approved June 19, 1934;

H. R. 12764. An act to create a Division of Stream Pollution Control in the Bureau of the Public Health Service, and for other purposes; and

H. R. 12876. An act to waive any exclusive jurisdiction over premises of resettlement or rural-rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes.

The message also announced that the House had passed the joint resolution (S. J. Res. 177) to define the term of certain contracts with Indian tribes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 63), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Saturday, the 20th day of June 1936, and that when they do adjourn on said day they stand adjourned sine die.

The message also announced that the House had agreed to a resolution (H. Res. 558), as follows:

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses have completed the business of the present session and are ready to adjourn unless the President has some other communication to make to them.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes, and it was signed by the Vice President.

REGULATION OF INTERSTATE COMMERCE IN BITUMINOUS COAL

The Senate resumed the consideration of the bill (H. R. 12800) to regulate interstate commerce in bituminous coal, and for other purposes.

Mr. VANDENBERG. Mr. President, I wish to address myself very briefly to the pending bill, the so-called Guffey coal bill.

Mr. ROBINSON. Mr. President, the Senator understands that the bill is now the unfinished business of the Senate?

Mr. VANDENBERG. Yes; and I am speaking to the unfinished business.

When the very distinguished senior Senator from West Virginia [Mr. NEELY] addressed the Senate upon this subject last night—or perhaps it was early this morning—he undertook to indicate that he has a complete monopoly of virtue, the humanities, common sense, and decency on his side of the argument; in fact, in connection with his contribution to the filibuster against his own bill he suggested that those who disagree with him upon this subject are "warts on the ship of human progress." That is a rather curious figure of speech and scarcely pursues the chaste and elegant language which the Senate ordinarily hears from the eloquent Senator from West Virginia. I find that in the RECORD, however, we are simply "warts on the body politic."

Mr. President, if this analogy is to be pursued in any degree, I should prefer to pursue it impersonally, because I would not want to be so discourteous to the Senator from West Virginia as he has been to those who happen to disagree with him on this particular issue. But I should be perfectly willing, nonetheless, to pursue the analogy, and I could say, by analogy, that when the American Government embarks upon governmental price fixing, that any such price fixing is a carbuncle on the neck of disaster. [Laughter.]

Mr. President, the Senator from West Virginia seems to think that anybody who disagrees with him on the subject of coal price fixing has lost all sense of humanity and all perspective and proportion. I would not undertake to be dogmatic on a subject of this complex and perplexing nature, but I would assert, Mr. President, that there is just as much humanity in preserving America from the Fascist formula to which the Senator from West Virginia and the Senator from Pennsylvania invite us as there is in the passage of their measure. I would undertake to say that that section of the coal industry itself which believes that the pending measure aims a death blow at it is thinking in terms of the toiler and invested capital and employment and the chance of new employment quite as much as are those who agree with the Senator from West Virginia.

Furthermore, Mr. President, when we are contemplating a measure which it is estimated may add from $200,000,000 to $400,000,000 a year to the coal bill of the ultimate consumers of the United States, I think there is something to be said about the humanitarian element involved in the proposal to impose that burden upon the ultimate consumer. No; the Senator from West Virginia cannot monopolize all virtue and all sense and humane considerations in behalf of his side of this contemplation.

I believe historically it can be indisputably demonstrated that Government price fixing, either by the Government direct or by a Government commission of the nature here indicated, has always been a colossal failure, and that it always has chiefly injured the precise commodity to which it has been attached.

What happens, Mr. President, under such circumstances? Precisely the same thing happens that happened, for instance, in connection with the Stevenson rubber plan of 1922 to 1928. The situation as to rubber at that time was such that those in control of the British rubber felt precisely as the Senator from West Virginia and the Senator from Pennsylvania now feel. As a result, a world-wide cartel was formed, under which the price of rubber was fixed.

Mr. GUFFEY. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. VAN NUYS in the chair). Does the Senator from Michigan yield to the Senator from Pennsylvania?

Mr. VANDENBERG. Yes, I yield.

Mr. GUFFEY. I remind the Senator that under that plan, quantity and production were limited, while under the pending bill there is no proposal at all to limit the quantity of the output. The only thing we aim to do is to limit the minimum sales price based on cost of production.

Mr. VANDENBERG. Yes, Mr. President; I will point to the Senator the analogy which I am about to lay before the Senate, because it is as clear as day. What happened as a result of the operations of the Stevenson rubber plan? This

is what happened: The price of rubber, artificially fixed at a high point, induced the inventive genius of the rubber consumer to find a substitute product at a cheaper price. The great automobile industry of the United States, for example, which was the chief purchaser and consumer of rubber, immediately sought a synthetic substitute, immediately sought the recapture of old rubber, until as a result of these influences, it is interesting to note that the proportion of reclaimed rubber used relative to the volume of crude rubber increased from 25.3 percent in 1922 to about 50 percent in 1927, thus indicating that the consumers had an effective safeguard against unwarranted increase in prices.

The point I am submitting to the Senate is that the thing that happened in connection with the Stevenson rubber plan is, speaking generally, precisely the same thing that happened in connection with Brazilian valorization of coffee; precisely the same thing that happened with respect to the fixing of prices on Chilean nitrate; precisely the same thing that happened in respect to the valorization of silk in Japan; precisely the same thing that happened in respect to government-priced wheat in France. The thing that always happens under such circumstances when the law of supply and demand is deserted in respect to the price is to throw the commodity to the hazard of competition, which will destroy it if the artificial price is too high.

Mr. President, in the present instance nothing is to be done by way of controlling the price of any competitive fuel; nothing is to be done in respect to oil; nothing is to be done in respect to anthracite coal. I have no doubt that those who know the business, which I very frankly confess I do not, and who insist that this sort of a price-fixing scheme is calculated rather to jeopardize the industry and therefore its employees, than it is to help, at least have such a powerful historical background for their viewpoint that they are not entitled to the cavalier dismissal that we received last evening in the very questionable language used by the Senator from West Virginia.

Mr. President, what interests me is the science of government as it may be affected by a scheme of this character. I think we cannot sustain democracy as we know it when we sublet to anybody a direct and specific price-fixing authority.

I do not think that is democracy. I think that is the anteroom to a system which would be known in Europe as Fascism. If we proceed in respect to one commodity with a price-fixing formula, I think we are inevitably sure to find ourselves pushed down the road to a complete system of price fixing sooner or later, and when that has happened free enterprise is gone, competition is gone, and democracy is gone.

The very able Senator from Montana [Mr. WHEELER] delivered a radio address Friday night, June 5. I rather suspect that even the restless and unhappy Senator from West Virginia [Mr. NEELY], would acquit the Senator from Montana of being "a wart on the body politic." I think he would acquit the Senator from Montana of any lack of constructive and humane and humanitarian interest in the mass welfare of our citizenship. I wish to read a few things the able Senator from Montana [Mr. WHEELER] said in connection with his broadcast because they completely reflect my point of view and are stated better than I could hope to state them. I quote:

> Our American society has been based on competition, but the plain truth about it is that lately we have been rendering lip service to the competitive system, and in fact have been getting farther away from it all the time. Whether or not we are going to have the competitive system or are going to have price fixing—

I interrupt the quotation at this point long enough to say that there is no middle ground. We must take our choice between the competitive system and price fixing.

> Whether or not we are going to have the competitive system or are going to have price fixing not only by industry but by agriculture and labor and every other section of trade and industry is something the American people must choose while the choice is still left open to them.

I join the Senator from Montana in the assertion that America must choose, and this is one of the moments when America, speaking through its chosen representatives, must choose, must choose between the free competitive system and a system of price fixing which is the direct antithesis of free enterprise and democracy.

I continue the quotation from the distinguished Senator from Montana:

> Consider the implications of ultimate price fixing for trade and industry by either the Government or private groups. It radically changes our form of government.

I agree, Mr. President. The statement is literally and scrupulously correct. Price fixing for trade and industry by either the Government or private groups radically changes our form of government, and I for one am not ready to change radically our form of government, and I decline to be castigated for that opinion and that inability by the senior Senator from West Virginia.

I continue the reading——

Mr. MINTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Indiana?

Mr. VANDENBERG. I yield.

Mr. MINTON. If I correctly understood the Senator, he thinks price fixing would change our form of government.

Mr. VANDENBERG. Mr. President, if the Senator has followed me, he has heard me say that there must be an ultimate choice between price fixing and democracy, and I am quoting the senior Senator from Montana [Mr. WHEELER] as saying that whenever we go to a price-fixing basis for industry by either the Government or private groups, "it radically changes our form of government."

Mr. MINTON. I assume the Senator from Michigan agrees with that?

Mr. VANDENBERG. I do.

Mr. MINTON. We have been in the price-fixing business by the Government for some time, have we not?

Mr. VANDENBERG. To what does the Senator refer?

Mr. MINTON. I refer to rate making for utilities and railroads, for instance. We have been at it since back in the eighties. That is nothing in the world but price fixing.

Mr. VANDENBERG. If the Senator cannot distinguish between Government control of monopoly and price fixing granted to private industry in its own behalf, then I cannot hope to agree with him on my premise.

Mr. MINTON. Nor can I hope to agree with the Senator from Michigan. If monopoly is going to enjoy the special privileges about which the Senator is speaking, I see no reason why any industry, standing upon its own feet, with competition, may not have some kind of a system of price fixing that will prevent it from destroying itself.

Mr. VANDENBERG. I continue the quotation from the radio address of the Senator from Montana.

> The Government would be forced into a system of regimentation of industry that would not only be onerous to the people, but that might very well be inefficient. Certainly the greatest totalitarian, bureaucratic state the world has ever seen would be the result.

Mr. CONNALLY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Texas?

Mr. VANDENBERG. I yield.

Mr. CONNALLY. May I submit an inquiry to the Senator from Michigan? He is inveighing against price fixing. Does he also agree that price fixing by monopoly would be destructive of our governmental processes?

Mr. VANDENBERG. I certainly do and I will join the Senator from Texas to the utmost limit in stopping it.

Mr. CONNALLY. Does the Senator also agree that there are in America certain great monopolies which do in effect fix prices and control prices? If the Senator admits that, then let me ask which is preferable, price fixing under Government supervision, Government examination, and Government investigation, or price fixing by a lot of inordinately greedy corporations which simply fix prices to the point of all the traffic will bear?

Mr. VANDENBERG. As between the two, I prefer the former, but if I have a free choice I do not want either. At the moment I am declining one of them.

Mr. CONNALLY. The Senator is not declining the other?

Mr. VANDENBERG. Whenever the other is before me for consideration I shall decline that, too.

Mr. SCHWELLENBACH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Washington?

Mr. VANDENBERG. I yield to the Senator.

Mr. SCHWELLENBACH. Suppose the Senator were in the position of those engaged in the coal industry and those employed in the coal industry, and were not in a position to decline; then what would the Senator do?

Mr. VANDENBERG. I wish I could answer the Senator with a constructive formula for the coal business, because I concede it is in difficulty; but I frankly say to the Senator that I do not know what the answer is. I also say to the Senator, however, that if I saw a friend of mine driving his automobile toward a bad spot around a bend of the road, I should not feel called upon to build him a new road before telling him that he would break his neck if he kept on going. [Laughter.]

Mr. SCHWELLENBACH. Mr. President, will the Senator yield for one further question?

Mr. VANDENBERG. Certainly.

Mr. SCHWELLENBACH. I think the Senator recognizes the fact that the bituminous-coal industry needs assistance of some kind.

Mr. VANDENBERG. Yes.

Mr. SCHWELLENBACH. The only proposal which has been made on the subject is that which is before us. The Senator said a few minutes ago that he wished he could work out some other proposal. We know that the industry is headed directly and rapidly toward its own destruction, and this is the only proposal before us for assisting the industry. Does not the Senator feel, in a spirit of fairness toward those engaged in the industry, that they should have an opportunity to take advantage of this sole suggestion which has been made to protect them from their own destruction?

Mr. VANDENBERG. I am sorry that I do not, and I do not for the double reason, first, that I cannot escape the conclusion historically that price fixing never has been a success, and never has contributed to anything except ultimate disaster, and I must decline the invitation and opportunity, secondly, because I am unwilling to concede that a Government adventure in price fixing of this character, involving as it does the fundamental economic formula of the Nation, is a price we can afford to pay for a speculative adventure, speaking now from the viewpoint of the ultimate consumer, the American people as a whole, and our form and system of Government.

Mr. President, I wish to conclude the quotation from my able friend from Montana [Mr. WHEELER], who has entered the Chamber, because I am sorry to say I cannot very much longer engage in this enterprise. I am about to leave the city, which will be good news for my friend from West Virginia [Mr. NEELY].

The Senator from Montana suggested a plank for a political platform in the present situation in which we all find ourselves in this country. The suggested plank reads as follows:

> We believe that there is inherent in all price fixing an economic fallacy.

I agree to that 100 percent, no matter where the price-fixing authority resides.

> Prices if fixed are placed at levels so as to protect producers generally, irrespective of their efficiency.

That is a complete axiom, and nobody can get away from it.

> They are fixed at levels higher than would result from the free play of competitive forces under the law of supply and demand.

That sentence is unanswerable. I agree with it.

> In our judgment, therefore, price fixing cannot succeed because it creates and fosters the very things which tend toward depression and economic catastrophe.

I think that statement is unanswerable.

> It tends to destroy the ability of the masses to purchase goods, consume them, and return again to the market for more. It tends constantly to increase the lack of balance between producing power on the one hand and consuming and purchasing power on the other. It is this lack of balance which brought about the depression and which will bring about at an early date a greater catastrophe involving our fundamental conceptions of government if a remedy is not now supplied.

Again, I completely agree.

> That remedy, we believe—

I am quoting the Senator's suggestion for a plank in a platform dealing with this general problem—

> That remedy, we believe, is a return to price competition and a strict enforcement and strengthening of the antitrust laws. Price fixing in this country being largely accomplished at the present time through basing-point systems, we recommend the enactment of a statute which shall outlaw basing-point systems—

I am not sure that I agree with the Senator in that detail—

> together with such other amendments of the antitrust laws as shall safeguard competition and prevent price fixing and monopolies.

To which I unreservedly agree.

> Some tell me—

Still quoting the Senator—

> that the idea of having competition in industry is archaic.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. VANDENBERG. Yes.

Mr. WHEELER. Did I correctly understand the Senator to say that he did not agree with me upon the basing-point system?

Mr. VANDENBERG. I said I had to reserve my opinion upon that subject, because I have not had a chance to inquire into it.

Mr. WHEELER. If the Senator will pardon a further interruption——

Mr. VANDENBERG. Certainly.

Mr. WHEELER. Let me say to the Senator that when I made this speech I had in mind the basing-point system because it is one of the methods by which private industry at the present time fixes prices and gets around the provisions of the Sherman antitrust law. One of the most fundamental ways of preventing price fixing in industry today is to do what the Federal Trade Commission has said should be done; that is, to abolish the so-called multiple basing-point system. I do not see how any administration can bring about free competition in industry without doing away with and outlawing the multiple basing-point system.

If the Senator will pardon me just a moment further, let me call his attention to the fact that when the question was before the Interstate Commerce Committee we found that as a result of this system the steel and cement companies were absolutely fixing the price of steel and the price of cement down to the fourth decimal point when they bid upon Government contracts, notwithstanding the fact that the Government and the various governmental agencies of both State and Nation were furnishing practically all the work to the cement industry during this period of depression.

Mr. VANDENBERG. I thank the Senator for his observation. I have been more than happy to quote him in this particular connection because I know the very high regard which the Senate and the country have for his point of view; and I am particularly happy to quote him in his attitude against price fixing because I strongly suspect that not even the most ardent proponent of the pending bill would accuse the Senator from Montana of lacking heartfulness or humanity.

Mr. President, to conclude the very brief remarks I am submitting, let me sum up in this fashion:

It seems to me that the entire and complete world experience in respect to price fixing of a basic commodity points squarely to the ultimate suicide of that particular commodity before the experiment is concluded, due, first, to the

sales resistance engendered by an artificially high price; due, second, to the increased consumption of substitutes, which, of course, inevitably offsets any primary and theoretical advantage gained in the first instance. It seems to me this conclusion is sustained by the experience under the rubber pool in England, to which I have already referred; the nitrates pool in Chile; the coffee valorization in Brazil; the international tin pool, the international rubber agreement; the camphor agreement in Japan; the sisal agreement in Yucatan; the butter agreement in the Netherlands. The failure to which I have referred pursued price fixing on wheat in Hungary, rice in Japan, wheat in Czechoslovakia, currants in Greece. It pursued most of the World War price-fixing episodes. History is strewn with the wreckage of price-fixing adventures.

So much for the affirmative side of the aspect of capital and labor involved in the enterprise itself.

Meanwhile, fundamentally and primarily, I submit that the responsibility of Congress to its sense of democracy requires it to reject a plan which proposes to deliver to a fundamental commodity production control the fixing of the price that shall be taken from the ultimate consumer in the United States in the absence of free competition. I submit that the bill should not pass.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Lewis	Reynolds
Ashurst	Copeland	Lonergan	Robinson
Bachman	Davis	McAdoo	Russell
Bailey	Dieterich	McGill	Schwellenbach
Barkley	Duffy	McKellar	Sheppard
Benson	Frazier	McNary	Shipstead
Bilbo	George	Maloney	Steiwer
Black	Gerry	Metcalf	Thomas, Okla.
Bone	Gibson	Minton	Thomas, Utah
Borah	Glass	Moore	Truman
Brown	Guffey	Murphy	Tydings
Bulow	Hale	Murray	Vandenberg
Burke	Harrison	Neely	Van Nuys
Byrd	Hastings	Norris	Wagner
Byrnes	Hatch	Nye	Walsh
Capper	Hayden	O'Mahoney	Wheeler
Caraway	Holt	Pittman	
Carey	King	Pope	
Clark	La Follette	Radcliffe	

RESETTLEMENT PROJECTS

Mr. BLACK. Mr. President, there is on the desk a bill which has just come from the House. It is a bill to which I directed the attention of the Senate several days ago. At that time the Senator from Oregon [Mr. McNARY] desired that it not be taken up until he could look into it. Since that time the bill has been presented in the House and has been passed, and is now on the desk of the Vice President. I am sure it will not lead to any discussion, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Let the bill be stated by title.

The CHIEF CLERK. A bill (H. R. 12876) to waive any exclusive jurisdiction over premises of resettlement or rural rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes.

Mr. KING. Mr. President, may I inquire of the Senator from Alabama whether the bill calls for a direct appropriation to be made out of the Treasury of the United States, municipalities or States, in lieu of taxes which ought to be paid by the so-called Resettlement Administration or whether the Resettlement Administration shall pay the tax?

Mr. BLACK. The bill calls for no appropriation of any kind or type. It does two things. In the first place, unless this bill is enacted there will be certain property owned by the Resettlement Administration which is under the jurisdiction of the Federal Government. That, of course, should not be the case.

Mr. KING. That is very unfortunate.

Mr. BLACK. The bill specifically provides that the jurisdiction to any such property is thereby ceded back to the State or subdivision.

Mr. KING. For tax purposes or police power?

Mr. BLACK. For police power. It also is provided that upon an agreement between the Resettlement Administration and the taxing authority payment can be made in lieu of taxes. That is in line with the law as it exists now in connection with the Housing Administration under the P. W. A., and places the two units of housing on the same basis. It provides no appropriation of any kind or character, but simply recognizes the right to have the jurisdiction remain in the State or the city or the municipality or the territory for police purposes and likewise gives authority to make payments in lieu of taxes.

Mr. KING. Mr. President, I am not quite clear, and it is doubtless my fault, as to whether the Resettlement Administration out of the enormous appropriation which we have properly made to it is called upon to discharge these taxes or pay them.

Mr. BLACK. It is called upon to discharge the taxes if there is an agreement made. It does not impose the duty of paying the taxes, but provides that payment may be made in lieu of taxes. Such payment is to be made out of the appropriation heretofore provided for the Resettlement Administration. This bill, I may state, is offered at the suggestion of the authorities of the Resettlement Administration.

Mr. KING. I have no objection to the bill if it is very clear that the resettlement organization, a bureaucratic organization, which, in my opinion, has failed to function properly or to meet the requirements that were imposed upon it, shall meet these obligations. I think where it goes into States, condemns property, or purchases property and thus denudes the States of the right to collect taxes upon the property, real or personal, it ought, out of any appropriations made to it, pay to the State a fair tax, to be measured by the ad-valorem value based upon the property, real or personal, that is assessed within the States.

Mr. BLACK. I may say to the Senator that this organization seems to have identically the same idea that the Senator from Utah has. It is at their suggestion that the bill is offered to carry out the very purposes which the Senator believes to be justified. I desire to say to the Senator that, in my judgment, if he will make a very careful and close study of the Resettlement Administration he will find that he is in theory in agreement with this very excellent Government agency, not only in line with this particular part of the program but with the remainder of the program.

Mr. KING. Mr. President, I have given a considerable examination to the Resettlement Administration, and while I am always happy to agree with my friend, I do not agree with him that with respect to the Resettlement Administration I should be satisfied with its activities. Quite the reverse is true.

Mr. CAREY. Mr. President, I shall object to the bill until I have had an opportunity to read it.

Mr. BLACK. I shall be glad to let the Senator have the bill, together with the report. Is there any other question in connection with it that the Senator is in doubt about?

Mr. CAREY. I should like a few minutes to look at the bill.

Mr. BLACK. I should appreciate it if the Senator would examine it now.

Mr. CAREY. I will do so now.

The PRESIDING OFFICER. Objection is heard.

LOBBYING ACTIVITIES

Mr. BLACK. Mr. President, I ask unanimous consent to have printed in the RECORD a résumé of the contributions made by various groups to certain organizations in America, namely, the American Liberty League, American Federation of Utility Investors, American Taxpayers League, Crusaders, Economists National Committee on Monetary Policy, Farmers Independence Council, League for Industrial Rights, Minute Men and Women of Today, National Economy League, New York State Economic Council, Repeal Associates, Sentinels of the Republic, Southern Committee to Uphold the Constitution, and Women Investors in America, Inc.

It is, of course, not possible for the committee to place in the RECORD a statement of all contributions made by all individuals to these particular groups, but we have gathered from information which has come to the special committee

the contributions totaling a little more than a million dollars, more than 90 percent of which were contributed by the Du Pont family, Du Pont associates, Pitcairn family, J. P. Morgan associates, Mellon associates, Rockefeller associates, Hutton (E. F.) associates, Sun Oil associates, banks and brokers, utility companies and associates.

I ask unanimous consent that this statement may be inserted in the RECORD at this point, and I will state for the benefit of those who may be interested that I have on my desk the list of these consumers by names and amounts which the committee intends to publish as a part of its hearings, so that Senators who may be interested in this information may obtain it from the special committee.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

During the past 18 months, according to data on file with the Special Committee of the Senate Investigating Lobbying Activities, the sum of $1,084,604.62 was contributed to the following 14 organizations. This sum does not represent all of the contributions to the following-named organizations, but does reflect all contributions of which the Senate committee has record.

American Liberty League.
American Federation of Utility Investors.
American Taxpayers League.
Crusaders.
Economists National Committee on Monetary Policy.
Farmers Independence Council.
League for Industrial Rights.
Minute Men and Women of Today.
National Economy League.
New York State Economic Council.
Repeal Associates.
Sentinels of the Republic.
Southern Committee to Uphold the Constitution.
Women Investors in America, Inc.

A consolidation of the names of the contributors, and the amounts contributed, into groups which are controlled by other individuals, will show that a total of $924,974.84, or 90 percent of the total, was contributed by the following groups:

Du Pont family	$204,045.00
Du Pont associates	152,622.68
Pitcairn family	100,250.00
J. P. Morgan associates	68,226.00
Mellon associates	60,752.55
Rockefeller associates	49,852.56
Hutton (E. F.) associates	40,671.28
Sun Oil associates	37,260.00
Banks and brokers	184,224.83
Utility companies and associates	27,069.94
Total	924,974.84

REGULATION OF INTERSTATE COMMERCE IN BITUMINOUS COAL

The Senate resumed the consideration of the bill (H. R. 12800) to regulate the interstate commerce in bituminous coal, and for other purposes.

Mr. NEELY. Mr. President, after the Senator from Michigan [Mr. VANDENBERG] had spoken at great length, he suggested the absence of a quorum before surrendering the floor, and thereby made it impossible for anyone to reply to him until after the calling of the roll. Before the completion of the roll call he unceremoniously fled from the Chamber, and thus indicated that he at least understands the wisdom of the famous lines of doggerel:

He who fights and runs away,
May live to fight some other day.

[Laughter.]

He bitterly condemned governmental price fixing. If consistency were a jewel, the Senator from Michigan would be the gem of the ocean and the crown jewel of the world. [Laughter.]

I hold in my hand a price-fixing bill, a sugar-quota bill, which the great statesman, the recent Presidential candidate from Michigan [Mr. VANDENBERG] who did not receive a single vote in the Republican Convention, introduced in this body on the 3d day of April 1936. Michigan produces sugar. Michigan does not produce coal. This is my response to the breast-beating, arm-waving vociferous tirade of the Senator from Michigan against the price-fixing provisions of the Guffey coal bill.

Mr. SCHWELLENBACH subsequently said: Mr. President, I ask unanimous consent that at the conclusion of the last remarks submitted by the Senator from West Virginia [Mr. NEELY], the bill to which he referred in the course of his remarks, Senate bill 4423, may be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

A bill to protect domestic producers of sugar beets and sugar cane and to encourage the domestic production thereof by the regulation of foreign and interstate commerce in sugar; to provide for the fixing and revision of yearly quotas of sugar that may be imported into, transported to, or received in continental United States; to maintain a continuous and stable supply of sugar in continental United States for the benefit of both producers and consumers; and for other purposes

Be it enacted, etc., That (1) the term "sugar" means sugar in any form whatsoever, derived from sugar beets or sugar cane, whether raw sugar or direct-consumption sugar, including also edible molasses, sirups, and any mixture containing sugar, when used for the extraction of sugar (except blackstrap molasses and beet molasses).

(2) The term "raw sugar" means any sugar, as defined above, manufactured in or marketed in or brought into continental United States, in any form whatsoever, for the purpose of being, other than to be further refined.

(3) The term "direct-consumption sugar" means any sugar, as defined above, manufactured or marketed in or brought into continental United States, in any form whatsoever, for any purpose other than to be further refined.

(4) The term "raw value" means a standard unit of sugar testing 96 sugar degrees by the polariscope. All quotas provided for under the terms of this act shall be established in terms of "raw value" and for purposes of quotas all sugar shall be translated into terms of "raw value" according to regulations to be issued by the Secretary of Agriculture.

SEC. 2. On and after the effective date of this act, all processors, handlers of sugar, and other persons are prohibited from importing into, transporting to, or receiving in interstate or foreign commerce into continental United States sugar for consumption, or which shall be consumed, therein from the Territory of Hawaii, Puerto Rico, the Virgin Islands, the Philippine Islands, the Canal Zone, American Samoa, the Island of Guam, and from foreign countries, including Cuba, in excess of the respective yearly quotas established pursuant to the provisions of section 3 of this act, and no such sugar in excess of such respective yearly quotas shall be admitted to entry into continental United States.

SEC. 3. (a) The consumption requirements of sugar for continental United States for each calendar year, beginning with the year 1937 and for each succeeding calendar year, shall be determined by the Secretary of Agriculture by ascertaining the amount of sugar distributed for consumption in continental United States during the next preceding calendar year, which amount shall become the estimate of the consumption requirements for the then current year. The Secretary of Agriculture shall also make an estimate of the amount of sugar produced from sugar cane and sugar beets grown in continental United States and available for distribution for consumption during the current year, which estimate shall be determined on the basis as hereinafter in this section provided. From the estimate of consumption requirements determined as aforesaid and after deducting a reserve of 5 percent, the Secretary of Agriculture shall deduct his estimate of the amount of sugar produced from sugar cane and sugar beets grown in continental United States and available for distribution for consumption during the current year, which estimate shall be the higher of the following figures: (1) Actual production of sugar from sugar cane and sugar beets grown in continental United States during the next preceding calendar year, or (2) 135 percent of the total inventories of undistributed sugar on hand the 1st day of the month preceding, in the possession of sugar-cane and sugar-beet processors, produced from sugar cane or sugar beets grown in continental United States; the remaining balance of said consumption estimate to be the total quota for the current year for all sugar-producing areas other than continental United States and which said total quota shall be respectively allotted on the following basis: Territory of Hawaii, 20.36 percent; Puerto Rico, 17.33 percent; Virgin Islands, 0.12 percent; the Philippine Islands, 21.58 percent; Cuba, 40.06 percent; other foreign countries, 0.55 percent. All of which determinations, together with the total and specific quotas as hereinabove provided, shall be made and proclaimed by the Secretary of Agriculture on February 1 of each year.

(b) Similarly on September 1 and again on December 1 in each calendar year, beginning with the year 1936, the Secretary of Agriculture shall determine and proclaim the estimate of consumption requirements of sugar for continental United States for the then-current year, revising and adjusting his estimate previously made on February 1, in the same proportion that the consumption of sugar in continental United States for the previous 7 months or 10 months, respectively, bears to said consumption for the corresponding period in the next preceding year; and thereupon the Secretary of Agriculture, by the application of the same formula as set forth in subdivision (a) of this section (except that the Sept. 1 and Dec. 1 determinations of total quotas for all other producing areas other than continental United States shall be calculated from the basis of 98 percent and 100 percent, respectively, of the Secretary's then estimate of consumption requirements for the current year) shall on each of said days readjust and redetermine for the then-current year the total quota for sugar-producing areas other than continental United States, as well as

the specific quotas herein mentioned, and shall on said days make public announcement thereof. Said adjusted quotas, as so determined and proclaimed, from the time of their announcement by the Secretary of Agriculture, shall, until revised or adjusted as provided herein, be the quotas in effect hereunder and shall supersede any quotas theretofore determined or proclaimed as herein provided. In no case shall any producing areas import into, transport to, or receive in interstate or foreign commerce into continental United States during January of any year an amount of sugar greater than 25 percent of the quota of that area for the next preceding calendar year announced on the next preceding December 1 as hereinabove provided.

(c) If, during any calendar year, there is not available at any time for distribution for consumption sugar produced from sugar cane and sugar beets grown in continental United States as previously estimated by the Secretary of Agriculture, or if any producing area is unable to or does not fill its full quota of sugar as determined and fixed under the provisions of this act, the Secretary of Agriculture is authorized to revise or adjust the quotas of other producing areas hereunder so as to prorate such deficiency among such other producing areas on the basis of their respective quota percentages under section 3 (a) and their ability to supply the deficiency.

(d) In respect to the quotas hereinbefore set forth for the Territory of Hawaii, Puerto Rico, the Virgin Islands, the Philippine Islands, and Cuba, there may be included direct-consumption sugar to an amount not exceeding the following percentages of the sugar quotas determined under section 3 (a) for the respective areas, to wit: Territory of Hawaii, 3.14 percent; Puerto Rico, 15.72 percent; Virgin Islands, 0.0 percent; Philippine Islands, 8.03 percent; Cuba, 22 percent.

(e) Any sugar imported into continental United States, with respect to which a drawback of duty is allowed under the provisions of section 313 of the Tariff Act of 1930, shall not be charged against the quota determined and proclaimed, as provided hereunder, for the country for which such sugar was imported, but the regulations of the Secretary of Agriculture shall not permit the substitution of sugars refined in bond in any manner which would tend to increase the quota of any area not otherwise authorized under this act.

(f) All quotas of sugar fixed and determined under the provision of this act, and the announcement of same, shall be expressed in short tons, raw value.

(g) During the calendar year 1936 the quotas hereunder for all sugar-producing areas named in section 3 of this act shall be the quotas heretofore determined and announced on December 28, 1935, by the Secretary of Agricudture for the year 1936, acting under the provisions of the Agricultural Adjustment Act, as amended, which said quotas shall be revised or adjusted as herein provided on September 1 and December 1, 1936.

SEC. 4. The Secretary of Agriculture is authorized and directed to prescribe such orders and regulations and require the furnishing of such information and data as may be necessary for the enforcement of this act.

SEC. 5. Upon the determination by the Secretary of Agriculture of the various quotas as provided in section 3 of this act, the Secretary of Agriculture shall proclaim the quotas and, with the Secretary of the Treasury, shall prescribe such regulations as may be necessary for the effective limiting of the importation into, transportation to, or receiving in continental United States of sugar to the quotas determined by the Secretary of Agriculture as aforesaid.

SEC. 6. Any person willfully violating any of the provisions of this act, or any order or regulation of the Secretary of Agriculture and/or the Secretary of the Treasury issued under authority thereof, shall, upon conviction, be punished by a fine of not more than $5,000.

SEC. 7. Any person willfully importing into, transporting to, or receiving into continental United States sugar contrary to the provisions of section 3 hereof, and/or who shall willfully transport to, or receive in continental United States sugar imported into continental United States contrary to the provisions of sections 2 and 3 hereof, or who shall willfully violate any order, regulation, or determination of the Secretary of Agriculture and/or the Secretary of the Treasury promulgated or proclaimed under authority of this act, or any person knowingly participating or aiding in the violation of any of the provisions of this act, or of any of the orders, regulations, or determinations of the Secretary of Agriculture and/or the Secretary of the Treasury issued under authority of this act, shall forfeit to the United States a sum equal to three times the current market value of the amount of sugar illegally imported into, received in, or transported to continental United States, which forfeiture shall be recoverable in a civil suit brought in the name of the United States.

SEC. 8. The provisions of sections 6 and 7 shall not be deemed exclusive but shall be cumulative to the rights of forfeiture of illegally entered goods.

SEC. 9. The several district courts of the United States are hereby vested with jurisdiction specifically to enforce and to prevent and restrain any person from violating the provisions of this act, or any order or regulation of the Secretary of Agriculture and/or the Secretary of the Treasury issued pursuant thereto, in any proceeding now pending or hereafter brought in said courts.

SEC. 10. Upon the request of the Secretary of Agriculture, it shall be the duty of the several district attorneys of the United States in their respective districts, under the direction of the Attorney General, to institute proceedings to enforce the remedies and collect the forfeitures provided in or pursuant to this act.

SEC. 11. If any provision of this act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the validity of the remainder of this act and the applicability thereof to other persons or circumstances shall not be affected thereby.

SEC. 12. Public Law No. 213, Seventy-third Congress, known as the Jones-Costigan amendments to the Agricultural Adjustment Act, as approved May 9, 1934, and as amended August 24, 1935, and all acts and parts of acts in conflict with the provisions of this act, are hereby repealed. No tax, civil penalty, or interest which accrued under provision of law repealed by this act and which is uncollected on the date of the amendment of this act shall be collected; and all liens for taxes, civil penalties, or interest arising out of taxes under such provisions of law are canceled and released.

JAMES A. HENDERSON

Mr. RUSSELL. Mr. President, I ask unanimous consent for the immediate consideration of House bill 820, being Calendar No. 2581.

Mr. KING. Mr. President, let the bill be reported.

The PRESIDING OFFICER. The bill will be reported by title.

The CHIEF CLERK. A bill (H. R. 820) for the relief of James A. Henderson.

Mr. McNARY. Mr. President, that is just another claims bill.

Mr. RUSSELL. Mr. President, it is perhaps to the Senator from Oregon just another claims bill, but it is one that I regard as being so meritorious that I hope the Senator from Oregon will refrain from objecting. The case is a very meritorious one. The individual in question is sorely in need of relief in order to pay for medical services and hospital bills. The bill was passed by the House and was favorably reported by the Senate Committee on Claims.

Mr. McNARY. Has it been on the calendar?

Mr. RUSSELL. It has been on the calendar.

Mr. McNARY. Was it objected to at the last call of the calendar?

Mr. RUSSELL. It has not been called on the calendar. It was introduced a short time ago and passed the House on Wednesday of this week.

Mr. McNARY. What amount is involved?

Mr. RUSSELL. Five thousand dollars.

Mr. McNARY. What is the nature of the bill?

Mr. RUSSELL. The claim arose out of an automobile accident, I may say to the Senator from Oregon, that occurred on a Government road or trail through a forest, due to a caving in of the road.

I am not thoroughly familiar with all the details of the claim. They are set forth in the report of the committee, which contains a large number of affidavits as to the merit and justice of the claim.

Mr. McNARY. Earlier in the afternoon I stated there were many bills on the calendar. I asked the Senator from Arkansas [Mr. ROBINSON] if he desired to have a general call of the calendar, so that all Senators might have an opportunity to present various bills in which they might be interested. I stated also that I should object further to the consideration of bills of this character. I have no doubt of the merit of the bill. There are many which are worthy claims, but we cannot enter into general consideration of these bills at this hour. Repeating the statement previously made, I must object.

The PRESIDING OFFICER. Objection is heard.

THREE HUNDREDTH ANNIVERSARY OF SETTLEMENT OF HARTFORD, CONN.

Mr. SCHWELLENBACH obtained the floor.

Mr. LONERGAN. Mr. President, will the Senator from Washington yield to me?

Mr. SCHWELLENBACH. I yield.

Mr. LONERGAN. I ask unanimous consent for the present consideration of House bill 12831. It has passed the House and has been reported favorably by the Committee on Banking and Currency. It is a bill providing for the issuance of coins, 50-cent pieces, in commemoration of the celebration of the three hundredth anniversary of the settlement of Hartford, Conn.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and in lieu thereof to insert:

That in commemoration of the three hundredth anniversary of the founding of Hartford, Conn., there shall be struck at a mint of the United States to be designated by the Director of the Mint 25,000 commemorative medals of a special appropriate single design, size, weight, and composition to be fixed by the Director of the Mine with the approval of the Secretary of the Treasury.

SEC. 2. Such commemorative medals shall be delivered to the duly authorized chairman or secretary of the Hartford (Conn.) Tercentenary Commission, upon payment to the Director of the Mint of an amount to be fixed by the Director of the Mint not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such cost.

SEC. 3. Whoever shall falsely make, forge, or counterfeit, or cause or procure to be falsely made, forged, or counterfeited or shall aid in falsely making, forging, or counterfeiting any medal issued under the provisions of this act, or whoever shall sell or bring into the United States or any place subject to the jurisdiction thereof from any foreign place, or have in his possession any such false, forged, or counterfeited medal, shall be fined not more than $1,000 or imprisoned not more than 2 years, or both.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the founding of Hartford, Conn."

OFFICIAL SEAL OF NATIONAL ARCHIVES

Mr. BARKLEY. Mr. President, the House has passed and sent to the Senate a bill amending The National Archives Act so as to provide that the official seal, which The National Archives organization is required to have, shall be recognized and notice shall be taken of it in the courts of the country, and further authorizing the Archivist to furnish authenticated copies under certain circumstances of documents which are within his custody. I ask unanimous consent for the present consideration of the bill.

The bill (H. R. 12410) to amend section 8 of the act entitled "An act to establish a National Archives of the United States Government, and for other purposes", approved June 19, 1934, was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

IRVIN PENDLETON

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. SCHWELLENBACH. I yield.

Mr. BARKLEY. I ask unanimous consent for the present consideration of House bill 949, authorizing the Compensation Commission to consider the claim of Irvin Pendleton, an employee injured at Muscle Shoals, whose case does not come under the Compensation Act.

Mr. McNARY. If this is another claims bill, I must object.

The PRESIDENT pro tempore. The Senator from Oregon objects.

RESETTLEMENT PROJECTS

Mr. BLACK. Mr. President, will the Senator from Washington yield?

Mr. SCHWELLENBACH. I yield.

Mr. BLACK. I again ask unanimous consent for the present consideration of House bill 12876. The Senator from Wyoming [Mr. CAREY] has now examined the bill and has stated that he does not desire further to object to it. I should like to have it immediately considered.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill (H. R. 12876) to waive any exclusive jurisdiction over premises of resettlement or rural rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

REGULATION OF STEAM BOILERS, ETC., IN THE DISTRICT—CONFERENCE REPORT

Mr. KING submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2953) to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 1.

That the Senate recede from its disagreement to the amendments of the House numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12, and agree to the same.

WILLIAM H. KING,
ARTHUR CAPPER,
ROBT. R. REYNOLDS,
Managers on the part of the Senate.
VINCENT L. PALMISANO,
WRIGHT PATMAN,
EVERETT M. DIRKSEN,
Managers on the part of the House.

The report was agreed to.

On motion of Mr. BLACK, the bill (S. 4754) to waive any exclusive jurisdiction over premises of resettlement or rural rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes, was ordered to be indefinitely postponed.

INVESTIGATIONS BY COMMITTEE ON EDUCATION AND LABOR

Mr. BLACK. Mr. President, under Senate Resolution 266, passed some days ago, the Committee on Education and Labor, or any regularly authorized subcommittee, was given power to make certain investigations. By a resolution of the committee the chairman is authorized to appoint a subcommittee in order that the investigation may be conducted by a subcommittee. Before the resolution was adopted, the Senator from Massachusetts [Mr. WALSH], who was then chairman of the Committee on Education and Labor, conducted a preliminary investigation through a subcommittee. The subcommittee conducting the preliminary investigation was composed of the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Iowa [Mr. MURPHY], and the Senator from Utah [Mr. THOMAS].

Carrying out the desire of the Senator from Massachusetts, who was chairman at the time of the appointment of the subcommittee, and being happy to concur in his ideas, as chairman of the Committee on Education and Labor, I have appointed to carry on that investigation the same subcommittee, comprised of the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Iowa [Mr. MURPHY], and the Senator from Utah [Mr. THOMAS].

Mr. WALSH. Mr. President, had I remained as chairman of the committee I would have named the same Senators the Senator from Alabama has indicated. It is a very able subcommittee.

INVESTIGATION OF COTTON COOPERATIVES

Mr. McKELLAR. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Tennessee?

Mr. SCHWELLENBACH. I yield.

Mr. McKELLAR. Several days ago and once or twice since I have asked unanimous consent for the consideration of Senate Resolution 313, extending the life of a committee authorized by Senate Resolution 185 for the investigation of cotton cooperatives. I submit the same request at this time.

The PRESIDENT pro tempore. Is there objection?

Mr. CONNALLY. Mr. President, on behalf of my colleague the senior Senator from Texas [Mr. SHEPPARD], who is out of the Chamber at the moment, I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. McKELLAR. Mr. President, I ask that Senate Resolution 313 be printed in the RECORD at the conclusion of my remarks; also that immediately following it Senate Resolution 185, which it was proposed to extend, be printed in the RECORD.

I also desire to have printed in the RECORD the affidavit of C. E. Vincent, Government cotton grader and classer for the Department of Agriculture, in reference to the activities of the American Cotton Cooperative Association.

Mr. KING. Mr. President, does that include Mr. Creekmore?

Mr. McKELLAR. Unfortunately, it does not include Mr. Creekmore.

Mr. KING. Why does it not?

Mr. McKELLAR. It shows, however, that Mr. Creekmore is at the head of one of the biggest racketeering cotton organizations in the country. I desire to read an affidavit from the Commissioner of Agriculture——

Mr. LEWIS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Illinois will state it.

Mr. McKELLAR. Mr. President, I believe I have the floor.

The PRESIDENT pro tempore. The Senator from Illinois desires to propound a parliamentary inquiry, which will be stated.

Mr. LEWIS. I thought the Senator had concluded.

Mr. McKELLAR. No, sir; I have not.

Mr. LEWIS. When does the Senator expect to conclude?

Mr. KING. When he gets through. [Laughter.]

Mr. McKELLAR. In a few moments. It will take me only a few moments.

Mr. LEWIS. I thank the Senators from Utah and Tennessee for the information.

Mr. SCHWELLENBACH. Mr. President, I have been standing here for half an hour. I do not care to yield for a discussion.

Mr. McKELLAR. I hope the Senator will yield for just a few moments longer.

Mr. SCHWELLENBACH. Not for argument.

Mr. McKELLAR. I do not care to argue. I wish to read some facts into the RECORD at this time.

I desire to read an affidavit from the commissioner of agriculture of South Carolina, as follows:

STATE OF SOUTH CAROLINA,
County of Richland:

Personally appeared before me, J. Roy Jones, who being duly sworn, deposes and says that he is the commissioner of agriculture, commerce, and industries; that pursuant to a concurrent resolution of the General Assembly of the State of South Carolina, passed at the 1936 session, he is making an investigation as to the manner of handling cotton by the American Cotton Cooperative Association, for the Commodity Credit Corporation, pledged as collateral against loans made by the Government.

That investigations show that the American Cotton Cooperative Association reconcentrated from State warehouse no. 3083, 35 bales of cotton, pledged to the Commodity Credit Corporation by John R. Watson, county treasurer of Dillon, S. C., into the Palmetto Compress & Warehouse Co.; that the Palmetto Compress & Warehouse Co. drew samples of this cotton and forwarded same to the American Cotton Cooperative Association, who made a classification of same; that upon said classification, the American Cotton Cooperative Association tendered an offer to the said John R. Watson, for the said cotton; that said John R. Watson was not satisfied with the classification, having been offered a better price by local cotton buyers; that he, therefore, instructed the deponent to have the cotton resampled and graded by C. E. Vincent, classer for the Department of Agriculture, Commerce, and Industries of South Carolina, and who holds Federal license no. 173, for grading and stapling cotton; that Mr. Vincent proceeded to grade and classify the said cotton, and the result showed such a wide difference from the classification made by the said cotton that he was instructed to send samples to the board of supervisors and cotton examiners, in Memphis, Tenn., which practically verified the correctness of the classification and grades made by Mr. Vincent (a copy of said classification is hereto attached and made a part of this affidavit). That the difference in the classification made by Mr. Vincent, and verified by the Board of Supervisors and Cotton Examiners of Memphis, Tenn., and classification made by the American Cotton Cooperation would result in a difference in the price on the market of approximately $4 per bale.

That deponent has not had time to make a complete investigation of the handling of cotton for the Commodity Credit Corporation by the American Cotton Cooperative Association, but in every instance so far it will show that the American Cotton Cooperative Association had undergraded and stapled all of the producers' cotton that was pledged under the 12-cent-loan plan; that local buyers of cotton, by reason of the reconcentration and supervision of cotton pledged to the Commodity Credit Corporation by the American Cotton Cooperative Association, are unable without extraordinary expense and trouble to get samples of the said cotton and purchase same; that by reason of the underclassification and grading of said cotton, and method of handling same by the American Cotton Cooperative Association, farmers and producers are unable, as the deponent is informed and believes, to get anywhere near the real worth of the said cotton.

And that deponent is of the opinion that the manner of handling the said cotton, grading and classification of same by the American Cotton Cooperative Association was done knowingly and deliberately for the purposes of deceiving the owners and producers as to the correct grade and staple so that the agents of the American Cotton Cooperative Association might buy the said cotton at a price below the actual market value of the cotton.

That the exhibits hereto attached are incorporated in and made a part of this affidavit.

J. ROY JONES.

Sworn to before me this 13th day of June 1936.

[SEAL] CHOVINE SPROTT,
Notary Public for South Carolina.

STATE OF SOUTH CAROLINA,
County of Richland:

Personally appeared before me C. E. Vincent, who being duly sworn, deposes and says that he is cotton grader and classer for the Department of Agriculture, Commerce and Industries for the State of South Carolina, and holds a Federal license, No. 173, as cotton grader and classer.

That he has read the affidavit made by J. Roy Jones, dated the 13th day of June 1936, a copy of which is hereto attached, and that same is true and correct in every particular.

C. E. VINCENT.

Sworn to before me this 13th day of June 1936.

[SEAL] CHOVINE SPROTT,
Notary Public for South Carolina.

Mr. President, I ask that there may be printed in the RECORD at this point, as part of my remarks, Senate Resolution 185, Senate Resolution 313 as proposed to be amended, and a certificate showing the grade and staple as given by the Board and as given by Mr. Vincent, as proved by this affidavit of Mr. Jones, the head of the Bureau of Agriculture of South Carolina.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

Senate Resolution 185

Resolved, That the Committee on Appropriations, or any duly authorized subcommittee thereof, is authorized and directed to investigate the expenditures by the Federal Government for cotton cooperatives and their losses heretofore sustained. The committee shall report to the Senate, at the earliest practicable date, the result of its investigations, together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ clerical and other assistants, to require by subpena or otherwise the attendance of witnesses and the production of books, papers, and documents, to administer oaths, to take testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report hearings shall not be in excess of 25 cents per hundred words, and the expenses of the committee, which shall not exceed $1,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Senate Resolution 313, as proposed to be amended

Resolved, That the authority conferred by Senate Resolution 185, concerning expenditures by the Federal Government for cotton cooperatives, etc., agreed to August 24, 1935, be, and the same is hereby, extended and continued in force until the expiration of the Seventy-fifth Congress: *Provided further,* That said committee is authorized to investigate the action of the American Cotton Cooperative Association and the Commodity Credit Corporation in

the concentration and sale of cotton held for the account of cotton growers.

Receipt and tag number	Grade and staple by American Cotton Cooperative Association	Grade and staple by C. E. Vincent, Federal license 173	Grade and staple by board supervisors and examiners, Memphis	Difference in value of cotton as shown by American Cotton Cooperative Association and Bureau of Supervisors and Examiners [1]
52473	SLM 1 1/32	SLM+1 1/16	SLM 1 3/32	$2.00
52479	SLEW 1 1/16	SLM 1 5/32	SLM 1 1/8	1.25
52480	SLM 1	SLM+1 1/8	SLM+1 1/8	3.75
52481	SLEW 1 1/32	M 1 3/32	M 1 5/32	8.75
52482	SLEW 1 1/16	M 1 5/32	M 1 5/32	7.50
52483	SLM 1 1/32	SLM 1 3/32	SLM 1 3/32	2.00
52484	SLM 1	SLM+1 3/32	SLM+1 3/32	3.25
52485	SLEW 1 1/32	SLM+1 5/32	SLM+1 1/8	2.50
52486	SLEW 1	SLM 1 1/16	SLM 1 3/32	3.25
52487	SLM 3 1/32	SLM 1 1/8	SLM 1 1/8	4.50
52488	SLM 1 1/32	SLM 1 3/32	SLM 1 3/32	2.00
52489	SLEW 1 1/16	SLM 1 1/8	SLM 1 1/8	1.25
52490	SLM 1 1/16	SLM 1 1/16	SLM 1 1/16	
52491	SLEW 1 1/16	SLM 1 3/32	SLM 1 1/8	1.25
52492	LMEW 1	SLM 1 5/32	SLM 1 5/32	5.75
52493	SLEW 1 1/32	SLM 1 3/32	SLM 1 1/8	2.50
52494	SLM 1 3/32	SLM 1 1/8	SLM 1 1/8	.50
52495	SLM 1 1/16	M 1 5/32	M 1 5/32	7.50
52496	SLEW 1 1/8	M 1 3/16	M 1 3/16	10.00
52497	SLM 1 3/32	MSR 1 1/8	M 1 1/8	4.25
52498	SLEW 1 3/32	SLM+1 1/8	SLM 1 1/8	.50
52499	SLM 1 1/16	M 1 3/32	SLM+1 3/32	.75
52500	SLEW 1 1/8	M 1 1/8	M 1 1/8	3.75
52501	SLEW 1 1/8	M 1 1/8	M 1 1/8	3.75
52502	SLEW 1 3/32	M 1 5/32	M 1 5/32	6.75
52503	SLEW 1 3/32	M 1 1/8	M 1 5/32	6.75
52504	SLEW 1 3/32	M 1 3/32	M 1 3/32	3.75
52505	SLEW 1 1/16	M 1 3/32	M 1 3/32	4.50
52553	SLEW 1 3/32	M 1 3/16	M 1 3/16	10.50
52554	SLEW 1	SLM 1 1/16	SLM 1 3/32	3.25
52555	SLEW 1 3/32	M 1 3/16	M 1 3/16	10.50
52556	SLEW 1 1/32	SLM+ 1 1/16	SLM+ 1 3/32	2.00
52557	SLEW 1 1/32	SLEW 1 3/32	SLM+ 1 5/32	3.75
52558	SLM 1 1/32	SLM 1 1/8	SLM 1 1/8	2.50
52559	M 1 1/32	SLM+ 1 3/32	SLM 1 3/32	2.00
				[2] 138.75

[1] Difference in the value of the cotton is figured by using Government differential as of June 1, 1936.
[2] Or $3.96 per bale.

Mr. McKELLAR. Mr. President, if I may be permitted another word or two, I wish to say that these affidavits show that the organization known as the American Cotton Cooperative Association, masquerading as a cotton cooperative but really a cotton merchant using the funds of the Government of the United States, has dishonestly and corruptly classified and graded its cotton, on which the Government loaned 12 cents a pound, in such a way as to defraud and virtually to steal from the farmers themselves about $4 a bale—to be absolutely accurate, $3.96 a bale on this cotton.

I have made this statement for the purpose of letting it be shown in the RECORD just what the facts are. The investigation which was had in Memphis last fall showed beyond a peradventure of doubt that the American Cotton Cooperative Association, being nothing in the world in the nature of a cooperative association but simply and solely a cotton merchant backed by the Government, is actually deceiving and defrauding not only the Government but the cotton farmers to the extent of about $4 a bale as to this particular lot of cotton and throughout the country.

I desire to add to that statement that when the Department here were asked about the matter, they declined to furnish the report that was made by their own investigators, saying it was a confidential report of the A. C. C. A., or to the A. C. C. A. I wrote a letter about the matter to Mr. Sanders, the head of the Bureau, which I ask unanimous consent to have printed in the RECORD as a part of my remarks, together with his letter to me.

The PRESIDENT pro tempore. Without objection, the letters will be printed in the RECORD.

The letters are as follows:

FARM CREDIT ADMINISTRATION,
Washington, D. C., June 16, 1936.

Hon. KENNETH McKELLAR,
United States Senate.

DEAR SENATOR McKELLAR: I regret that absence from my office has prevented an earlier reply to your letter of May 29, with further reference to your request for copies of certain documents referred to in my letter of May 28. As stated in that letter, these documents were prepared at the request and for the information of the cooperative involved. In view of their confidential character we felt that they should not be made public without the consent of the associations themselves.

The whole purpose of the program of the Government for financing cooperative associations is to provide better marketing facilities for the agricultural products of their farmer members and better facilities for the purchase of farm supplies and farm business service. In order to accomplish this purpose we are obliged to review the operations of individual associations in order to determine whether the association is a good credit risk, whether it meets the requirements of eligibility, and whether it is rendering the best service possible to farmers in its particular field. This information cannot be obtained unless the associations have confidence in our representatives assigned to the task, and have some assurance that the information of a confidential character obtained regarding the business of the association will not be made public. This last condition is particularly necessary on account of the strong competition of private merchants, brokers, and commercial companies who would like to have the information for obvious reasons. Our primary responsibility, as we see it, is to protect the interests of farmers and of their cooperative organizations.

Therefore, if the farmer organizations in the South and elsewhere find that our efforts to help them will eventuate in having their private affairs become matters of public knowledge to be used for the benefit of their competitors, these organizations will hesitate to avail themselves of the service which we have been able to render in the past.

Since the receipt of your letter I have noted your statement to the Senate that you had received the information you desired from another source. I reget very much that you misunderstood the reason which prompted us to decline to make this information available.

Very truly yours,

S. D. SANDERS,
Cooperative Bank Commissioner.

JUNE 19, 1936.

Hon. S. D. SANDERS,
Farm Credit Administration,
Washington, D. C.

MY DEAR MR. SANDERS: Your letter of the 16th received and noted.

I think you entirely mistake the obligation and duties of your office. The Farm Credit Administration was not established for the private benefit of either yourself or your board or for such farm cooperatives as you favor. Your administration is a governmental function. You represent the people of the United States to the extent that the statute authorizes you to represent them. Your organization may be bigger and stronger than the Congress that created you, but I have my serious doubts about it, and when you write me, "these documents were prepared at the request and for the information of the cooperative involved", and state that they are confidential and cannot be disclosed to me as a legislator, I am sure that you mistake entirely the duties and powers of your office.

You further state, "In view of their confidential character (meaning the report asked for), we felt that they should not be made public without the consent of the associations themselves." In the first place, under the law you have no right to have confidential relations with a cooperative or with anyone else. It is your duty to administer the law as Congress passed it. Not only are these investigations of yours as to cooperatives not confidential, but I think you will find out a little later that none of your reports are confidential from the law-making body.

It is unfortunate that the session has just about come to a close, when it is too late for us to take effective steps about the matter.

Your next statement is that in order "to provide better marketing facilities for the agricultural products of their farmer members and better facilities for the purchase of farm supplies and farm business service * * * we are obliged to review the operations of individual associations in order to determine whether the association is a good credit risk, whether it meets the requirements of eligibility, and whether it is rendering the best service possible to farmers in its particular field."

In the first place, I find that you yourself, on May 28, contradicted the above-quoted statement by the following statement in your letter: "The documents to which you refer were prepared at the request and for the information of the associations themselves."

So when you now say that this report was sought and obtained because you were obliged to review the operations of individual associations, you were entirely mistaken either at one time or the other. Your relations, however, with these associations must be of a confidential nature, and you certainly must not have asked any of these cotton associations as to whether they were good "credit risks", because before you made this report a hearing was held under my direction in Memphis, copies of which were furnished you, and a copy of the report thereon furnished you which show that the Alabama Cotton Cooperative Association had been wound up in receivership; Brazos Valley Cooperative Association had no assets as admitted by its officers; that the Georgia Cooperative Association is now being wound up through a receivership; that the Oklahoma Cotton Growers Association had recently been sold by the Government, lock, stock and barrel to the

Government, and that it not only had no property but it owed the Government something like a half million dollars.

The South Carolina Association likewise had to compromise its affairs at a great loss to the Government.

The West Texas Cotton Growers Association admitted that they had no assets of any kind, and yet your office, in its confidential relations with the American Cotton Cooperative Association, loaned these bankrupt concerns as follows:

Alabama Cotton Cooperative Association	$400,000
Brazos Valley Cooperative Association	425,000
Oklahoma Cotton Growers' Association	500,000
South Carolina Association	200,000
West Texas Cotton Growers' Association	500,000
Total	2,025,000

So that the relations of your administration with these cooperatives must have been so confidential that you did not even ask about their credit before making these enormous loans to them from which, the chances are, this Government will never realize a dollar.

You talk about the associations losing confidence in you unless you keep their affairs confidential. Is it possible, Mr. Sanders, with the proof taken at Memphis last fall before you that you still have confidence in these bankrupt concerns and are willing to continue to lend the Government's money to them? If so, you are being very generous with the Government's money.

You say that this confidential relation must be kept up or is necessary "on account of the strong competition of private merchants, brokers, and commercial companies who would like to have the information for obvious reasons." In making this statement you admit that the cooperative associations are cotton merchants in competition with all other cotton merchants, and that you are holding back information from the public so as to aid and abet these bankrupt associations which have time and again been financed by the Government to the Government's great loss.

I quote from your letter again:

"Therefore, if the farmer organizations in the South and elsewhere find that our efforts to help them will eventuate in having their private affairs become matters of public knowledge to be used for the benefit of their competitors, these organizations will hesitate to avail themselves of the service which we have been able to render in the past."

You need have no fear on this score. An organization like the A. C. C. A. that has obtained all the moneys that they have obtained in the last few years from the Government and which has had the Government pay $140,000,000 of their debts without any compensating advantage, you need not have the slightest fear that they will hestitate to avail themselves of the services that you are rendering them.

They are not a farmer organization in any sense. There is a closely knitted together organization of racketeers, masquerading as a cotton cooperative association, and using the Government's money secretly loaned to them by your organization, and if they could not have these secret dealings with you and did not get this money from you they would not be able to function as testified to by Mr. Creekmore, the real owner and controller of this so-called cotton-cooperative association.

I attach hereto a statement that I am going to put in the RECORD tomorrow, made by the Commissioner of Agriculture of South Carolina, which shows conclusively that your secret agreements with the cooperatives last year in allowing them to reconcentrate the 12-cent-loan cotton at a cost of some six or seven hundred thousand dollars, had some other purpose than the reconcentration of cotton.

I assure you that I have not misunderstood your letters to me. The cotton cooperatives made public the statement that you refused to give to a United States Senator who asked for it for legislative purposes. The cooperatives have already made it public, and I want to say that your letter of refusal and your letter of explanation of June 16 are both indefensible, coming from any public officer of this Government.

Very truly yours,

KENNETH MCKELLAR.

Mr. MCKELLAR. Mr. President, in conclusion—and I thank the Senator from Washington for permitting this to be done—I desire to say to the Farm Credit Administration, which seems to be "in cahoots" with the American Cotton Cooperative Association, that this investigation may be delayed until next January because of the objection of the Senators from Texas, who, for some reason, do not desire the facts to come to light. They are not willing to have this investigation continued even to next March. I do not know why, but, whatever may be done, I wish to say that the investigation is going to be made.

Mr. CONNALLY. Mr. President, I rise to a point of order. The Senator from Tennessee had consent for only 2 more words, and he has used about 200 words.

Mr. MCKELLAR. I think it would be very wise, it would be very beneficial to the Government of the United States, it would be tremendously beneficial to the cotton farmers of the Senator's State as well as the cotton farmers of my State, if this investigation were to go on, and let the facts come out as they may. I wish to say that in my judgment——

Mr. SCHWELLENBACH. Mr. President, I am sorry I cannot yield further, but I have been standing here for a long time.

The PRESIDENT pro tempore. The Senator from Washington declines to yield further.

Mr. CONNALLY. Mr. President, I rise to a question of personal privilege.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CONNALLY. The Senator from Tennessee, knowing that the Senator from Texas had no way to respond——

Mr. MCKELLAR. Oh, no, Mr. President——

Mr. CONNALLY. Makes certain insinuations as to our reasons for objecting. He says he does not know what our reasons are. Regardless of reasons, the Senator from Texas made objection to the unanimous-consent request, and he is not bound to state his reasons to the Senator from Tennessee or anybody else.

Mr. SCHWELLENBACH. Mr. President, I am sorry I cannot yield any further.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I have been yielding for 40 minutes now, and I am sorry I cannot yield further.

The PRESIDENT pro tempore. The Senator from Washington declines to yield.

DEPORTATION OF ALIEN CRIMINALS

Mr. SCHWELLENBACH. Mr. President, at the conclusion of my remarks I intend to ask unanimous consent for the consideration of Senate bill 2969, which is known as the Kerr-Coolidge deportation bill, and state that if it shall be taken up I am going to move to substitute a mere resolution which would provide for staying the deportation of the so-called hardship cases which have been mentioned in the discussion of the Kerr-Coolidge bill.

The PRESIDENT pro tempore. What is the calendar number of the bill to which the Senator refers?

Mr. SCHWELLENBACH. It is Calendar No. 1210, Senate bill 2969.

Mr. President, I think it is desirable at the end of the session that the RECORD show the situation in reference to these aliens, but I do not intend to take very much time in discussing the matter.

The Members of the Senate will recall that some 2 months ago we had before us the Kerr-Coolidge bill, that we discussed it for a number of days, and the Senator from North Carolina [Mr. REYNOLDS] discussed it at great length, as did also the Senator from Pennsylvania [Mr. DAVIS].

I wish to say that personally I feel that both of the Senators are absolutely sincere in their position with reference to this proposed legislation, and in pointing out the legislative situation which exists I desire in no way to impugn the motives or to be in any way critical of either the Senator from North Carolina or the Senator from Pennsylvania. However, this was the situation: After a discussion of about 10 days at various times the Senators from Pennsylvania and North Carolina indicated that it would be possible for us to reach an agreement in reference to the Kerr-Coolidge bill, and because of that indication the matter was taken from the calendar and I was requested by the chairman of the Committee on Immigration, the Senator from Massachusetts [Mr. COOLIDGE], and the Senator from Utah [Mr. KING] to negotiate with the two Senators in reference to an agreement.

We were not able to reach an agreement. So far as the Senator from Pennsylvania was concerned, I think we could have reached an agreement, and we probably did reach an agreement. However, it was not possible to reach an agreement with the Senator from North Carolina. He, in the utmost sincerity, in the belief that he was correct that this

should be an immigration bill, and I contending that it should be only a deportation bill, it was not possible to arrive at an agreement.

However, after that time the bill was amended and what was called a committee print was brought in. The amended bill made the following changes in the Kerr-Coolidge bill, as it was discussed the last time it was before the Senate.

The number of the cases which could be permitted to remain under the so-called hardship classification was limited to 10,000. Members of the Senate will recall that the Senator from North Carolina indicated that thousands upon thousands of people could come in under section 3 as coming under the hardship classification. So we very definitely limited the number to 10,000, and that was the total number who might come in.

In addition to that, we cut down the number of cases of people who are here and who came in as students, who came in under special classifications. We cut that number down so that only 500 could come in the first year, and then 100 each year after that, and none after a period of 5 years from the date of the enactment of the law.

In addition to that, at the special request and instance of the American Federation of Labor, we included in the bill a very definite declaration that it was not the policy of the Congress to continue that arrangement after the conclusion of the 3 years in which these hardship cases might be passed upon, to continue to permit aliens to remain in the country who had come in illegally in the first place. The amendment was introduced and it was discussed with the Senator from North Carolina, and he did not find it possible to agree upon that amendment.

At this time I ask unanimous consent to have printed as a part of my remarks at this point a letter from the president of the American Federation of Labor, Mr. William Green, dated May 22, 1936.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., May 22, 1936.

Hon. MARCUS A. COOLIDGE,
Chairman, Committee on Immigration,
United States Senate, Washington, D. C.

MY DEAR SENATOR COOLIDGE: The amendments proposed by the Senate Committee on Immigration to section 3 of the Kerr-Coolidge bill, S. 2969 and H. R. 8163, which limit the exercise of discretion in so-called hardship cases to aliens who are in the country on the date of the enactment of the bill, and which limits the period during which discretion may be exercised to 3 years, and a further limit to the number of cases to be benefited by the exercise of discretion, are, in general, acceptable and reasonably satisfactory.

Because there is some doubt as to whether the additional classes as provided for in this section are subject to mandatory action as distinguished from the discretionary deportation, I respectfully recommend that this subject be inquired into from a legal point of view, and if found to be discretionary, that such action be taken as to make such deportation mandatory beyond reasonable doubt.

Sections 1 and 2 of the bill, which provide for the addition of new deportable classes of criminal aliens, add strength to the present deportation law.

As to section 3, I respectfully urge that the number who are to be the beneficiaries of this section be limited to between 8,000 and 10,000, and that not to exceed 4,000 shall be given the benefit of this discretionary treatment during the first year; 3,000 during the second; and 3,000 during the third year, and that no further changes be thereafter permitted or deportation cases stayed under any circumstances.

While in accord with the plan to clear up the present cases, the American Federation of Labor is strongly opposed to such action being considered as a precedent. For that reason we urge that the following declaration of policy be incorporated in the law in order that it may be clearly understood that no further legislative relief will be granted to aliens who may hereafter enter or remain in the United States:

"It is hereby declared to be the policy of the Congress that the deportation of aliens, where grounds for their deportation exist, shall be effected with the utmost expedition; and that after the adjustment, as provided for in section 3 of this act, of the accumulated so-called hardship cases of aliens whose deportation has been ordered, but because of family separations involved has been stayed, no further legislative relief shall be given in delaying the deportation of all persons who shall have entered the borders of the United States illegally or otherwise subjected themselves to deportation."

We are in accord with section 4 of the bill, which deals with the adjustment of the status of aliens illegally in the country who are entitled under the present acts to nonquota or preference admission. However, we firmly believe that the numbers to be benefited thereby should be reduced from 500 to 250 for the first year and from 250 to 100 for each of the 3 suceeding years.

We are in accord with section 5 of the bill, which permits the registration of aliens who entered the United States between June 23, 1921, and July 1, 1924.

We are in accord with the other sections of this bill with the exception of section 11, which deals with the appointment of an interdepartmental committee. We urge that there be substituted for this section a provision providing for the appointment of a committee consisting of one representative to be appointed by the Vice President of the Senate, one by the Speaker of the House, and one by the Secretary of Labor.

We further urge that the following additional section be added to the bill, with the view of strictly limiting hereafter administrative stays of deportation:

"Section 19 of the Immigration Act of February 5, 1917 (sec. 155, U. S. C., 39 Stat. 874), is hereby amended by adding the following proviso: *Provided further*, That as to any person found deportable under the provisions of this section or any other provision of law, except as to the cases provided for in section 3 of this act, there shall be no stay of deportation unless a clear showing of great and unusual hardship is made, and provided, that in no case shall deportation be stayed for a period of more than 1 year beyond the date of the issuance of the warrant of deportation."

Permit me to again report the strong opposition of the American Federation of Labor to the general registration of aliens who enter in all forms. These recommendations and expressions of opinion are submitted to you as the result of the conversation I held with you a short time ago and in response to your request for the views of the American Federation of Labor upon the Kerr-Coolidge bill.

I express the hope that the measure, amended in accordance with the recommendations made, may pass the Congress of the United States within the very near future.

Very sincerely yours,

W. GREEN,
President, American Federation of Labor.

Mr. SCHWELLENBACH. Mr. President, a week ago today the chairman of the committee, the Senator from Massachusetts [Mr. COOLIDGE], returned to Massachusetts, and he requested that from that time on I take up the question of handling the Kerr-Coolidge bill. I realized from that time on that with the legislative situation which existed it was necessary, if we were to get anything done to have it done by unanimous consent, and I have been negotiating with the Senator from North Carolina ever since that time.

I made the proposal to the Senator from North Carolina that we could keep in the bill those portions which were giving to the Government the power to deport criminal aliens, section 1, under the terms of which 20,000 criminal aliens would be subject to deportation at the present time, and an increase of 3,500 a year during the years of the future; and that portion of the bill which gave to the Department of Labor the right to pick up these people and to hold them for 24 hours, which, according to every authority on the subject, would be of utmost help in enforcing the deportation law.

It was stated that we would strike out section 3, would strike out the objectionable portions of the bill, and leave in only those portions which strengthened our deportation laws, and that we would add to it a resolution staying these people until March of next year, or some date immediately after the Congress convened in January; and I requested that the Senator agree to that. The Senator from North Carolina was unwilling or unable to agree to that.

Finally I proposed to him a very simple resolution, merely providing that the hardship cases, which involve not only the hardship of the people who are retained here, but the hardship of their families, and the fact that their families are going to be made dependent upon relief and upon charity in this country if they are deported; but the Senator from North Carolina has been unable to agree to that.

I desire at this point to insert in the RECORD another letter from the president of the American Federation of Labor dated June 20, 1936.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., June 20, 1936.

Hon. WILLIAM P. CONNERY,
Member, House of Representatives,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: I am writing to advise you that the American Federation of Labor endorses and approves the adoption of a joint resolution by Congress providing for a stay in the execution of deportation proceedings in hardship cases until an opportunity is extended to enact remedial legislation dealing with this particular matter at the next session of Congress.

It is my opinion that, not only for humanitarian, but, in addition, for practical purposes, the joint resolution providing for a stay in deportation proceedings in the classified hardship cases which have been reported to Congress should be adopted before Congress adjourns.

Very sincerely yours,

W. GREEN,
President, American Federation of Labor.

Mr. SCHWELLENBACH. Mr. President, in addition to that, I desire to insert in the RECORD, in order that the matter may be made clear, a partial list of the organizations endorsing the Kerr-Coolidge bill; also resolutions of national organizations specifically endorsing the bill, the American Bar Association, and the Association of Chiefs of Police; also resolutions of national organizations endorsing the principle of the Kerr-Coolidge bill, but not mentioning it by name, the National Chamber of Commerce, the General Federation of Women's Clubs, and the executive committee of the American Legion.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

PARTIAL LIST OF ORGANIZATIONS ENDORSING THE KERR-COOLIDGE BILL

American Bar Association.
American Citizenship League, Pittsburgh, Pa.
American Federation of Labor.
American Friends Committee.
Association of the Bar of the City of New York.
Board of Social Service of the Episcopal Diocese of Newark, N. J.
Committee of Fifty for Social Action in the Passaic (N. J.) Valley.
Department of Social Service of the Episcopal Diocese of Albany, N. Y.
Federal Council of the Churches of Christ in America.
Federation of Hungarian Churches and Societies of Los Angeles, Calif.
Foreign Language Information Service.
Immigrants' Protective League.
Indiana State Senate.
International Association of Chiefs of Police.
International Association of Catholic Alumnae.
International Institute, Young Women's Christian Association.
International Migration Service.
National Council of Jewish Women.
National Catholic Welfare Conference.
National Crime Commission.
National Institute of Immigrant Welfare.
National League for American Citizenship.
Northwest International Anti-Crime Conference (Washington, Oregon, California, Idaho, and Montana).
Norwegian-American Civic Committee.
Oregon League of Women Voters.
Polish Association of America.
Second Baptist and First Methodist Churches of Edmeston, N. Y.
Southeastern Michigan Association of Chiefs of Police.
Southeastern Missouri Council of Churches.
State of Illinois Committee on Citizenship and Naturalization.
Toledo Federation of Women's Clubs.
Travelers' Aid Society.
United German Societies of Greater New York.
Washington (Iowa) City Ministerial Association.
Young Women's Christian Association, National Board.

The National Catholic Welfare Conference, representing the Catholic bishops and clergy of the United States, has endorsed the bill, and more than 2,200 of the leading Protestant bishops and clergy of the country have likewise given it their approval.

RESOLUTIONS OF NATIONAL ORGANIZATIONS SPECIFICALLY ENDORSING THE KERR-COOLIDGE BILL

American Bar Association.
The International Association of Chiefs of Police.

AMERICAN BAR ASSOCIATION

At a meeting of the executive committee of the American Bar Association held at Washington, D. C., on May 6–9, 1935, upon motion, duly carried, the following resolution was adopted, with the understanding that the bill was to be amended so as to provide for an interdepartmental committee, or board, composed of representatives of the Departments of State, Justice, and Labor to pass upon cases involving extraordinary hardships:

"*Resolved*, That the executive committee of the American Bar Association favors the enactment into law of H. R. 6795, introduced in the Seventy-fourth Congress by Congressman KERR, of North Carolina, which is intended to increase the classes of undesirable aliens, particularly criminals, subject to deportation; to strengthen the Government's authority to effect deportations; and permit alleviation of certain extraordinary hardships such as separation of families or enforced termination of long-established residence in cases of aliens of good character."

Resolution adopted at the Forty-second Annual Convention of the International Association of Chiefs of Police, Ambassador Hotel, Atlantic City, N. J., July 11, 1935.

RESOLUTION REGARDING DEPORTATION OF ALIENS

Whereas the Immigration and Naturalization Service of the United States Department of Labor has been for the past 2 years engaged in an intensive study of the deportation laws and their enforcement; and

Whereas the results of this study reveal that it is imperative to give the Department of Labor powers that it now lacks, and badly needs, for the apprehension of aliens who have entered the country illegally; to make possible the deportation of many alien criminals who cannot be reached under existing laws; and to authorize the Secretary of Labor to exercise limited discretionary power in certain deportation cases, in which extreme hardship to individuals, often including American-born wives and children, is not justified or compensated by any corresponding public advantage; and

Whereas bill H. R. 8163, introduced by Congressman Kerr and referred to the Committee on Immigration and Naturalization provides for the foregoing recommendations, and renders violators of State narcotic laws subject to deportation in the same manner as violators of Federal narcotic statutes; and further provides for the deportation of any alien who has been convicted in the United States within 5 years, of the institution of deportation proceedings against him of a crime involving moral turpitude, even if the alien is not sentenced to imprisonment, as required under existing law, and if the deportation of the alien who has been convicted in the United States within 5 years of the institution of deportation proceedings against him of a crime involving moral turpitude, even if the alien is not sentenced to imprisonment, as required under existing law, and if the deportation of the alien who has been convicted in the United States within 5 years of the institution of deportation proceedings against him of the crime of possessing or carrying any concealed or dangerous weapon, if the deportation of such alien is in the public interest; and

Whereas the members of this association consider the above proposals necessary for the welfare and protection of the people of the United States: Now, therefore, be it

Resolved, That the International Association of Chiefs of Police requests the Congress of the United States to enact the provisions of bill H. R. 8163, and that the secretary of the association send a copy of this resolution to the chairman of the Committee on Immigration and Naturalization.

RESOLUTIONS OF NATIONAL ORGANIZATIONS NOT MENTIONING THE KERR-COOLIDGE BILL BY NAME, BUT URGING IMMEDIATE ACTION ON THE ALIEN PROBLEM

Chamber of Commerce resolution.
General Federation of Women's Clubs.
Executive committee of the American Legion.

Resolution adopted at twenty-fourth annual meeting, Chamber of Commerce of the United States, Washington, D. C., April 28–30, 1936

CRIME AND DEPORTATION

Definite action should be taken to free the country of alien criminals. There should be immediate extension of provisions of law for deportation to include all classes of criminal aliens convicted within 5 years of any crime involving moral turpitude, even if there was not sentence of imprisonment, aliens violating State narcotic laws, alien smugglers, and aliens convicted of possessing or carrying concealed or dangerous weapons.

On the other hand, there should be such amendment to existing law as to prevent deportation from being visited suddenly upon law-abiding aliens who have been resident in the United States for many years. There should be provision which would allow such aliens, upon a proper showing of their good character and useful lives, to remain. Any such provision, however, should contain such limitations that it may not be utilized upon behalf of any alien Communist, anarchist, criminal, or member of the immoral classes.

The General Federation of Women's Clubs, which includes more than 14,000 women's organizations throughout the country, and has a membership of more than 2,000,000, at the annual council meeting on April 30, 1936, passed the following resolution:

"That the General Federation of Women's Clubs petition the Congress of the United States to pass legislation during the present session, which shall strengthen the existing laws relating to the deportation of criminal aliens, making it mandatory that those aliens shall be deported who have been convicted of violating the

narcotic laws, State or Federal statutes; of illegal smuggling of aliens into this country, or who shall have been convicted of crimes importing moral turpitude carrying with it a sentence of imprisonment of a year or more, as well as those known to be habitual criminals."

[Executive committee of the American Legion meeting at Indianapolis, May 4, 1936]

RESOLUTION ON IMMIGRATION LEGISLATION

Whereas there are pending before Congress different measures dealing with the subject of immigration; and

Whereas numerous amendments have been proposed to the pending measures by Congressmen and Senators of divergent views; and

Whereas the matter of tightening our immigration restrictions and securing stricter and more efficacious enforcement of immigration law has been at a standstill through several sessions of Congress by reason of the widely divergent views of Congressmen and Senators and the diversion of strength among opposing groups; and

Whereas it appears certain the stalemate will continue and no beneficial immigration legislation will be obtained at this session of Congress if the American Legion continues to insist upon the passage of legislation embodying the full program endorsed at the St. Louis national convention; and

Whereas it appears that urgently needed restrictions and enforcement measures can be obtained if the American Legion yields in part and urges a compromise; and

Whereas the Americanism commission has reached the conclusions above recited, after hearing the subject discussed at length by E. J. Shaughnessy, Deputy Commissioner of Immigration and Natuarilzation, Department of Labor, the national commander, and the national legislative director: Now, therefore, be it

Resolved, That the national Americanism commission recommends to the national executive committee that the legislative director of the American Legion be authorized and directed to endeavor to secure at this session of Congress the passage of an immigration act embodying so much of the program endorsed at the St. Louis convention as will not bar immediate passage, and which act, in his judgment, will effect a substantial betterment of existing law.

PARTIAL LIST OF NEWSPAPERS SUPPORTING KERR-COOLIDGE BILL

Albany (N. Y.) Knickerbocker Press.
Atlanta (Ga.) Constitution.
Atlanta (Ga.) Journal.
Bethlehem (Pa.) Globe-Times.
Birmingham (Ala.) News.
Birmingham (Ala.) Post.
Bisbee (Ariz.) Daily Review.
Boston (Mass.) Globe.
Boston (Mass.) Herald.
Boston (Mass.) Post.
Brooklyn (N. Y.) Eagle.
Buffalo (N. Y.) Courier-Express.
Buffalo (N. Y.) Times.
Canton (Ohio) Repository.
Charlotte (N. C.) News.
Chicago (Ill.) Daily News.
Chicago (Ill.) Tribune.
Cleveland (Ohio) Press.
Davenport (Iowa) Times.
Dayton (Ohio) News.
Denver (Colo.) Rocky Mountain News.
Detroit (Mich.) News.
Duluth (Minn.) Herald.
El Paso (Tex.) Herald-Post.
El Paso (Tex.) Times.
Evansville (Ind.) Courier.
Fresno (Calif.) Bee.
Fort Worth (Tex.) Star-Telegram.
Galveston (Tex.) News.
Grand Rapids (Mich.) Herald.
Greensboro (N. C.) News.
Gulfport (Miss.) Daily Herald.
Hamilton (Ohio) Journal-News.
Hartford (Conn.) Courant.
Helena (Mont.) Independent.
Houston (Tex.) Press.
Jackson (Miss.) Clarion Ledger.
Jacksonville (Fla.) Florida Times-Union.
Kansas City (Mo.) Star.
Kenosha (Wis.) News.
Little Rock (Ark.) Democrat.
Louisville (Ky.) Courier-Journal.
Lowell (Mass.) Sun.
Lynn (Mass.) Telegram-News.
McKeesport (Pa.) News.
Memphis (Tenn.) Commercial Appeal.
Miami (Fla.) News.
Miami (Fla.) Herald.
Minneapolis (Minn.) Star.
Minot (N. Dak.) News.
Modesto (Calif.) Bee.
Montgomery (Ala.) Advertiser.
Nashville (Tenn.) Banner.
New Haven (Conn.) Journal-Courier.
New York (N. Y.) Herald Tribune.
New York (N. Y.) Times.
New York (N. Y.) World-Telegram.
Niagara Falls (N. Y.) Gazette.
Olympia (Wash.) Olympian.
Pawtucket (R. I.) Times.
Paterson (N. J.) Call.
Pittsburgh (Pa.) Post-Gazette.
Pittsburgh (Pa.) Press.
Pontiac (Mich.) Press.
Port Huron (Mich.) Times-Herald.
Providence (R. I.) Evening Bulletin.
Racine (Wis.) Journal-Times.
Raleigh (N. C.) News and Observer.
Rochester (N. Y.) Democrat and Chronicle.
Saginaw (Mich.) News.
St. Louis (Mo.) Post-Dispatch.
St. Paul (Minn.) Dispatch.
St. Paul (Minn.) Pioneer Press.
Salt Lake City (Utah) Deseret News.
San Diego (Calif.) Evening Tribune.
San Francisco (Calif.) Chronicle.
San Francisco (Calif.) News.
Scranton (Pa.) Times.
Seattle (Wash.) Times.
Springfield (Ohio) News-Sun.
Savannah (Ga.) News.
Syracuse (N. Y.) Herald.
Syracuse (N. Y.) Post-Standard.
Tacoma (Wash.) Ledger.
Toledo (Ohio) Blade.
Troy (N. Y.) Times-Record.
Tulsa (Okla.) World.
Utica (N. Y.) Press.
Washington (D. C.) Daily News.
Washington (D. C.) Post.
Waterbury (Conn.) Democrat.
Wheeling (W. Va.) Intelligencer.
Wilkes-Barre (Pa.) Record.
Youngstown (Ohio) Telegram.
Youngstown (Ohio) Vindicator.

Mr. SCHWELLENBACH. Mr. President, at this time, with the statement that I do not intend to ask the Senate to pass upon the Kerr-Coolidge bill itself, but that I intend, if the unanimous consent for the immediate consideration is granted, to substitute for it a simple resolution which will stay these cases until next year, I now ask unanimous consent for the immediate consideration of Senate bill 2969, a bill to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes.

The PRESIDENT pro tempore. The Senator from Washington asks unanimous consent for the present consideration of the bill to which he has referred.

Mr. BORAH. Mr. President, as I understand, if the Senator secures unanimous consent, he will offer a resolution as a substitute for the bill.

Mr. SCHWELLENBACH. That is correct.

Mr. BORAH. Has the resolution been printed?

Mr. SCHWELLENBACH. It has been printed. It was a resolution offered by the Senator from New York. I would ask to strike out all of the whereases in the resolution. I should like to have the proposed resolution read.

Mr. BORAH. I was going to ask that the resolution be read before unanimous consent is accorded.

Mr. REYNOLDS. Mr. President, before the reading of the resolution I will say that it is my understanding that my colleague from the State of Washington [Mr. SCHWELLENBACH] was asking for consideration of the Kerr-Coolidge bill. I should like to inquire if it is not in order to pass upon that question prior to voting on the motion to substitute the resolution for the Kerr-Coolidge bill.

The PRESIDENT pro tempore. The Senator from Washington asked for consideration of a measure on the calendar.

Mr. REYNOLDS. Was unanimous consent asked?

The PRESIDENT pro tempore. Yes.

Mr. REYNOLDS. I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. KING. I am under the impression that my friend from North Carolina—and I hope he will pardon me for making this suggestion——

Mr. REYNOLDS. Certainly.

Mr. KING. Did not quite understand the implications arising from the suggestion made by the Senator from Washington. The Senator from Washington made it very clear that he did not intend to press the consideration of the so-called Kerr-Coolidge bill, but in order to get before the Senate the substitute which is offered, which is a mere resolution, it was perhaps considered necessary to advert to the Kerr-Coolidge bill and then to move to substitute the resolution for the Kerr-Coolidge bill. I am sure my friend from North Carolina, with his perspicacity and his humanitarianism, will certainly not object to that.

Mr. REYNOLDS. My objection having been noted, Mr. President, to the consideration of the Senate bill known as the Kerr-Coolidge bill, for which there have been two substitutes offered, one by my colleague from Utah [Mr. KING] and one by my colleague from Massachusetts [Mr. COOLIDGE], the chairman of the Committee on Immigration of the Senate, now comes a resolution, and I object to the consideration of that resolution.

Mr. KING. Mr. President, will the Senator further yield?

Mr. REYNOLDS. I yield.

Mr. KING. If I may trespass further upon the time of the Senate, let me say that, as I understand, the resolution merely provides for an extension for a limited period of time of what might be denominated an order of deportation de facto or de jure of about 2,800 aliens, many of whom have wives and children who are Americans, and who, if deported, will cast upon the American people the responsibility to care for their defenseless wives and children. I cannot believe that the Senator from North Carolina, notwithstanding his devotion to what he conceives to be the duty of American citizens to exclude aliens and to provide for the American citizen, would be willing to pursue a course which would eventuate in such tragic consequences and impose upon the American people burdens which they ought not to be compelled to bear.

Mr. REYNOLDS. Mr. President, regardless of the nearness of the hour of final adjournment of the Congress, in view of the statement that has been made by my friend from the great State of Utah, and in view of the immense interest that has been evidenced in this great question throughout the length and breadth of the United States, not only for years upon years past but particularly during the present session of Congress, I feel that I should, and I therefore now do, avail myself of the opportunity of explaining my attitude to the American people, because, Mr. President, I would not have the American people, particularly those of my great State of North Carolina, those whom I have the honor to represent in part, feel that I have no human sympathy in my breast.

I would not lose this opportunity to let the American people know that in my heart of hearts I do not feel that I am doing that which is unjust, not only to the American people but to those who are now on our shores illegally, the thousands upon thousands who violated the law of our country by securing their admission to this country in an illegal manner.

This resolution, Mr. President, interests itself in what? It interests itself, I tell Members of the Senate, in permitting to stay in this country several thousand aliens who have violated our laws, despite the fact that the present laws of our land say that they are mandatorily deportable. Now comes this resolution asking the Members of this body to permit to stay in this country those who, under the laws at present, must be deported if those laws are carried out, if those laws are executed.

Mr. President, I recognize and I shall state this in perfect frankness and all candor and fairness to those who in our Nation unfortunately do not agree with me, that there may be perhaps some worthy cases in all of the 2,862 plus mentioned in the resolution, but those who are interested in them should have done what? They should have introduced private bills in Congress asking for the relief of those worthy, God-fearing people who, by word of mouth and by printed literature, have been proclaimed as being heavenly and angelic.

Mr. ASHURST. Mr. President——

Mr. REYNOLDS. I am delighted to defer to my distinguished friend, for whom I have great love and affection and admiration, the Senator from Arizona [Mr. ASHURST].

EXTENSION OF JURISDICTION OF UNITED STATES COURT FOR CHINA

Mr. ASHURST. Mr. President, I highly value the words of commendation from the Senator. I wish the Senator from North Carolina to know that I particularly appreciate his friendship, and I would not interrupt him except upon a matter of importance—not as important as the subject which the able Senator is discussing, but I ask if he will yield to me for the immediate consideration of a bill?

Mr. REYNOLDS. I should be delighted, Mr. President, to yield to my distinguished friend for any length of time he may desire, because it is always my pleasure to favor a courteous and distinguished gentleman of his type, of whom we are all envious.

Mr. ASHURST. Mr. President, for the first time, I am unable, in words, to express myself.

The House has passed a bill, H. R. 12257, relating to the United States Court for China. My able friend who has the floor and I were in China with other Senators last fall, but I am not familiar enough with China to pass definite opinions. The United States Court for China has jurisdiction to try and determine cases that arise in China, but if an offense is committed on the high seas, say, 30 miles out of Shanghai, the alleged offender must be brought to the mainland of the United States for trial, which is very expensive and entails delay. The bill passed by the House permits, or grants rather, to the United States Court for China the authority to try American citizens for offenses committed on the high seas.

Mr. KING. By American citizens.

Mr. ASHURST. By American citizens. The Senator from Utah is correct. I have requested the Senator from Vermont [Mr. GIBSON] to make an analysis of the bill, and if the Senator from North Carolina will permit me, I shall ask that the Senator from Vermont [Mr. GIBSON] make a statement as to whether or not I am correct in my statement as to the purpose of the bill.

Mr. GIBSON. Mr. President, the distinguished Senator from Arizona is entirely correct. He has pretty well stated the purposes of the bill.

In pursuance of the treaties existing between this Government and China, consuls and ministers have certain judicial authority. In 1906 we established a United States Court in China which had jurisdiction of civil matters where one of the parties was a citizen of the United States and jurisdiction of criminal matters which called for fines of not over $10 or imprisonment of no more than 60 days.

It is true, as the Senator from Arizona has said, that where crimes are committed on the high seas or in waters adjacent to China, the respondents would have to be transferred to the United States for trial. The only purpose of the bill is to confer concurrent jurisdiction on our court in China to try such cases. The bill is recommended by the Department of Justice and I understand has the approval of the Department of State. I think it is a meritorious bill.

Mr. KING. Mr. President, as a member of the Judiciary Committee and with some knowledge of the questions involved and from an investigation which I made while in China, I desire to state that I hope the bill will be passed.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection the bill (H. R. 12257) to extend the jurisdiction of the United States Court for China to offenses committed on the high seas, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act creating a United States Court for China and prescribing the jurisdiction thereof", approved June 30, 1906 (34 Stat. 814; U. S. C., title 22, sec. 191), be, and it is hereby, amended to read as follows:

"That a court is hereby established, to be called the United States Court for China, which shall have exclusive jurisdiction in all cases and judicial proceedings whereof jurisdiction may now be exercised by United States consuls and ministers by law and by virtue of treaties between the United States and China except insofar as the said jurisdiction is qualified by section 2 of this act; and to concurrent jurisdiction of all offenses committed on the high seas in cases in which the person or persons charged with such offenses shall be found in or be brought first into China. The said court shall hold sessions at Shanghai, China, and shall also hold sessions at the cities of Canton, Tientsin, and Hankau at stated periods, the dates of such sessions at each city to be announced in such manner as the court shall direct, and a session of the court shall be held in each of these cities at least once annually. It shall be within the power of the judge, upon due notice to the parties in litigation, to open and hold court for the hearing of a special cause at any place permitted by the treaties, and where there is a United States consulate, when, in his judgment, it shall be required by the convenience of witnesses, or by some public interest. The place of sitting of the court shall be in the United States consulate at each of the cities, respectively.

"That the seal of the said United States Court for China shall be the arms of the United States, engraved on a circular piece of steel of the size of a half dollar, with these words on the margin, 'The Seal of the United States Court for China.'

"The seal of said court shall be provided at the expense of the United States.

"All writs and processes issuing from the said court and all transcripts, records, copies, jurats, acknowledgments, and other papers requiring certification or to be under seal may be authenticated by said seal, and shall be signed by the clerk of said court. All processes issued from the said court shall bear test from the day of such issue."

Mr. ASHURST. Mr. President, I desire to say to the generous and polite Senator from North Carolina [Mr. REYNOLDS] that I hope North Carolina will retain him in the United States Senate as long as he lives and that he shall live as long as life is agreeable to him. [Laughter.]

Mr. REYNOLDS. I thank the Senator and I am thoroughly in accord with the Senator's wishes in that respect.

Mr. ASHURST. Moreover, I should be deficient in courtesy if I did not now thank the Senator from Vermont [Mr. GIBSON] for the attention he gave to the bill.

NOTIFICATION TO THE PRESIDENT

The PRESIDENT pro tempore. The Chair lays before the Senate a resolution of the House of Representatives, which will be read.

The Chief Clerk read the resolution (H. Res. 558), as follows:

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses have completed the business of the present session and are ready to adjourn unless the President has some other communication to make to them.

The PRESIDENT pro tempore. The Chair appoints the Senator from Arkansas [Mr. ROBINSON] and the Senator from Oregon [Mr. MCNARY] as the committee on the part of the Senate.

Mr. MCKELLAR. Mr. President, I did not understand that the resolution was adopted.

The PRESIDENT pro tempore. It is not necessary to adopt it. It is a House resolution.

Mr. GUFFEY. Does the matter require unanimous consent?

The PRESIDENT pro tempore. It does not.

REGULATION OF INTERSTATE COMMERCE IN BITUMINOUS COAL

Mr. GUFFEY. Mr. President, I call for the regular order.

The PRESIDENT pro tempore. The Senator from Pennsylvania demands the regular order. The regular order is the consideration of House bill 12800.

The Senate resumed the consideration of the bill(H. R. 12800) to regulate interstate commerce in bituminous coal, and for other purposes. The question is on the amendment of the Senator from West Virginia [Mr. NEELY].

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. KING. Under the regular order and under the rules of the Senate, the Senator from North Carolina [Mr. REYNOLDS] having the floor and addressing himself as he may see fit to the question before the Senate or any other question, he is entitled to continue his observations, is he not?

The PRESIDENT pro tempore. The Chair cannot determine to what subject the Senator shall address himself.

Mr. KING. In other words, it is immaterial to the Chair what the subject may be?

The PRESIDENT pro tempore. When the regular order is called for that means that the Chair shall state the pending question, which is the amendment of the Senator from West Virginia.

Mr. KING. Upon that amendment the Senator from North Carolina or other Senators may discuss such questions as they feel are pertinent and relevant?

The PRESIDENT pro tempore. That is the custom of the Senate.

Mr. BILBO. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Mississippi?

Mr. REYNOLDS. I yield.

LOUD-SPEAKING SYSTEM IN THE SENATE CHAMBER

Mr. BILBO. I ask permission to have the clerk read a resolution which I submitted this morning, and after he has read it I desire to submit a motion with reference to it.

The PRESIDENT pro tempore. That can only be done by unanimous consent.

Mr. REYNOLDS. Mr. President, I shall gladly yield for that purpose, provided I do not lose the floor. Otherwise, I shall have to hesitate.

The PRESIDENT pro tempore. The Senator has control over his own time; but under the rules of the Senate, when the regular order is called for, no other matter or business may intervene except by unanimous consent. The pending question is the amendment of the Senator from West Virginia.

Mr. BILBO. Mr. President, I ask unanimous consent to have the resolution read.

Mr. CONNALLY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CONNALLY. What is the pending question?

The PRESIDENT pro tempore. An amendment offered by the Senator from West Virginia to the so-called Guffey coal bill.

Mr. CONNALLY. And the regular order is a speech by the Senator from North Carolina?

The PRESIDENT pro tempore. Which is supposed to be upon the amendment.

Mr. REYNOLDS. Mr. President, I shall make it applicable to the Guffey coal bill.

Mr. CONNALLY. No one can take the Senator from the floor except with his consent.

The PRESIDENT pro tempore. That is the rule.

Mr. BILBO. I am asking unanimous consent to have the resolution read.

The PRESIDENT pro tempore. The Senator from Mississippi asks unanimous consent to have a resolution read. Is there objection?

Mr. REYNOLDS. Mr. President, I shall have to object if the Chair should rule that by not objecting I should lose the privilege which I am now assuming.

Mr. BILBO. I am only asking to have the resolution read in the time of the Senator.

The PRESIDENT pro tempore. If the Senator from North Carolina permits the reading of a resolution he would have to be recognized again, and the Chair would recognize him again. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and the clerk will read as requested.

The legislative clerk read the resolution (S. Res. 326) submitted today by Mr. BILBO, as follows:

Whereas it is evident to every Member of the Senate, as well as to all visitors to the Senate galleries, that the acoustic properties of the Senate Chamber are very poor and unsatisfactory; and

Whereas it is the ardent wish and desire of every Member of the Senate, as well as visitors to the galleries, to hear and understand every statement and speech made by Members of the Senate; and

Whereas the recent developments of loud-speaking instruments are so thoroughly improved and perfected that they can be installed upon the top or side of each Senator's desk without obstruction and inconvenience, making it possible for every Senator to be

heard in all parts of the Senate Chamber and galleries as well when speaking from his desk; and

Whereas it is necessary for Senators in the rear of the Senate Chamber to leave their seats and occupy, or attempt to occupy, the seats of other Senators at the front and near the President's chair if they hear or understand anything that is said and done, and in doing this it is not only embarrassing to the intruder, or trespasser, but it is exceedingly annoying to the older Members of the Senate, who, by right of seniority, occupy these seats of advantage; and

Whereas if it were possible for each and every Member of the Senate to hear everything that is said and done on the floor of the Senate, it would bring about a more satisfactory and expeditious transaction of the business of the Senate; and

Whereas the Senate Rules Committee has the power, right, and authority to direct the installation of a loud-speaking system in the Senate: Now, therefore, be it

Resolved, That the Rules Committee be respectfully requested and urged to give favorable consideration to the proposition of directing the Sergeant at Arms to install a loud-speaking system in the Senate Chamber before the convening of the first session of the Seventy-fifth Congress.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield to me?

Mr. BILBO. I yield.

Mr. SCHWELLENBACH. I should like to ask the Senator from Mississippi whether it was the difficulty he had had in hearing the Senator from North Carolina that caused him to bring up this resolution at this time. [Laughter.]

Mr. REYNOLDS. Mr. President——

Mr. BILBO. I desire to make one observation. There are about half a dozen Senators who can be heard in the Senate Chamber from all parts of it, and in the galleries, but there are about 90 Senators who cannot be heard. I have a seat on the side over here next to the door, and I have tried in the past to understand all that has been said, and I declare most solemnly that I have not been able to understand a word uttered by the leader on the Republican side during two sessions of the Congress. [Laughter.]

The resolution does not require any affirmative action of the Rules Committee. It merely asks that the Rules Committee make a study of the advisability and feasibility of installing a system of this kind, so as to give every Senator an equal chance to understand what is going on in the Senate.

I ask at this time that the question be put as to whether the Rules Committee shall be requested to make the investigation.

Mr. BARKLEY. Mr. President, I think the resolution ought to go to the Rules Committee for its consideration. I do not think it ought to be adopted at this time.

The PRESIDENT pro tempore. What is the request of the Senator from Mississippi with regard to the resolution?

Mr. BILBO. I am asking that the Senate vote on it, to see whether it is the will of the Senate that the Rules Committee should consider it.

Mr. BARKLEY. Mr. President, I do not like to object; but, as I have said, I think the resolution, before being voted on, should go to the Rules Committee and be considered. No Senator on the spur of the moment is in a position to decide intelligently whether or not a loud-speaking system ought to be installed in the Senate. When I was a Member of the body at the other end of the Capitol such a system was installed, and it was such a terrific nuisance that it was necessary to "disinstall" it after a little while.

I think the Senate ought to have further information on the subject before it adopts a resolution of this kind, and therefore I feel compelled to object.

Mr. GUFFEY. I object and demand the regular order.

The PRESIDENT pro tempore. The regular order is called for, which constitutes an objection to action on the resolution.

DEPORTATION OF ALIEN CRIMINALS

Mr. REYNOLDS. Now, Mr. President, insofar as the loud speakers are concerned, I am not interested. I recognize the fact that there are a number of us who would like to be heard better by those who occupy the galleries. [Laughter.] Fortunately, I can at all times be heard in the galleries, and I am particularly glad that I can be heard on this occasion, when I am discussing a subject of interest to all the American people.

Mr. GLASS. Mr. President, will the Senator yield to me a moment?

Mr. REYNOLDS. I am happy to recognize my distinguished and beloved friend, the senior Senator from the Commonwealth of Virginia.

Mr. GLASS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 4670, reported from the Committee on Banking and Currency.

The PRESIDENT pro tempore. The bill will be reported by title.

The bill was reported by its title, as follows:

A bill to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough.

Mr. GUFFEY. Mr. President, I demand the regular order of business, and object.

The PRESIDENT pro tempore. Objection is heard.

Mr. REYNOLDS. Mr. President, the resolution which has been submitted in the House and in the Senate, and which we now have under discussion, proposes to permit more than 3,000 aliens who have violated the laws of this country, and who have come into this country in violation of the law, to remain in the United States. A large number of those 3,000 aliens have been permitted to remain here in violation of the law.

We do not need any more immigration laws at this time, and if this resolution should be adopted, it would merely be the granting of permission to the Secretary of Labor and to the Commissioner of Immigration and Naturalization to allow these aliens to remain in this country.

Why, therefore, do they desire to have this resolution agreed to? They want it agreed to so that they may say, "The great Congress of the United States has placed its stamp of approval upon that which we have been doing." And what has the Government been doing? It has been violating the laws of the United States by refusing for 3 long years—3 long years [laughter]—to deport these aliens who were mandatorially deportable under the law.

They have been described. They have been referred to as "hardship cases." Now, let us find out something about some of those hardship cases, and ascertain whether I am not sympathetic.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. BARKLEY. Does the Senator know when these aliens came into this country illegally?

Mr. REYNOLDS. I do.

Mr. BARKLEY. When did they come in?

Mr. REYNOLDS. I am glad the Senator asked me that, because I have so many cases here that it would take me from now almost to midnight to answer correctly. I have lists of them.

Mr. BARKLEY. I want to say to the Senator that the reason why I asked the question was that a couple of weeks ago in the city of Cleveland the distinguished Senator who gave currency to the "Three Long Years" song, which has become so amusing as well as popular, criticized the present administration because it had not deported these aliens, and he claimed that they were here illegally. I am wondering under whose administration they got in here illegally.

Mr. REYNOLDS. I will say for the benefit of the Senator that the hundreds of thousands who are here illegally have come in over a period of 20 years.

Mr. BARKLEY. The Senator has not the name of each one who came in each particular year?

Mr. REYNOLDS. Oh, no; of course not.

Mr. BARKLEY. What proportion of them have come in within the last 16 years?

Mr. REYNOLDS. A smaller proportion, no doubt, have come in within the past "three long years" [laughter] than in any other 3 years in the history of this country.

Mr. BARKLEY. Does the list of those to whom the Senator has made reference contain a reference to the aliens who came in within the last "3 long years"?

Mr. REYNOLDS. Oh, not at all. They are aliens who have been gathered from various and sundry parts of the country, who have come here over a period of many years past.

Mr. BARKLEY. I thank the Senator for the detailed information.

Mr. BORAH. Mr. President, we have permitted them to remain here during these "3 long years", have we not?

Mr. REYNOLDS. Well, many of them have remained, for that matter.

Mr. BARKLEY. But most of them came during the 12 long previous years.

Mr. REYNOLDS. That is my understanding.

Mr. BORAH. They came, but they have been subject to deportation during these "3 long years."

Mr. REYNOLDS. They have been subject to deportation likewise during the 12 long years. [Laughter.]

Mr. BORAH. Well, they have been here during 15 years.

Mr. REYNOLDS. Many of them have, sir.

Mr. BORAH. During the 12 long years, and during the 3 long years; so the long years have very little to do with it. [Laughter.]

Mr. BARKLEY. Mr. President, did the Senator mean the 3 long "years" or the three long "ears"? [Laughter.]

Mr. REYNOLDS. Mr. President, in regard to these so-called hardship cases, I wish to bring one particularly to the attention of the Senate. There is no reason to stay these deportations. There are laws on the books today which make it mandatory that these aliens be expelled from the country. We do not need any further laws to get rid of them. We now have the necessary laws on the statute books; but those cases are referred to as "hardship cases." Let us find out about them.

Here is a private bill which was introduced in the lower House.

Mr. LEWIS. Mr. President——

Mr. REYNOLDS. I am glad to yield to my friend from Illinois.

Mr. LEWIS. I have risen a number of times stating that I rose to a parliamentary inquiry. I really seek information and guidance. I say to my friend that a Member of the House from my State, sitting in our body as a guest, brings in a bill which has passed the House touching a matter which he regards as of great importance to a constituent of his. May I ask if it would be necessary, in order that the bill might pass the Senate, that it first go to the calendar; or is it necessary, if it is not on the calendar, that we have unanimous consent before it may be considered?

The PRESIDENT pro tempore. Unanimous consent would be required.

Mr. LEWIS. Then this matter would come under the ban of the objection of the able Senator from Oregon [Mr. McNARY]. Therefore, I tell the Member of the House, understanding the situation, that I shall not press the matter further.

I thank the Senator.

Mr. REYNOLDS. Mr. President, returning to House bill 12953, here is a "hardship case." This is a private bill introduced in the House of Representatives for the relief of an alien by the name of Adolph Lipschitz. [Laughter.] Let me read it:

That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest.

He was already arrested, ready to be deported, and then this private bill was introduced for his relief, so that he would not have to be deported.

The Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Adolph Lipschitz heretofore issued on the grounds that on July 26, 1926, admission to the United States had been fraudulently gained pursuant to the commission of a passport or visa offense which, subsequent to such admission, has heretofore been held by the Attorney General of the United States to be within the purview of "crimes involving moral turpitude", and thereupon Adolph Lipschitz shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence at the port of Buffalo on July 26, 1926. Any declaration of intention to become a citizen or any petition for citizenship heretofore filed by or any admission to citizenship ordered and certificate of naturalization heretofore issued to Adolph Lipschitz which were predicated upon the claim of lawful admission to the United States for permanent residence on July 26, 1926, shall hereafter be deemed valid unless the original 7-year period of validity of such declaration of intention has heretofore expired or Adolph Lipschitz has heretofore been found otherwise not eligible to such benefit under the naturalization laws.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. REYNOLDS. Yes.

Mr. CAREY. How many aliens are involved in this bill?

Mr. REYNOLDS. One.

Mr. CONNALLY. From the pronunciation of the Senator, I thought there were three or four. [Laughter.]

Mr. REYNOLDS. No; only one.

Mr. CAREY. Mr. President, will the Senator yield?

Mr. REYNOLDS. I gladly yield to my friend from Wyoming.

Mr. CAREY. I should like to ask the Senator to state the last name of the alien. I did not get it. [Laughter.]

Mr. REYNOLDS. His name is Adolph Lipschitz—L-i-p-s-c-h-i-t-z.

Mr. President, this is one of the so-called "hardship cases." It appears that this bill was introduced in the House of Representatives on June 3.

Mr. MINTON. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Indiana will state it.

Mr. MINTON. Is the Senator speaking under the Marquis of Queensbury rules? [Laughter.]

Mr. REYNOLDS. This bill was introduced on June 3 of the present year, 1936. The alien mentioned herein appeared before the House Committee on Immigration and Naturalization on the same day. That is quick work. He said his name was Abraham, and not Adolph. He said that he entered this country illegally in 1926, 10 years prior to the introduction of this bill for his relief. He had 10 years in which to take out citizenship papers. He said that he had bought a fraudulent passport, for which he paid $275. Those who sponsored his cause said that his was one of the "hardship cases"; but on further inquiry we learn that this man, classified as one of those upon whom we are now imposing, claiming to have paid $275 for a fraudulent passport, left in Europe a wife and three children, and for 10 long years he has not seen that wife or those children.

Yet he testified before the House committee that every year he has been here he has been employed regularly as a carpenter and has never been on relief. There is one of the hardship cases! This man stole into our country in violation of our laws 10 years ago. For 10 long years this man has usurped a job that should have gone to an American carpenter. For 10 long years this man has lived apart from his wife and his children, and it is said that it would be a hardship, it would be improper, it would be wrong for us to send him back to his wife and his children, for us to kick him out of his job and give it to one of the several million American citizens who are out of employment.

I think one of the greatest things that we should interest ourselves in is the unemployment question. I wish to discuss that question briefly. I wish to discuss it for the reason that we hear a great deal about the unemployment situation in this country today. Mr. President, I desire to say that so long as this Government lasts we are going to be bothered with the unemployment situation in this country, because since its creation we have been troubled with the unemployment situation. I wish now to answer charges made by some of our colleagues in reference to and in criticism of the administration not having been able to reduce by millions the unemployed within the confines of our great Nation.

What is the situation? Senators must remember that there are yearly coming into this country thousands upon thousands of aliens who are seeping in from the Canadian border to the north and likewise across the Rio Grande to the south.

Senators must remember further that under our present quota laws 153,000 persons from foreign shores are annually permitted to enter this country legally, and many thousands more outside of the quotas. Senators must remember that every single year there are millions upon millions of boys and girls arriving at the employable age of 18 years. Senators must further remember that in our country we make general utilization of labor-saving devices more than any other country upon the face of the earth, and taking into consideration thousands upon thousands who come here every year from foreign shores, legally and illegally, taking into consideration the fact that millions of boys and girls in America are arriving each year at the employable age of 18, it is not surprising that we have unemployment, and it would not be surprising to me if we should have it for many years to come. It would take a phenomena such as this country has never known and never will know to wipe out unemployment overnight. Unemployment cannot be charged to the present administration.

Mr. President, I have before me much data. In reference to what my good friend from Washington said a moment ago in regard to the original draft of Senate bill 2969, the Kerr-Coolidge bill, I will say that I prepared 18 amendments to the bill. I wish to say to the Members of this body that at every session of Congress and at every opportunity I am going to bring one of those amendments to the attention of the Senate. I think they are important legislation that ought to pass. One amendment is to the effect that no alien shall be permitted to enter this country so long as there is out of employment a single American who is capable of filling a job. Until the unemployment condition is relieved I think we should stop all immigration into this country.

I wish to say further, as I have said before upon the Senate floor, that I have made investigation and prepared a compilation of a great many of these so-called hardship cases, and I hope at a later date to be able somehow or other to bring about the printing of the distorted reports of those cases submitted by the Labor Department in comparison with the investigations made by myself, and to distribute them to the Members of this body in order that they may know that my opposition to the passage of this resolution is not doing an injustice to anybody.

Finally I wish to say to Senators that if the Labor Department sees fit further to stay these deportation cases, and if there are worthy ones among them, when private bills shall be introduced upon the floor of the Senate for passage in their behalf I shall be, I hope, the first one to arise and champion the cause of such persons and pass those bills to bring about relief if the petitioners are entitled to the relief for which they pray in private bills introduced in the Senate or in the other House of Congress.

I now yield the floor to my distinguished friend from West Virginia [Mr. NEELY].

REGULATION OF INTERSTATE COMMERCE IN BITUMINOUS COAL

The Senate resumed the consideration of the bill (H. R. 12800) to regulate interstate commerce in bitminous coal, and for other purposes.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from West Virginia, on page 2, line 15.

The amendment was agreed to.

Mr. FRAZIER. Mr. President, when the so-called Guffey coal bill was introduced in the Senate and referred to the Committee on Interstate Commerce I told some of the members of the committee that I proposed, when the bill was reported out, to offer an amendment, and when the bill was reported to the calendar I offered and proposed as an amendment to the bill known as the Farm Refinancing Act. I wish to discuss that amendment briefly.

The amendment I am offering is to be offered at the end of the bill as title II, being what is known as the Frazier-Lemke refinancing bill. This bill is in the interest of the American farmer. Last night when the Senator from West Virginia made his very able remarks in regard to the Guffey coal bill he stated that any objectors to the measure were voting for the forced unemployment of the coal miners.

Undoubtedly, many coal operators need help. Many coal miners need employment. The coal operators need better prices and the miners need better wages. The same condition prevails with reference to the American farmer. Thousands of farmers are being foreclosed and put out of business. We have a Federal land bank that has been doing some good work, but it does not fully take care of the situation.

I have a statement from the Farm Credit Administration in which are given the foreclosures per thousand farms by the Federal land bank and by the farm-mortgage companies. In 1935 out of every thousand farms 19 were foreclosed by mortgage companies. Another table gives the list foreclosed upon by the Federal land bank from 1930 to 1935. In 1935 the Federal land bank had outright foreclosures to the number of 9,964. The number by acquisition by voluntary deed was 1,488. Other acquisitions were 1,576. The total number of properties acquired by the Federal land bank in 1935 was 13,028.

Mr. President, there is a crying need for legislation of this kind to save the American farmers from losing their homes and their farms. The present legislation is not sufficent to take care of the situation. We need some measure that will give the farmer a lower rate of interest and easier terms of payment.

A measure of this kind is not a new proposal. We have in other countries similar measures where they have taken care of the farmers. One such country is the nation of Denmark. It is called the land of homes. Through low rates of interest and easy terms of payment provided by the Government, more than 90 percent of the people of Denmark own their own homes and their own farms.

I have an article from a Canadian paper. The paper is published at Crystal City, Manitoba. This was sent to me by a farmer in the State of Washington. The article is headed "Debt Adjustment for Farmers in Brazil", and reads in part as follows:

> A little over 2 years ago a decree issued by the Government of Brazil provided that all debts of the farmers were to be reduced by 50 percent, the Government itself taking over the 50 percent and canceling the debts so far as the farmer is concerned, and issuing to the creditors Government bonds.

The Government of Brazil recognized the fact that because prices had gone down on land and on farm products it was impossible for the farmer to pay his indebtedness, so the government took the attitude that something must be done and enacted a law, according to this article, taking over one-half of the farm indebtedness. I was very much interested and had my secretary call the Brazilian embassy. We were informed that the statement was correct. Other nations are taking care of their farmers, their home owners and land owners. This Government should take care of our home owners and land owners.

The population of our farms in 1935, according to the best figures obtainable, was 32,779,000. This comprises 20 to 25 percent of the total population of the United States. The value of farm property in 1914 to 1935 had gone down practically 50 percent; that is to say, farm properties in 1914 were valued at more than twice as much as they are today. During the same period of years taxes on our American farm property had more than doubled. In other words, while the value of farm property has decreased 50 percent, taxes have increased more than 50 percent.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. LONERGAN in the chair). Does the Senator from North Dakota yield to the Senator from Idaho?

Mr. FRAZIER. I yield.

Mr. BORAH. May I ask the Senator if he has accurate figures as to the proportion of farms in the United States which are under mortgage?

Mr. FRAZIER. It is difficult to get accurate figures, but I have some figures which were submitted to the Committee

on Agriculture and Forestry. We believe they are approximately correct. The mortgage indebtedness, according to these figures, has gone down from $9,500,000,000 in 1934 to $8,000,000,000 in 1935.

Mr. BORAH. Is it not true that a number of those farms which are now not under mortgage are farms which were foreclosed and have passed to the ownership of insurance companies and similar classes of holders?

Mr. FRAZIER. That is absolutely correct. It is claimed that over 50 percent of the farms in the United States have either been foreclosed upon or else are under mortgage at the present time. I believe that is a very conservative estimate.

More than 50 percent of the farmers of the United States have either lost their land by foreclosure or have only a small equity in their land because of the mortgage pending and are in danger of foreclosure.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Utah?

Mr. FRAZIER. I yield.

Mr. KING. The Senator, I understand, has offered a very important amendment, and is discussing it with great intelligence and great force as he usually discusses all matters. It seems to me we ought to have a quorum in order that Senators may hear his observations. Will he yield to enable me to suggest the absence of a quorum?

Mr. FRAZIER. I do not think that is at all necessary. I appreciate the interest of the Senator from Utah.

Mr. President, the farm population of the United States is between 20 and 25 percent of our total population. The value of the farm property is from 20 to 25 percent of the total value of property in the United States. The income of the American farmer comes nowhere near the 20 to 25 percent of the total income of the United States.

I have a table showing the agricultural income and the national income for several years. Beginning in 1929, the national income was $78,576,000,000. The agricultural income in the same year was $6,157,000,000, or 7.8 percent of the national income was farm income.

While our farm property consists of better than 20 percent of the total amount of property, and we have on the farms a quarter of the population of the United States, yet in the year which was the peak of prosperity for business interests—1929—the American farmers received only 7.8 percent of the net income produced that year in this country; and from that time the percentage began to go down. I shall not give all these years; but in 1934, which is the last year I have in this table, the national net income was $40,440,000,000. The agricultural net income for the same year was $3,299,000,000, and the percentage of agricultural net income to national income was 6.6 percent. In other words, 6.6 percent of the total income went to the American farmer!

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Texas?

Mr. FRAZIER. I yield.

Mr. CONNALLY. Without regard to the merits of the Senator's bill or anything of the kind, the Senator will admit, however, that the farm income has rapidly increased within the past 3 years, will he not?

Mr. FRAZIER. It has gone up to some extent, but it is not yet up anywhere near where it should be.

Mr. CONNALLY. No; but, in fairness, I think the Senator ought to state that during the past 3 years the farm income has been very substantially increased.

Mr. FRAZIER. In 1933, which was the year of low income of farmers, according to this table, their income was $2,998,000,000. In 1934, the last year I have in this table, the income of farmers was $3,299,000,000; and it has increased to some extent, I think, to somewhere around $5,000,000,000 during the past year. That is some help, of course, but it is still away below the percentage to which we are entitled.

Mr. President, according to the best figures we can obtain, in prosperous years the total income of the United States should be at least $75,000,000,000; and if our farm population has 20 percent of the total value of the property, it seems to me the farmers should be entitled to 20 percent of the $75,000,000,000; 20 percent would mean $15,000,000,000 to the farmers for their net income.

Mr. President, it has been frequently stated on the floor of the Senate that the platforms of the two old parties for years have had an agricultural plank stating in substance that they wished to put the farmer on a parity with industry. It has always been the record, as far back as I can remember, that the platforms of both these old parties were practically forgotten, especially so far as the farm program was concerned, after the election; and the farmers have never attained anywhere near parity with industry.

Mr. President, I know that the senior Senator from West Virginia [Mr. NEELY] and the junior Senator from Pennsylvania [Mr. GUFFEY] are very much interested in the pending coal bill. There are only about 6,000 coal miners, as I recall, in the United States.

Mr. NEELY. Mr. President, how many did the Senator say?

Mr. FRAZIER. About 6,000 per million of population.

Mr. NEELY. The Senator means 600,000; does he not? The number is much nearer 600,000. There are now employed in the United States, or have been employed, approximately 360,000.

Mr. FRAZIER. Yes; I stand corrected. The number is over 600,000, I believe.

Mr. NEELY. About 600,000 have been so employed.

Mr. FRAZIER. I thank the Senator for the correction; but, of course, even at that we have about 30,000,000 farm people; and, of course, those gainfully employed are much more numerous on the farms than in any other line of work.

The table I have before me sets forth the number gainfully employed. The importance of agriculture from the standpoint of gainful employment among the producers of the Nation is found in the following table, which lists the number employed per million of population:

Eighty-five thousand two hundred and ninety-four farm people are gainfully employed per 1,000,000 people in the United States; and the miners, as given in this table, per million, are 6,064. Next to farmers gainfully employed are clerks, who are 49,805 per million, and servants, 21,577 per million, and so forth. So the number of persons gainfully employed on the farm is practically twice as great as the number in any other one line of industry; and yet agriculture does not begin to get its share of the profits made by the business interests of the country.

The number of farms in the United States is generally considered to be about 6,800,000; and, according to the figures I have here, which were given before the Committee on Agriculture and Forestry, it is estimated that the number of mortgaged farms which are owned by the operators is 2,300,000, and the number of farm tenants is 2,865,000.

Mr. President, I wish to show from these tables, which were presented to the Agricultural Committee, some of the figures in regard to bank credits, and how these bank credits have gone down during the past several years.

According to this statement, the per capita allotment of bank credits in 1934 was $117.33—that is, the bank checking accounts. There were a few States that were above that average. New York, for instance, had a per capita average of bank credits of $406.60. The District of Columbia had a per capita average of over $200, Delaware an average of a little over $200, Massachusetts $170, Illinois $152, Missouri $138, Pennsylvania $134, California $123; and all the rest of the States are below the average per capita credit.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. FRAZIER. Yes; gladly.

Mr. SCHWELLENBACH. I should like to ask the Senator from North Dakota whether, since this bill was reported out by the Committee, the Senator has attempted to have it

made the unfinished business. I do not remember that he has.

Mr. FRAZIER. Oh, yes; I have. The Senator from Washington knows, however, that in order to have a bill made the unfinished business it must have the O. K. of the so-called steering committee, including the majority leader.

Mr. SCHWELLENBACH. I should like to submit a question to the Senator. I feel very sympathetic toward his bill, and voted in the committee to bring it out.

Mr. FRAZIER. I know the Senator did.

Mr. SCHWELLENBACH. The bill has been defeated in the House, however; and I think we may logically assume that if it were attached to this bill it would again be defeated in the House, the House having once defeated it. From the standpoint of those of us who are anxious to help the coal-mining industry, and who believe that the Guffey coal bill will help the coal-mining industry, and who still are sympathetic toward the bill to which the Senator from North Dakota is referring, does not the Senator feel that it is improper to jeopardize and probably certainly defeat the Guffey coal bill if we attach this bill to the Guffey coal bill in the Senate and send it back to the House, even though we may wish to assist in the passage of the bill to which the Senator refers?

Mr. FRAZIER. Mr. President, judging from past experience in the Senate, probably we could not have this bill passed. I realize that; but I do feel that we should have a record vote on it, and I see no reason why any Senator should object to going on record in regard to this bill.

It has been on the calendar for over a year. It was reported unanimously, or without a dissenting vote, at least, from the Committee on Agriculture and Forestry of the Senate, and hearings have been held.

Mr. SCHWELLENBACH. Mr. President, if the Senator could just give to those of us who might want to vote for the bill an assurance that it could not be passed and would not defeat the coal bill, that would be entirely satisfactory; but to put us up against the proposition of voting against the coal bill, which would be the inevitable result if the Senate should adopt this bill, asking us to vote for or against this bill in connection with that legislation, I think is unfair.

Mr. FRAZIER. Mr. President, I feel that this bill is of just as much importance as the coal bill.

Mr. SCHWELLENBACH. I do, too.

Mr. FRAZIER. Furthermore, when the same bill was before the House a few weeks ago, a letter was written by the president of the American Federation of Labor which was read on the floor of the House, which stated that this bill was inflationary, and would increase the prices of farm products, and therefore increase the prices to the consumers; and that his people were against it. The Guffey coal bill will increase the price of coal to the consumer. I do not think it is fair that that should be stated as an argument against it. I think the miners are entitled to a living wage and the operators to the cost of production, and I know the Senator from Washington takes the same attitude. But the same argument, of course, can be used for this amendment that can be used for the coal bill exactly the same argument.

I intend to speak only a few minutes, and all I ask is a record vote on the amendment. I hope we can get it.

I was speaking of per-capita allotments and bank credits in the United States in 1934. I had read some of those in the high figures. I desire now to go down to the bottom of the list. At the bottom of the list is the State of Mississippi, a wonderfully rich agricultural State of the South. Their per-capita bank credits in 1934 averaged $21.10. There are undoubtedly a few businessmen and quite wealthy manufacturing concerns in the South which would have a much higher average than $21.10 in bank credits, but this is the average in Mississippi. This means that there are literally thousands and thousands of farmers in the State of Mississippi who have no bank credit at all, and did not have in 1934.

Next above that is the State of South Carolina, another agricultural State. Twenty-one dollars and fifty-six cents was the average bank credit in that State in 1934.

Next to that is Arkansas, another agricultural State, Twenty-three dollars and twenty-nine cents was the average per-capita bank credit in 1934 in that State.

Alabama is next above that, another agricultural State of the South, with an average of $26.61.

Then comes North Carolina, just above that, another agricultural State of the South, $28.75 being the average per-capita bank credit in 1934.

My own State of North Dakota, another agricultural State, showed an average of $31.05.

New Mexico, $31.36.

Georgia, $39.38.

Tennessee, $42.14.

South Dakota, $43.96.

West Virginia, $47.80. West Virginia is a little above what might be termed an "all-agricultural" State, but it is still very low.

Mr. President, I have a table here showing the decrease in the bank deposits by years, beginning with 1914 and going to 1934. They went down a great deal. This table shows the figures by years in the various States of check-book money in circulation.

In West Virginia the check-book circulation went down from the year 1919, which was a prosperous year, just after the close of the World War. There were at that time $187,-118,000 in checking accounts in the State of West Virginia. They went down in 1934 to $85,373,000, and the number of banks in the State of West Virginia went from 350 banks in 1929 to 181 in 1934, or a loss of 169 banks in the State. Some of the agricultural States during the period from 1919 to 1934 lost an amazingly large number of banks. The State of Iowa and other agricultural States from 1929 to 1934 lost 1,070 banks.

The State of Kansas, another agricultural State, from 1929 to 1934 lost 541 banks.

Minnesota lost 731 banks.

Missouri, another industrial and agricultural State, lost 910 banks.

Some of the States of the South lost a great many banks also. The great agricultural State of Texas lost 576 banks during that time.

Mr. President, the agricultural States have been the hardest hit, both in loss of banks and loss of their credit, and it seems to me they are entitled to some legislation to help save the American farmers, to put them on their feet, to help them retain the ownership of their land and homes, and to help reestablish their purchasing power, to get an opportunity to buy the products they need, which will mean opening the factories, and bringing better times in general.

Mr. President, I desire now to say just a few words about title II, which I have offered as an amendment to the bill. The same bill has been before the Congress for several years, and 32 State legislatures have gone on record favoring it. They have adopted memorials and petitions asking that the Congress of the United States pass the bill. I have a list of 32 State legislatures, and the dates of their resolutions, and the pages in the RECORD where the resolutions were filed with the United States Senate. I will not take the time to read the list, but it includes agricultural States from all over the United States.

Mr. President, this measure provides for refinancing the farm indebtedness at 1½-percent interest, and at 1½-percent interest on the amortization plan, which would pay off the loan in a period of 47 years.

There has been some criticism of the length of time allowed but, of course, if anyone has sufficient earnings to make payments within a shorter time, it is perfectly all right and it can be done. The money for this purpose is to be raised by the issue and the sale of farm-loan bonds drawing 1½ percent tax exempt, of course, and they are Government bonds. If they cannot be readily sold at 1½-percent interest, the bill provides that then they shall be turned over to the Board of Governors of the Federal Reserve Bank, and they in turn will issue paper money, Federal Reserve notes, for the face value of the bonds.

This is called by some inflation. In the bill the paper money so issued is limited so that there shall not be outstanding at any one time more than $3,000,000,000. We do not think that is inflation in any way. According to the table from which I was reading, the bank credits during the past 6 years have been reduced throughout the United States by $6,500,000,000. Think of it; $6,500,000,000 reduction of bank credits, checking accounts of the individuals of the United States. Three billion dollars, Mr. President, would be less than a 50-percent reflation of the amount deflated of our bank credits during the past 6 years. In 1929 when we were at the high point of our credit we did not think we had any great inflation. As the Senator from Oklahoma stated the other day in his very able address on the money question, every time we have had prosperity in the United States we have had plenty of money in circulation. In other words, our dollar was cheap, but commodity prices were high. On the other hand, the Senator from Oklahoma showed us by a graph placed on the wall that the prices of farm commodities and other commodities have followed an inverse course to the value of the dollar.

When we have had good times we have always had plenty of money. Cheap money it has been called; yes, but plenty of it, and prices have been high. On the other hand, in every period in the country's history when we have had hard times it has been when prices were low and money was scarce.

This measure would put $3,000,000,000 of new money into circulation. We believe it would bring about high commodity prices.

The president of the American federation sent a letter to the House, which was read on the floor of the House when the bill was before the House, in which he stated that this $3,000,000,000 of new money would bring better prices for farm commodities. That is what we want, to have the price of farm commodities brought up to a higher amount, brought up high enough to give the farmer cost of production plus a fair profit. He is entitled to that. The coal miners are entitled to a living wage. The farmers are also entitled to it, and they must have it if they are going to succeed.

The amendment provides for the valuation of farm property so as to determine the amount that can be loaned. Provision is also made for the election of an agricultural board to be elected by the farmers themselves, one from each State to look after their own business.

BLUE RIDGE PARKWAY

Mr. GLASS. Mr. President, will the Senator yield to me?

Mr. FRAZIER. I yield.

Mr. GLASS. I ask unanimous consent for the immediate consideration of a bill which has just passed the House and is now on the desk, being House bill 12455 relating to the Blue Ridge Parkway in Virginia. It is simply a local matter.

The PRESIDING OFFICER. The clerk will report the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 12455) to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

COINAGE OF 50-CENT PIECES, ANNIVERSARIES OF NORFOLK, VA.

Mr. GLASS. Mr. President, earlier in the day I endeavored to have Senate bill 4670 considered, and one of my colleagues objected to my unanimous consent request. Since then that Senator [Mr. GUFFEY], who made the objection, has told me that he would not further object. I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the Senate proceeded to consider the bill (S. 4670) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause, and to insert:

That in commemoration of the three hundredth anniversary of the original Norfolk, Va., land grant, and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough, there shall be struck at a mint of the United States to be designated by the Director of the Mint 25,000 commemorative medals of a special appropriate single design, size, weight, and composition to be fixed by the Director of the Mint with the approval of the Secretary of the Treasury.

SEC. 2. Such commemorative medals shall be delivered to the duly authorized officers of the Norfolk Advertising Board, Inc., affiliated with the Norfolk Association of Commerce, upon payment to the Director of the Mint of an amount to be fixed by the Director of the Mint not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such cost.

SEC. 3. Whoever shall falsely make, forge, or counterfeit or cause or procure to be falsely made, forged, or counterfeited, or shall aid in falsely making, forging, or counterfeiting any medal issued under the provisions of this act, or whoever shall sell or bring into the United States or any place subject to the jurisdiction thereof from any foreign place, or have in his possession any such false, forged, or counterfeited medal, shall be fined not more than $1,000 or imprisoned not more than 2 years, or both.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the original Norfolk, Va., land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough."

CONTROL OF GRASSHOPPERS

Mr. NORRIS. Mr. President, I should like to ask the Senator from Kansas [Mr. MCGILL] to submit his unanimous consent request again to consider the so-called grasshopper joint resolution.

Mr. McGILL. Mr. President, will the Senator from North Dakota yield?

Mr. FRAZIER. I yield.

Mr. McGILL. Earlier in the day I presented to the Senate a unanimous-consent request to the effect that the Committee on Appropriations be discharged from further consideration of House Joint Resolution 642, and that it be considered. At this time I renew the request that the Committee on Appropriations be discharged from further consideration of that joint resolution.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Committee on Appropriations is discharged from further consideration of the joint resolution.

Mr. McGILL. I now ask unanimous consent for the immediate consideration of the joint resolution.

Mr. HALE. I object.

Mr. McGILL. Mr. President, did I understand the Senator to object?

Mr. HALE. In the absence of the minority leader, I object.

Mr. NORRIS. Mr. President, I took the matter up with the minority leader and he does not object to the consideration of the joint resolution. He has already said that he does not object. He has agreed to this particular proposition.

Mr. HALE. Under those circumstances, I shall withdraw my objection.

Mr. NORRIS. The Senator has withdrawn his objection.

Mr. McGILL. I ask for the immediate consideration of the joint resolution.

There being no objection the resolution (H. J. Res. 642) to enable the Secretary of Agriculture to apply such methods of control of grasshoppers as in his judgment may be necessary, was considered, ordered to a third reading, read the third time, and passed.

QUAPAW INDIANS OF OKLAHOMA

Mr. THOMAS of Oklahoma. Mr. President, there is on the desk an Indian bill which affects my State. It is for the Quapaws in northeastern Oklahoma. Heretofore the Congress has permitted the State of Oklahoma to tax revenue derived from their realty. Under the existing law in my State if the Indians do not pay the realty there is a lien attached to the land. The lands are restricted. These liens are a cloud upon the Indian title. Inasmuch as the Indians are wards of the Nation, these lands, so far as they are restricted, should not be covered by a cloud. So I ask for immediate consideration of House bill 11221, which provides a new provision that the taxes imposed by the State of Oklahoma shall not be a lien on the restricted lands of the Indians of the Quapaw Tribe.

The PRESIDING OFFICER. The bill will be reported by title.

The LEGISLATIVE CLERK. A bill (H. R. 11221), to amend the last two provisos, section 26, act of Congress approved March 3, 1921 (41 Stat. L. 1225–1248).

Mr. McNARY. Mr. President, what was the request?

Mr. THOMAS of Oklahoma. Mr. President, it is for the consideration of an Indian bill which exempts restricted lands in the Quapaw tribe from taxes imposed by the State of Oklahoma.

Mr. McNARY. Mr. President, I thought I had made my declaration clear. I am willing to proceed with bills on the calendar, but I do not like to have bills picked off the calendar, which always gives certain privileges to Senators who may be interested. I stated earlier in the afternoon that I should object to any further legislation.

Mr. THOMAS of Oklahoma. I understood that obtained to claim bills. This is not a claim bill. This is for the protection of Indians.

Mr. McNARY. I objected to claim bills because they came up in that form. I really must adhere to my former declaration and object to any further legislation.

The PRESIDING OFFICER. Objection is heard.

REGULATION OF INTERSTATE COMMERCE IN BITUMINOUS COAL

The Senate resumed the consideration of the bill (H. R. 12800) to regulate interstate commerce in bituminous coal, and for other purposes.

Mr. BYRNES. Mr. President, will the Senator from North Dakota yield?

Mr. FRAZIER. I yield.

Mr. BYRNES. Has the Senator offered an amendment to the pending bill?

Mr. FRAZIER. Yes; I have.

Mr. BYRNES. What is the nature of the amendment?

Mr. FRAZIER. I have offered what is known as the Frazier-Lemke farm refinancing bill as an amendment to the pending measure.

Mr. BYRNES. Is the Senator opposed to the bill which is now before the Senate, known as the Guffey coal bill?

Mr. FRAZIER. On general principles I am not opposed to the bill. I have had a great many protests from North Dakota against it, however. Our lignite coal has been eliminated from the bill, I understand. We felt it was not fair to include lignite coal, although I voted for the original Guffey coal bill when it was passed. It was more of a labor bill at that time than it is at the present time.

Mr. BYRNES. Did the Senator vote to take up the bill today?

Mr. FRAZIER. No; I did not. I voted against it.

Mr. BYRNES. If the Senator was opposed to taking the bill up for consideration, is he also opposed to the passage of the bill?

Mr. FRAZIER. If my amendment could be adopted I certainly would vote for it.

Mr. BYRNES. And if the Senator's amendment should not be adopted, would he vote against the bill?

Mr. FRAZIER. Yes; that is probably the case. I explained, when the Senator from South Carolina was out of the Chamber, that the president of the American Federation of Labor wrote a letter which was read on the floor of the House when the farm bill was being considered there. He made the statement that it would raise the price of farm commodities and therefore cost the consumers more money, and he was opposed to it. The Guffey coal bill would raise the price of coal and thus coal would cost the farmers more money. I think I have a logical argument in view of the attitude of the president of the American Federation of Labor at that time.

Under the terms of my amendment the new money to be issued would be limited to $3,000,000,000. In a table submitted to the Senate Committee on Agriculture and Forestry is set forth the credit curtailment from 1929 up to 1935 and also the proportionate share of each of the States in the $3,000,000,000 proposed under the farm mortgage amendment, provided that all the money should be issued or in circulation at one time, and based upon the amount of farm mortgages to be refinanced.

In Wyoming, for instance, there was a $29,000,000 curtailment of bank credits. The amount under the Frazier-Lemke measure would be $9,000,000 for that State.

In West Virginia the amount of bank curtailment was $55,000,000. The share of that State, which is not so much of an agricultural State, of the $3,000,000,000 would be only $12,000,000.

In Oklahoma there was a curtailment of bank credit in 1929 of $41,000,000. Their share under the farm-mortgage amendment would be $48,000,000.

In North Carolina the curtailment was $41,000,000, and under the farm-mortgage bill their share would be $47,000,000.

In the State of Arkansas the curtailment was $44,000,000, and their share under the bill would be $9,000,000.

In California the curtailment of bank credit was $266,000,000. Their share under the proposal I have submitted would be $223,000,000.

In Kansas, a great agricultural State, the curtailment was $133,000,000, and their share under my amendment would be $340,000,000; and so on down the list. The agricultural States would get just about as much as their share of the $3,000,000,000 as their curtailment of bank credits amounted to since 1929.

Mr. President, the bill provides for the election by the farmers of an agricultural board, one from each State, to look after the making of loans and the refinancing of the indebtedness of the farmers. It also provides for an agricultural board of three members, who would be on full-time payment with headquarters in Washington. Their duty would be to cooperate with the Farm Credit Administration and the Federal Reserve Board and the farm land bank in order that the farmers' business would be looked after faithfully and well. One criticism of the administration of our farm legislation has been that it was too lax. There has been altogether too much of a lack of interest among those whose duty it was to enforce the legislation in the interest of the farmer.

We have reports from land-bank districts where farmers have given notes with no consideration at all, and where loans were turned down with practically no consideration in many instances. The land bank was organized as a cooperative proposition originally and the farmers were to have a say in the working of it, but the law has been amended until now the farmer has practically nothing to say about the operation of the land bank, although the banks are still called Federal land banks.

Mr. President, the interest on the farm-loan bonds would go to the Government of the United States and the bonds would be held as security for the Federal Reserve notes issued, to the face value of the bonds. That is nothing new under the Federal Reserve System. The Federal Reserve banks issue paper money based on Government bonds. In some instances there is gold back of them. We have plenty of gold in the Treasury as reported by the Senator from Oklahoma [Mr. THOMAS] in his discussion of the currency situation the other day. There is plenty of gold back of the

bonds and the money that would be necessary as a revolving fund to refinance the farmers of the United States.

Mr. President, I am not going to take further time on the amendment. I have offered the amendment and I suggest that time be not taken to have it read because it has been on the calendar in the form of an original measure for over a year. It has been discussed on the floor of the Senate several times and I believe most Senators are more or less familiar with it.

I offer the amendment which I send to the desk to title II of the pending bill.

The amendment offered by Mr. FRAZIER is, at the end of the bill insert the following new title:

TITLE II

SECTION 1. That this title shall be known by the title the Farmers' Farm Relief Act.

SEC. 2. That the Government now perform its solemn promise and duty and place American agriculture on a basis of equality with other industries by providing an adequate system of credit, through which farm indebtedness and farm mortgages now existing may be liquidated and refinanced, through real-estate mortgages on the amortization plan, at 1½-percent interest and 1½-percent principal per annum, and through mortgages on livestock used for breeding or agricultural purposes at 3-percent interest per annum through the use of the machinery of the Farm Credit Administration and the Federal Reserve banking system.

SEC. 3. The Farm Credit Administration is hereby authorized and directed to liquidate, refinance, and take up farm mortgages and other farm indebtedness, existing at the date this title takes effect, by making real-estate loans, secured by first mortgages on farms, to an amount equal to the fair value of such farms and 75 percent of the value of insurable buildings and improvements thereon, through the use of the machinery of the Federal land banks and national farm-loan associations, and to make all necessary rules and regulations for the carrying out of the purposes of this title with expedition. In case such farm mortgages and other farm indebtedness to be liquidated and refinanced exceed the fair value of any farm and 75 percent of the value of insurable buildings and improvements thereon, then such farm mortgages and indebtedness shall be scaled down in accordance with the provisions of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto. Such loans shall be made at a rate of 1½-percent interest and 1½-percent principal per annum, payable in any lawful money in the United States.

SEC. 4. The Farm Credit Administration is further authorized and directed to liquidate, refinance, and take up chattel mortgages and other farm indebtedness, existing at the date of enactment of this title, by making loans at the rate of 3-percent interest per annum, secured by first mortgages on livestock, to an amount equal to 65 percent of the fair market value thereof, such loans to run for a period of 1 year, with right of renewal from year to year for a term of 10 years: *Provided*, That any depreciation in the value of such livestock is replaced by additional livestock, and the amount of the loan is reduced 10 percent each year.

SEC. 5. There is hereby authorized to be appropriated, out of any money not otherwise appropriated, $100,000 for the use of the Farm Credit Administration to carry out the provisions of this title. The necessary and actual expenses incurred in carrying out the provisions in this title shall be apportioned and prorated and added to each individual mortgage and such sums so added shall be paid to the Farm Credit Administration for administrative purposes.

SEC. 6. The funds with which to liquidate and refinance existing farm mortgages and other farm indebtedness shall be provided by the issuing of farm-loan bonds by the Farm Credit Administration, through the Land Bank Commissioner and the Federal land banks, as now provided by law, which bonds shall bear interest at the rate of 1½ percent per annum, if secured by mortgages on farms, and 3 percent per annum if secured by chattel mortgages on livestock. These bonds, after delivery to the Farm Credit Administration, may, by it, be sold at not less than par to any individual or corporation, or to any State, National, or Federal Reserve bank, or to the Treasurer of the United States. And it shall be the duty of the Federal Reserve and national banks to invest their available surplus and net profits after the dividends are paid to their stockholders, in such farm-loan bonds.

SEC. 7. In case all of said farm-loan bonds are not readily purchased, then the Land Bank Commissioner shall present the remainder to the Federal Reserve Board, and the Board shall forthwith cause to be issued and delivered to the Land Bank Commissioner Federal Reserve notes to an amount equal to the par value of such bonds as are presented to it. Such farm-loan bonds to be held by the Federal Reserve Board as security in lieu of any other security or reserve. The outstanding Federal Reserve notes issued under this title shall at no time exceed $3,000,000,000.

SEC. 8. The Farm Credit Administration and the Federal land banks shall turn over all payments of interest and principal on such farm-loan bonds, for which the Federal Reserve Board issues Federal Reserve notes, to the Treasurer of the United States, and shall be by him kept for the purpose of redeeming said Federal Reserve notes and shall be reinvested by him as a sinking fund in farm-loan bonds issued under the provision of this title.

SEC. 9. Whenever the amount of money issued under this title shall exceed $25 per capita, then the Treasurer of the United States, by and with the approval of the Federal Reserve Board and the President of the United States, may retire Federal Reserve notes in an amount equal to the principal paid on farm-loan bonds, for which Federal Reserve notes were issued, not to exceed 2 percent in any one year, of the amount of Federal Reserve notes so issued.

SEC. 10. There is hereby created a Board of Agriculture consisting of one member from each State, elected by the farmers of such State, who shall be elected by delegates selected by a mass convention of farmers in each county or parish within the United States, who are indebted and declare it to be their intention to take advantage of this title, such county of parish convention to be its own judge as to who are bona-fide farmers and otherwise eligible to participate in its proceedings.

SEC. 11. The Farm Credit Administration is hereby authorized and directed to give public notice, through the Federal land banks, to the farmers of each county or parish of the time and place of holding the first county or parish convention, which shall be held at the seat of government of each county or parish; and it shall at the same time give notice of the first convention of the State delegates, to be held at the State capital of each State, notice of such convention to be given within 60 days after the enactment of this title.

SEC. 12. The farmers attending such county or parish convention and the State delegates attending such State convention shall organize and make such rules and regulations for their procedure as they deem necessary or convenient, and shall elect a president and a secretary and make arrangements for such other and future conventions as they may deem necessary to carry out the purposes of this title, and they shall at all times cooperate and assist the Board of Agriculture, the Farm Credit Administration, the Federal land banks, and national farm-loan associations to liquidate and refinance farm mortgages and farm indebtedness.

SEC. 13. The State delegates so elected shall meet at the State capitals of their respective States and elect a member of the Board of Agriculture, who shall hold his office from the date of such election and for a period of 2 years from January 20 following, and who shall receive $15 per diem and necessary traveling expenses while on official business, to be paid by the Farm Credit Administration out of any funds set apart by section 5 of this title.

SEC. 14. Immediately after their election the members of the Board of Agriculture, upon call of the Farm Credit Administration, shall meet at Washington in the District of Columbia and organize by electing a chairman and a secretary, and they shall make such rules and regulations as they deem necessary and expedient to carry out the purposes of this title. They shall elect an executive committee of three, none of whom shall be members of the Board of Agriculture, who shall hold their office at the will of said Board and who shall receive a salary of $7,500 per annum and 5 cents per mile for necessary traveling expenses while on official business, to be paid by the Farm Credit Administration out of any funds set apart by section 5 of this title.

SEC. 15. The members of the Board of Agriculture shall keep in touch with and report to the executive committee the progress of liquidating and refinancing farm mortgages and farm indebtedness in their respective States. They shall cooperate with county or parish and State governments and with all farms and cooperative organizations within their respective States, to speedily bring about the liquidation and refinancing of farm mortgages and farm indebtedness.

SEC. 16. The executive committee of the Board of Agriculture shall advise with and supervise the work of liquidating and refinancing farm mortgages and farm indebtedness by the Farm Credit Administration and the Federal Reserve Board, and they shall cooperate with said Boards and with county or parish and State governments and with the various farm organizations, and with the agricultural colleges of the Nation, in order to bring about a just and speedy liquidation and refinancing of farm mortgages and farm indebtedness. They shall report to the President of the United States any member of the Farm Credit Administration or the Federal Reserve Board who neglects, hinders, or delays the carrying out of the provisions of this title, and it shall be the duty of the President, upon cause shown, to remove any such officer and to appoint some other suitable person in his place with the advice and consent of the Senate.

SEC. 17. The benefits of this title shall also extend to any farmer or member of his family who lost his or her farm through indebtedness or mortgage foreclosure since 1921 and who desires to purchase part or all of the farm lost or another like farm. It shall also extend to any tenant, or member of his or her family, who desires to purchase an encumbered farm, provided he has lived on and operated a farm as a tenant for at least 2 years prior to the enactment of this title.

SEC. 18. The executive committee of the Board of Agriculture shall have power in case of crop failures, and in other meritorious cases, to extend the time payments due on loans made under this title from time to time for a period not exceeding 3 years, provided the mortgagor keeps up the payment of all taxes on the mortgaged property.

SEC. 19. This title shall be liberally construed, and no technicalities or limitations shall be imposed or permitted to interfere with the speedy carrying out of its purposes; and the provisions of the

Federal farm-loan system and the Federal Reserve banking system shall apply as far as applicable in the carrying out of the provisions of this title; and all laws or parts of laws in conflict herewith are for the purpose of this title repealed. The persons charged with the duty of carrying out the provisions of this title are authorized and directed to do all things necessary or convenient to accomplish its purposes with expedition.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. FRAZIER].

Mr. HOLT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Caraway	Holt	O'Mahoney
Ashurst	Carey	King	Pittman
Bachman	Connally	La Follette	Radcliffe
Bailey	Copeland	Lewis	Robinson
Barkley	Davis	Lonergan	Russell
Benson	Dieterich	McGill	Schwellenbach
Bilbo	Duffy	McKellar	Sheppard
Black	Frazier	McNary	Thomas, Okla.
Borah	George	Metcalf	Thomas, Utah
Brown	Gibson	Minton	Truman
Bulow	Guffey	Murray	Van Nuys
Burke	Hale	Neely	Wagner
Byrnes	Hayden	Norris	Walsh

The PRESIDING OFFICER. Fifty-two Senators having answered to their names, a quorum is present.

Mr. HOLT obtained the floor.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Utah will state it.

Mr. KING. Is the question now before the Senate the amendment offered by the senior Senator from North Dakota, the so-called Frazier-Lemke bill?

The PRESIDING OFFICER. It is. The Senator from West Virginia [Mr. HOLT] has the floor.

Mr. FRAZIER. Mr. President, I suggest that we vote on this amendment, if it is agreeable; and I ask for the yeas and nays.

The PRESIDING OFFICER. Is that agreeable to the Senator from West Virginia?

Mr. HOLT. That is perfectly agreeable.

The PRESIDING OFFICER. Is the demand for the yeas and nays seconded?

The yeas and nays were ordered.

Mr. BILBO. Mr. President, a parliamentary question. What is the vote to be upon?

The PRESIDING OFFICER. Upon the amendment offered by the Senator from North Dakota [Mr. FRAZIER] to the so-called Guffey coal bill.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BILBO (when his name was called). I have a general pair with the senior Senator from Iowa [Mr. DICKINSON]. Not knowing how he would vote, I transfer that pair to the junior Senator from Alabama [Mr. BANKHEAD]. I do not know how the Senator from Alabama would vote, but I am ready to vote. I vote "yea."

Mr. CAREY (when his name was called). I have a general pair with the senior Senator from Ohio [Mr. BULKLEY]. Not knowing how he would vote, I withhold my vote.

Mr. LA FOLLETTE (when his name was called). I have a pair with the senior Senator from Maryland [Mr. TYDINGS]. If I were at liberty to vote, I should vote "yea."

Mr. McKELLAR (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. TOWNSEND]. I transfer that pair to the junior Senator from New Jersey [Mr. MOORE] and vote "nay." I am not advised how either Senator would vote if present.

Mr. McNARY (when his name was called). I have a pair with the senior Senator from Mississippi [Mr. HARRISON], which I transfer to the senior Senator from South Dakota [Mr. NORBECK], and vote "yea." If the Senator from South Dakota [Mr. NORBECK] were present and voting, he would vote "yea."

The roll call was concluded.

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], and the Senator from Nevada [Mr. McCARRAN] are detained from the Senate on account of illness.

The Senator from Alabama [Mr. BLACK], the Senators from Virginia [Mr. BYRD] and [Mr. GLASS], the Senator from Missouri [Mr. CLARK], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Rhode Island [Mr. GERRY], the Senator from Oklahoma [Mr. GORE], the Senator from Mississippi [Mr. HARRISON], the Senator from New Mexico [Mr. HATCH], the Senator from Kentucky [Mr. LOGAN], the junior Senator from Louisiana [Mrs. LONG], the senior Senator from Louisiana [Mr. OVERTON], the Senator from Connecticut [Mr. MALONEY], the Senator from California [Mr. McADOO], the Senator from New Jersey [Mr. MOORE], the Senator from Iowa [Mr. MURPHY], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Maryland [Mr. TYDINGS], and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

The Senator from Florida [Mr. LOFTIN], the Senator from Ohio [Mr. BULKLEY], the Senator from South Carolina [Mr. SMITH], and the Senator from New Mexico [Mr. CHAVEZ] are absent in attendance of the funeral of the late Senator Fletcher.

I announce the following general pairs: The Senator from Colorado [Mr. COSTIGAN] with the Senator from New Hampshire [Mr. KEYES]; the Senator from Ohio [Mr. DONAHEY] with the Senator from Vermont [Mr. AUSTIN]; the Senator from North Carolina [Mr. REYNOLDS] with the Senator from New Jersey [Mr. BARBOUR]; the Senator from California [Mr. McADOO] with the Senator from North Dakota [Mr. NYE]; and the Senator from Virginia [Mr. GLASS] with the Senator from Minnesota [Mr. SHIPSTEAD].

Mr. DAVIS. I have a general pair with the Senator from Kentucky [Mr. LOGAN], which I transfer to the junior Senator from Maine [Mr. WHITE], and vote "nay." If the junior Senator from Maine were present and voting, he would vote "nay." I do not know how the junior Senator from Kentucky would vote if present.

Mr. McNARY. My colleague the junior Senator from Oregon [Mr. STEIWER] has a general pair with the senior Senator from Montana [Mr. WHEELER].

Mr. FRAZIER. My colleague [Mr. NYE] is necessarily absent. If present, he would vote "yea."

The result was announced—yeas 17, nays 34, as follows:

YEAS—17

Bachman	Bulow	Gibson	Sheppard
Benson	Capper	Holt	Thomas, Okla.
Bilbo	Caraway	McGill	
Bone	Frazier	McNary	
Borah	George	Murray	

NAYS—34

Adams	Davis	Lonergan	Robinson
Ashurst	Dieterich	McKellar	Schwellenbach
Bailey	Duffy	Metcalf	Thomas, Utah
Barkley	Guffey	Minton	Truman
Brown	Hale	Neely	Van Nuys
Burke	Hastings	Norris	Wagner
Byrnes	Hayden	O'Mahoney	Walsh
Connally	King	Pittman	
Copeland	Lewis	Radcliffe	

NOT VOTING—44

Austin	Couzens	Loftin	Pope
Bankhead	Dickinson	Logan	Reynolds
Barbour	Donahey	Long	Russell
Black	Gerry	McAdoo	Shipstead
Bulkley	Glass	McCarran	Smith
Byrd	Gore	Maloney	Steiwer
Carey	Harrison	Moore	Townsend
Chavez	Hatch	Murphy	Tydings
Clark	Johnson	Norbeck	Vandenberg
Coolidge	Keyes	Nye	Wheeler
Costigan	La Follette	Overton	White

So Mr. FRAZIER's amendment was rejected.

INTERNAL-REVENUE TAXATION

Mr. STEIWER. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Oregon?

Mr. HOLT. I yield.

Mr. STEIWER. Mr. President, I desire to address the Senate briefly on the question of the revenue bill, the conference report on which was agreed to by the Senate today.

The bill was a most remarkable one in a number of respects. It was remarkable, first, in that it was not clearly a revenue bill, but had as one of its purposes the coercion of the corporations of the country with respect to the distribution of their earnings. I was much impressed by the statements made by the Senator from Massachusetts [Mr. WALSH] and the Senator from Georgia [Mr. GEORGE] on that particular feature of the bill. I will not, however, detain the Senate to speak about that matter, as I have no desire to thrash over old straw.

The bill is most remarkable in a second respect in that it calls for a stupendous sum of money. It is estimated to yield approximately $800,000,000. In a very substantial sense it is wrong to say that a bill will yield any particular amount. No piece of legislation yields revenue; it takes revenue, and takes the revenue from the people.

The third respect in which this bill is noteworthy is that it is based upon an exaggerated claim as to its necessity. Senators will recall that in the President's message there were two main reasons assigned as to the necessity for this legislation. One was the enactment of the bill for the prepayment of the bonus, and with respect to that the message recited that it added to the interest charge to the extent of $120,000,000 per annum.

It will readily be seen that if the bonus reserves had been built up as was contemplated by the act of 1924, within the Budget, by the accruals which had been made and were to have been made, the process would have gone on without this increased interest charge; and if that course had been taken, the final result in cost to the Treasury of the United States would have been exactly what it is now, except that prepayment entails the necessity of paying interest upon a sum of substantially $2,000,000,000. At 3 percent the increased cost is something like $60,000,000 a year and not $120,000,000.

The other item of increased cost to the Treasury as assigned in the message was the Soil Conservation Act, which was estimated to cost something like $500,000,000 a year.

Mr. President, I think every Member of this body knows that if the Soil Conservation Act is administered as a soil conservation act it cannot by any possibility cost this Nation $500,000,000 per year. It may very well attain a cost of this proportion if its administration is for purposes similar to the purposes of the Triple A.

I desire for a minute to discuss this phase of the legislation. The country, in my opinion, is entitled to know just what to expect in the way of the distribution of this revenue under the Department of Agriculture in furtherance of the plan, or the alleged plan, to bring about a better system of soil conservation.

I have said that under any reasonable administration of the Soil Conservation Act the cost cannot be $500,000,000 per year.

I might add that if the act is held to be unconstitutional, such holding will immediately save the Treasury the entire cost. I may add also, Mr. President, that if the money is to be expended for general farm-relief and price-fixing purposes the money, to whatever extent expended, will be to a large part wested. The history of the Triple A discloses that in certain portions of the country money expended under the guise of farm relief did not reach the farmers for whom it was intended, and in the Cotton Belt particularly those who produced cotton received but meager benefits and those who were in position to head off the payments were the ones who were substantially benefited.

The proof of this is found in the administration of the act as disclosed up to this date. I think that no adequate survey has been made of the administration under the Triple A. No investigation has been undertaken by the Congress. No report has disclosed to the country as to the full nature of the effort which was made and of the substantial failure which was met in the attempt to do something for the cotton growers of the country.

Illustrations of the substantial failure of the Triple A to confer benefits upon those who were the actual producers of the cotton are reflected in a recent study which has been made by private agencies and to some extent in the numerous reports that have been made by the field offices of the Department of Agriculture in their effort to bring order out of chaos in the Cotton Belt. These investigations, private and public, show that in the administration of the Triple A there have been wholesale frauds and wholesale misrepresentations. They show also that there have been a veritable series of widespread conspiracies, some of which had for their object to plunder the United States Treasury and others—and I think in the greater number of cases—have had for their object an effort to deprive the sharecroppers and the tenants of the benefits that had been intended for them.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. STEIWER. I yield.

Mr. BYRNES. Will the Senator state from what he is reading? Will he give the source of his information?

Mr. STEIWER. I will as I proceed if the Senator will indulge me. I am reading now from my own statement.

Mr. BYRNES. Does the Senator mean to say that he states on his authority that these things have occurred?

Mr. STEIWER. Oh, yes. I shall develop that as I proceed if the Senator will be patient for just a minute.

Mr. BYRNES. I know; but does the Senator mean to say of his personal knowledge that he, representing the State of Oregon, says that these things have occurred in the Cotton Belt, in the Cotton States?

Mr. STEIWER. I have not personally been down in the South. As the Senator knows, I have been here.

Mr. BYRNES. I know the Senator has not been there. Therefore, I ask him on whose authority he is making the statement?

Mr. STEIWER. The Senator has not been paying attention to my statement. I am sorry.

Mr. BYRNES. I have been listening intently.

Mr. STEIWER. What I say is based upon the reports received by the Triple A from their own investigators and based upon the supplemental investigation of private agencies.

Mr. BYRNES. What private agencies?

Mr. STEIWER. Will not the Senator let me make my speech in my own way?

Mr. BYRNES. I will let the Senator make his speech. I have listened to him before. When he gets through I shall have something to say.

Mr. STEIWER. I expect to show to the Senator very clearly as I proceed the exact nature of my information and also the significance of the information.

Mr. BYRNES. If the Senator will just state the source of the information I do not care about his statement and the significance of it.

Mr. STEIWER. I was saying at the time I was interrupted, Mr. President, that these investigations disclosed wholesale forgeries and numerous other crimes including the theft of significant papers.

The information that has been brought to my attention has come partly from southeastern Missouri, a little from Arkansas, some little from Alabama, but chiefly from conditions in 16 counties in Texas, and I shall endeavor as I proceed to describe a part of the information which has been derived as to those 16 counties in Texas.

The frauds which have been uncovered may be classified, for convenience, into three groups: The first group, and the least of importance, is the fraud against the Government. This fraud has been perpetrated by Government employees and agents, by cotton ginners, in some cases by the farmers themselves, and in many cases by the combinations made up of groups of the foregoing to which I have just referred.

The second great group of frauds might well be designated as frauds against the farmers. This represents the largest category of frauds which have been uncovered. They have been committed in some cases by Government employees and agents, in some cases by the landowners who imposed upon the sharecroppers, in some cases by the speculators, and in some cases by conspiracies made up of combinations of all of the foregoing.

The third class of fraud are those against both the Government and the farmers. They have been undertaken and accomplished in many cases by speculators who were Government agents and by speculators who were not Government agents, but who were connected with local institutions, all these speculations being largely in the tax-exempt certificates which have been provided for in the administration of the act.

I wish to say to my friend from South Carolina that I would not undertake to make charges of this kind if I had not been provided with a very considerable amount of information, a part of which I desired to submit to the Senate.

The Triple A in its effort to deal with the situation has had investigators in the State of Texas since the beginning of 1935. I am advised that there have been times during that period when they have employed as high as 150 investigators. At other times the number of investigators has not been so large. At all times I think investigators have attained some success in arriving at the methods of operation, but they have not been able to head off these various impositions, and particularly they have been unable to shield the sharecroppers against the assaults made upon them by the landowners or the speculators and by the others who seek to try to deprive them of the benefits intended by the Government for them.

With the indulgence of the Senate, I wish to read briefly from certain affidavits which have been placed in my hands. I shall not read them in full, because it would detain the Senate unduly, but I shall read certain excerpts which seem to throw a particularly clear light upon the situation.

The first is an affidavit subscribed by Hazel Morgan. From that affidavit I read the following:

About the 29th of January 1935 I was employed as notary public and stenographer to assist Mr. V. W. Pryor. * * *

During the 5 months that I worked in this investigation we found numerous irregularities, such as certificates being stolen from producers, forgeries, false statements, buying and selling of certificates by clerks in the county agent's office, illegal buying and selling of certificates by farmers, and many others.

From another place in the same affidavit I read the following:

Because of false statements and forgeries in his contract Mr. C. M. Westmoreland, producer in Nacogdoches County, had asked that his contract be canceled, but when Mr. Harvey returned to Nacogdoches to collect these refunds Mr. Westmoreland refused to pay. The last morning that Mr. Anderson was there Mr. S. M. Adams, local attorney, called Mr. Anderson and asked him to see Mr. Westmoreland and give him all consideration. Mr. Anderson agreed, and looked over Mr. Westmoreland's contract, in which there were admitted false evidence and forgeries. Mr. Anderson told Mr. Westmoreland that his contract was in the best shape of any he had seen.

Mr. COPELAND. Mr. President, will the Senator from Oregon yield to enable me to submit a conference report?

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Oregon yield to the Senator from New York for that purpose?

Mr. STEIWER. I do.

PREVENTION OF FOOD, DRUG, ETC., ADULTERATION—CONFERENCE REPORT

Mr. COPELAND. Mr. President, the conferees on the food and drug bill have been in session all day, since 9 o'clock this morning. We find ourselves unable to agree. We are in full agreement on all the items of the bill save one, and that is on the question of enforcement, whether it should be in the Federal Trade Commission or the Food and Drug Administration.

The House made 39 major amendments in the bill which we passed at the last session. We were willing to concede practically all of them. There were four or five upon which there were disagreements, but where we were able to choose language we did so and came to an agreement. However, when it came to the matter of enforcement, the House conferees were divided. So far as I am personally concerned, I said last year that I would rather have the bill die than to take the enforcement out of the Food and Drug Administration.

During the day today there seemed to be a desire to compromise on that particular matter. As a matter of fact, we called in the legislative counsel of the Senate and of the House, and together they worked out what on our side of the table we considered to be a very happy compromise, leaving all matters relating to health to the administration of the Food and Drug Administration and all matters having to do with economic problems with the family budget, and practically all matters relating to food and cosmetics to be administered by the Federal Trade Commission.

Mr. Rayburn, who was good enough to attend our conference, said he thought we had gone 75 percent of the way. I do not think we went quite that far, but we did go 50 percent of the way.

I move that the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment, in lieu of the language inserted by the House amendment to insert the amendment which I send to the desk.

The motion was agreed to.

The amendment proposed by Mr. COPELAND to the amendment of the House is as follows:

CHAPTER I

SECTION 1. That this act may be cited as the "Federal Food, Drug, and Cosmetic Act."

CHAPTER II

DEFINITION OF TERMS

SECTION 201. As used in this act, unless the context otherwise indicates—

(a) The term "food" includes all substances and preparations used for, or entering into the composition of, food, drink, confectionery, chewing gum, or condiment for man or other animals.

(b) The term "drug", for the purposes of this act, includes (1) all substances and preparations recognized in the official United States Pharmacopoeia, official Homoeopathic Pharmacopoeia of the United States, or official National Formulary, or any supplement to any of them; and (2) all substances and preparations intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; and (3) all substances and preparations, other than food and cosmetics intended to affect the structure or any function of the body.

(c) The term "device", for the purposes of this act, includes all devices intended (1) for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; and (2) to affect the structure or any function of the body.

(d) The term "cosmetic" includes all substances and preparations intended for cleansing or altering the appearance of or promoting the attractiveness of the person, except that such term shall include soaps only when medicinal or curative qualities are claimed therefor.

(e) The term "Territory" means any Territory or possession of the United States, including the District of Columbia and excluding the Canal Zone.

(f) The term "interstate commerce" means (1) commerce between any State or Territory and any place outside thereof, and (2) commerce or manufacture within the District of Columbia or within any other Territory not organized with a legislative body.

(g) The term "person" includes individual, partnership, corporation, and association.

(h) The term "Secretary" means the Secretary of Agriculture.

(i) The term "label" means the principal display or displays of written, printed, or graphic matter (1) upon any food, drug, device, or cosmetic, or the immediate container thereof, and (2) upon the outside container or wrapper, if any there be, of the retail package of any food, drug, device, or cosmetic.

(j) The term "labeling" includes all labels and other written, printed, and graphic matter, in any form whatsoever, accompanying any food, drug, device, or cosmetic.

(k) The term "advertisement" includes all representations of fact or opinion disseminated to the public in any manner or by any means, other than by the labeling, for the purpose of inducing, directly or indirectly, the purchase of foods, drugs, devices, or cosmetics.

(l) The term "medical profession" means the legalized professions of the healing art; and the term "medical opinion" means the opinion, within their respective fields, of the practitioners of any branch of the medical profession, the practice of which is licensed by law in the State or Territory where any drug or device, to which such opinion relates, is held, sold, or distributed; and the term "scientific opinion" means the opinion, within their respective fields, of competent pharmacologists, physiologists, or toxicologists.

(m) The term "official compendium" means the United States Pharmacopœia, Homeopathic Pharmacopœia of the United States, National Formulary, or any supplement to any of them, official at the time any drug, to which the provisions thereof relate, is introduced into interstate commerce.

(n) The term "Department" means the Department of Agriculture of the United States.

(o) The term "Administration" means the Food and Drug Administration of the Department.

CHAPTER III

ADULTERATED FOOD

SECTION 301. A food shall be deemed to be adulterated—

(a) (1) If it bears or contains any poisonous or deleterious substance which may render it dangerous to health; or (2) if it bears or contains any added poisonous or added deleterious substance which may render it injurious to health, or which is unsafe within the meaning of section 305, or in excess of the limits of tolerance prescribed by regulations as provided by section 305; or (3) if it consists in whole or in part of any filthy, putrid, or decomposed substance, or if it is otherwise unfit for food; or (4) if it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health; or (5) if it is, in whole or in part, the product of a diseased animal or of an animal which has died otherwise than by slaughter; or (6) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

(b) (1) If any valuable constituent has been in whole or in part abstracted therefrom; or (2) if any substance has been substituted wholly or in part therefor; or (3) if damage or inferiority has been concealed in any manner; or (4) if any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or create a deceptive appearance.

(c) If it contains a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 305.

(d) If it is confectionery or ice cream, it shall also be deemed to be adulterated if it bears or contains any alcohol, harmful resinous glaze, or nonnutritive substance except harmless coloring, harmless flavoring, natural gum, and pectin: *Provided*, That this paragraph shall not apply to any confectionery or ice cream by reason of its containing less than one-half of 1 percent by volume of alcohol derived solely from the use of flavoring extracts, or to any chewing gum by reason of its containing harmless nonnutritive masticatory substances.

MISBRANDED FOOD

SEC. 302. A food shall be deemed to be misbranded—

(a) If its labeling is false or misleading in any particular.

(b) If it is offered for sale under the name of another food.

(c) If it is an imitation of another food, and its label fails to bear, in type of uniform size and prominence, the word "imitation" and, immediately thereafter, the name of the food imitated.

(d) If its container is so made, formed, or filled as to mislead the purchaser.

(e) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, seller, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under subdivision (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

(f) If any word, statement, or other information required on the label under any provision of this act is not prominently placed thereon in such a manner as to be easily seen and in such terms as to be readily understood by purchasers and users of such articles under customary conditions of purchase and use, due consideration being given to the size of the package.

(g) If it purports to be or is represented as a food for which a definition and standard of identity has been prescribed by regulations as provided by section 304, and (1) it fails to conform to such definition and standard, or (2) its label fails to bear the name of the food prescribed in the definition and standard, or if so required by such regulations when such definition and standard permits optional ingredients other than spices, flavors, and coloring, the common names of such optional ingredients as are present in such food.

(h) If it purports to be or is represented as a food for which a standard of quality or fill of container has been prescribed by regulations as provided by section 304 and its quality or fill falls below such standard of quality or fill of container and its label fails to bear a statement, in such manner as the regulations specify, showing that it falls below such standard of quality or fill of container.

(i) If it is not subject to the provisions of paragraph (g) of this section and its label fails to bear (1) the common or usual name of the food, if any there be, or (2) in case it is fabricated from two or more ingredients, the common or usual name of each such ingredient; except that spices, flavors, and colorings, other than those sold as such, may be designated as spices, flavors, and colorings without naming each: *Provided*, That, to the extent that compliance with the requirements of subdivision (2) of this paragraph is impracticable because of variations in ingredients usual to good manufacturing or packing practice, or is impracticable for any other reason, exemptions shall be established by regulations promulgated by the Secretary. Such subdivision (2) shall not apply to any proprietary food the ingredients of which have been fully and correctly disclosed to the Secretary if compliance with such subdivision would give to competitors information they could not otherwise obtain.

(j) If it purports to be or is represented for special dietary uses, such as by infants, or invalids, or for other special nutritional requirements, and its label fails to bear, if so required by such regulations as may be prescribed by the Secretary as necessary for the protection of the public health, statements concerning its vitamin, mineral, and other dietary properties which fully inform the purchaser as to its nutritional value.

(k) If it bears or contains any artificial flavor, artificial color, or chemical preservative, and it fails to bear a label stating that fact: *Provided*, That to the extent that compliance with the requirements of this paragraph is impracticable, exemptions shall be established by regulations promulgated by the Secretary.

REGULATIONS MAKING EXEMPTIONS

SEC. 303. The Secretary is hereby directed to promulgate regulations exempting from any labeling requirement of this act (1) small open containers of fresh fruits and fresh vegetables and (2) food which is, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such food is not adulterated or misbranded under the provisions of this act upon removal from such processing, labeling, or repacking establishment.

DEFINITIONS AND STANDARDS FOR FOOD

SEC. 304. For the effectuation of the purposes of this act the Secretary is hereby authorized to promulgate regulations fixing and establishing for any food a definition and standard of identity, and a reasonable standard of quality and/or fill of container: *Provided*, That no standard of quality shall be established for fresh fruits and fresh vegetables and no standard of identity for fresh apples and fresh pears: *And provided further*, That in any regulation pertaining to fill of container the Secretary shall give due consideration to the natural shrinkage in storage and in transit of fresh natural food and to need for the necessary packing and protective material. In the fixing and establishing of any standard of quality for any canned fruit or canned vegetable, consideration shall be given and due allowance made for the differing characteristics of the several varieties of such fruit or vegetable.

TOLERANCES FOR POISONOUS INGREDIENTS IN FOOD AND CERTIFICATION OF COAL-TAR COLORS FOR FOOD

SEC. 305 (a) Any poisonous, contaminating, or deleterious substance added to any food, except where such substance is required in the production thereof or cannot be avoided by good manufacturing practice, shall be deemed to be unsafe for purposes of the application of section 301 (a); but when such substance is so required or cannot be so avoided, the Secretary is authorized to promulgate regulations limiting the quantity therein or thereon to such extent as he finds necessary for the protection of public health. In determining the quantity of such added substance to be tolerated in or on different articles of food, the Secretary shall take into account the extent to which the use of such substance is required or cannot be avoided in the production of each such article, and the other ways in which the consumer may be affected by the same or other poisonous or deleterious substances.

(b) The Secretary is hereby authorized to promulgate regulations for the certification of coal-tar colors which are harmless and suitable for use in food.

EMERGENCY PERMIT CONTROL

SEC. 306. (a) Whenever the Secretary finds after investigation that the distribution in interstate commerce of any class of food may, by reason of contamination with micro-organisms during the manufacture, processing, or packing thereof in any locality, be injurious to health, and that such injurious nature cannot be adequately determined after such articles have entered interstate commerce, he is then, and in such case only, authorized to promulgate regulations providing for the issuance, to manufacturers, processors, or packers of such class of food in such locality, of permits to which shall be attached such conditions governing the manufacture, processing, or packing of such class of food, for such temporary period of time, as may be necessary to protect the public health, and after the effective date of such regulations, and during such temporary period, no person shall introduce into interstate commerce any such food manufactured, processed, or packed by any such manufacturer, processor, or packer unless such manufacturer, processor, or packer holds a permit issued by the Secretary as provided by such regulations.

(b) The Secretary is authorized to suspend immediately upon notice any permit issued under authority of this section if it is found that any of the conditions of the permit have been violated. The holder of a permit so suspended shall be privileged at any time to apply for the reinstatement of such permit, and the Secretary shall immediately after prompt hearing and an inspection of the establishment, reinstate such permit if it is found that adequate measures have been taken to comply with and maintain the conditions of the permit, as originally issued or as amended.

(c) Any officer or employee duly designated by the Secretary shall have access to any factory or establishment, the operator of which holds a permit from the Secretary, for the purpose of ascertaining whether or not the conditions of the permit are being complied with, and denial of access for such inspection shall be ground for suspension of the permit until such access is freely given by the operator.

CHAPTER IV

ADULTERATED DRUGS

SECTION 401. A drug shall be deemed to be adulterated—

(a) (1) If it consists in whole or in part of any filthy, putrid, or decomposed substance; or (2) if it has been prepared, packed, or held under insanitary conditions whereby it may have been

contaminated with filth, or whereby it may have been rendered injurious to health; or (3) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render it injurious to health; or (4) if it contains, for purposes of coloring only, a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 404.

(b) If its name is recognized in an official compendium, or if it purports to be a drug the name of which is so recognized, and it differs from the standard of strength, quality, or purity as determined by the tests or methods of assay set forth therein; except that whenever tests or methods of assay have not been prescribed therein, or such tests or methods of assay as are prescribed are insufficient, for determining whether or not such drug complies with such standard, the Secretary is hereby authorized to bring such fact to the attention of the appropriate body charged with the revision of such compendium and if such body fails within a reasonable time to prescribe tests or methods of assay which are sufficient, then the Secretary may by regulations prescribe for the purposes of this act such tests or methods of assay. No drug shall be deemed to be adulterated under this paragraph because it differs from the standard of strength, quality, or purity therefor set forth in an official compendium, if its standard of strength, quality, or purity be plainly stated on its label. Whenever a drug is recognized in both the United States Pharmacopoeia and the Homeopathic Pharmacopoeia of the United States it shall be subject to the requirements of the United States Pharmacopoeia unless it is labeled and offered for sale as a homeopathic drug, in which case it shall be subject to the provisions of the Homeopathic Pharmacopoeia of the United States and not to those of the United States Pharmacopoeia.

(c) If it is not subject to the provisions of paragraph (b) of this section and its identity or strength differs from, or its purity or quality falls below, that which it purports or is represented to possess.

(d) If any substance has been (1) mixed or packed therewith so as to reduce its quality or strength or (2) substituted wholly or in part therefor.

MISBRANDED DRUGS AND DEVICES

SEC. 402. A drug or device shall be deemed to be misbranded—

(a) If its labeling is false or misleading in any particular. Any representation concerning any effect of a drug or device shall be deemed to be false under this paragraph if such representation is not supported by scientific facts or substantial and reliable medical or scientific opinion.

(b) If it is dangerous to health when used in the dosage, or with the frequency or duration, prescribed or recommended in the labeling or advertisement thereof.

(c) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, seller, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under subdivision (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

(d) If any word, statement, or other information required on the label under any provision of this act is not prominently placed thereon in such a manner as to be easily seen and in such terms as to be readily understood by purchasers and users of such articles under customary conditions of purchase and use, due consideration being given to the size of the package.

(e) If it is for use by man and contains any quantity of any of the following narcotic or hypnotic substances: Alpha eucaine, barbituric acid, beta eucaine, bromal, cannabis, carbromal, chloral, coca, cocaine, codeine, heroin, marihuana, morphine, opium paraldehyde, peyote, sulphonmethane, or any substance chemically derived therefrom or any other narcotic or hypnotic substance, which derivative or other narcotic or hypnotic substance has been designated as habit forming by regulations prescribed by the Secretary, and, except when dispensed on the written order of a member of the medical profession, its label fails to bear the name and quantity or proportion of such substance or derivative and in juxtaposition therewith the statement "Warning—May be habit forming."

(f) If it is a drug and is not designated solely by a name recognized in an official compendium and its label fails to bear (1) a common or usual name of the drug, if such there be; or (2), in case it is fabricated from two or more ingredients, the name of each active ingredient, including the quantity, kind, and proportion of any alcohol: *Provided*, That to the extent that compliance with the requirements of subdivision (2) of this paragraph is impracticable, exemptions shall be established by regulations promulgated by the Secretary. Such subdivision (2) shall not (except the requirements as to alcohol) apply to any drug the ingredients of which are fully and correctly disclosed to the Secretary.

(g) If its labeling fails to bear plainly and conspicuously (1) adequate directions for use, or (2) such warnings, in such manner and form, as are required by regulations prescribed by the Secretary, against use in those pathological conditions or by children where its use may be dangerous to health, or against unsafe dosage or methods or duration of administration or application: *Provided*, That where any requirement of subdivision (1) of this paragraph, as applied to any drug or device, is not necessary for the protection of the public health, the Secretary shall promulgate regulations exempting such drug or device from such requirement.

(h) If its name is recognized in an official compendium, or if it purports to be a drug the name of which is so recognized, and it is not packaged and labeled as prescribed therein. Whenever a drug is recognized in both the United States Pharmacopoeia and the Homeopathic Pharmacopoeia of the United States, it shall be subject to the requirements of the United States Pharmacopœia with respect to packaging and labeling, unless it is labeled and offered for sale as a homeopathic drug, in which case it shall be subject to the provisions of the Homeopathic Pharmacopoeia of the United States, and not to those of the United States Pharmacopoeia.

(i) If it has been designated by regulations prescribed by the Secretary as a drug liable to deterioration, and is not packaged in such form and manner, or its label fails to bear a statement of such precautions, as such regulations require for the protection of public health. No such regulation shall be established for any drug recognized in an official compendium until the Secretary shall have informed the appropriate body charged with the revision of such compendium of the need for such packaging or labeling requirements and such body shall have failed within a reasonable time to prescribe such requirements.

(j) (1) If it is a drug and its container is so made, formed, or filled as to mislead the purchaser; or (2) if it is an imitation of another drug; or (3) if it is offered for sale under the name of another drug.

MEANING OF "ANTISEPTIC"; REGULATIONS MAKING EXEMPTIONS

SEC. 403. (a) When construing and enforcing the provisions of this act with respect to labeling and advertisements, the term "antiseptic" shall be deemed to have the same meaning as the word "germicide", except, however, in the case of a drug purporting to be, or represented as, an antiseptic for inhibitory use as a wet dressing, ointment, dusting powder, or such other use as involves prolonged contact with the body.

(b) The Secretary is hereby directed to promulgate regulations exempting from any labeling or packaging requirement of this act drugs and devices which are, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such drugs and devices are not adulterated or misbranded under the provisions of this act upon removal from such processing, labeling, or repacking establishment.

CERTIFICATION OF COAL-TAR COLORS FOR DRUGS

SEC. 404. The Secretary is hereby authorized to promulgate regulations for the certification of coal-tar colors which are harmless and suitable for use in drugs for purposes of coloring only.

CHAPTER V

ADULTERATED COSMETICS

SECTION 501. A cosmetic shall be deemed to be adulterated—

(a) If it bears or contains any poisonous or deletrious substance which renders or will render it injurious to users under the conditions of use prescribed in the labeling or advertisement thereof, or under such conditions of use as are customary or usual.

(b) If it consists in whole or in part of any filthy, putrid, or decomposed substance.

(c) If it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health.

(d) If its container is composed, in whole or in part, of any poisonous or deleterious substance which renders or will render it injurious to health.

(e) If it contains a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 504.

MISBRANDED COSMETICS

SEC. 502. A cosmetic shall be deemed to be misbranded—

(a) If its labeling is false or misleading in any particular.

(b) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, seller, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measures, or numerical count: *Provided*, That under subdivision (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

(c) If any word, statement, or other information required on the label under any provision of this act is not prominently placed thereon in such a manner as to be easily seen and in such terms as to be readily understood by the purchasers and users of such articles under customary conditions of purchase and use, due consideration being given to the size of the package.

REGULATIONS MAKING EXEMPTIONS

SEC. 503. The Secretary is hereby directed to promulgate regulations exempting from any labeling requirement of this act cosmetics which are, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such cosmetics are not adulterated or misbranded under the provisions of this act upon removal from such processing, labeling, or repacking establishment.

CERTIFICATION OF COAL-TAR COLORS FOR COSMETICS

SEC. 504. The Secretary is hereby authorized to promulgate regulations for the certification of coal-tar colors which are harmless and suitable for use in cosmetics.

CHAPTER VI

FALSE ADVERTISEMENT

DEFINITION OF FALSE ADVERTISEMENT

SECTION 601. (a) An advertisement of a food, drug, device, or cosmetic shall be deemed to be false if it is false or misleading in any particular regarding such food, drug, device, or cosmetic. Any representation concerning any effect of a drug or device shall be deemed to be false under this paragraph if such representation is not supported by scientific facts or substantial and reliable medical or scientific opinion.

(b) The advertisement of a drug or device representing it to have any therapeutic effect in the treatment of Bright's disease, cancer, tuberculosis, poliomyelitis (infantile paralysis), venereal diseases, heart or vascular diseases shall be deemed to be false: *Provided*, That the Secretary shall establish exemptions from the provisions of this subsection in the case of drugs and devices with respect to which such a representation as to therapeutic effect would not, in his opinion, be a violation of subsection (a).

(c) Notwithstanding any provision of this section, no advertisement of a drug shall be deemed to be false or misleading under this section if it is disseminated only to members of the medical profession and/or appears only in the scientific periodicals of that profession.

POWERS AND DUTIES OF THE FEDERAL TRADE COMMISSION

SEC. 602. (a) The Federal Trade Commission is hereby empowered and directed to prevent (1) the dissemination, or the causing of the dissemination, of any false advertisement (except an advertisement to which subdivision (4) or (5) of section 706 (a) applies) by United States mails, or in interstate commerce by radio broadcast or otherwise, for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics; (2) the dissemination, or the causing of the dissemination, of any false advertisement (except an advertisement to which subdivision (4) or (5) of section 706 (a) applies) by any means for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics in interstate commerce.

(b) Whenever the Commission shall have reason to believe that any person has disseminated, or is disseminating, or has caused or is causing the dissemination of, any false advertisement (except an advertisement to which subdivision (4) or (5) of section 706 (a) applies) by any of the means and for the purposes specified in subdivision (a) of this section, and it shall appear to the Commission that a proceeding by it in respect thereof would be to the interest of the public, it shall proceed to prevent the same in the same manner and by the same procedure as provided by section 5 of an act of Congress approved September 26, 1914, entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", as amended. The provisions of said section 5 and of sections 6, 9, and 10 of said act, as amended, shall apply, for purposes of enforcement of the provisions of this section, insofar as they may be applicable. The circuit court of appeals shall have the same jurisdiction to review the orders of the Commission and to enforce the same, and shall review and enforce the same, as provided by section 5.

(c) The Secretary shall report to the Federal Trade Commission on all cases of false advertising, to which subsection (a) may apply, that may come to his knowledge and submit therewith any evidence he may have together with any reports and scientific opinions of his Department relative thereto.

CHAPTER VII

GENERAL ADMINISTRATIVE PROVISIONS

PROVISIONS AS TO REGULATIONS

SECTION 701. (a) The authority to promulgate regulations for the efficient enforcement of this act, except as otherwise provided in this section and except those provisions which are to be enforced by the Federal Trade Commission, is hereby vested in the Secretary.

(b) The Secretary of the Treasury and the Secretary of Agriculture shall jointly prescribe regulations for the efficient enforcement of the provisions of section 712, except as otherwise provided therein. Such regulations shall be promulgated in such manner and take effect at such time, after due notice, as the Secretary of Agriculture shall determine.

(c) Hearings authorized or required by this act, except those provisions which are to be enforced by the Federal Trade Commission, shall be conducted by the Secretary or such officer or employee as he may designate for the purpose.

(d) The definitions and standards of identity promulgated by or in accordance with the provisions of this act shall be effective for the purposes of the enforcement of this act, notwithstanding such definitions and standards as may be contained in other laws of the United States and regulations promulgated thereunder.

PROCEDURE IN CASE OF CERTAIN REGULATIONS—COURT REVIEW OF REGULATIONS AND ADMINISTRATIVE ACTIONS

SEC. 702. (a) Whenever the Secretary deems that there should be established any regulation contemplated by section 301, paragraph (a) or (c); section 302, paragraph (g), (h), or (j); section 304; section 305, paragraph (a) or (b); section 306, paragraph (a); section 401, paragarph (a) or (b); section 402, paragraph (e), (g), or (i); section 404; section 501, paragraph (e); or section 504, he shall give appropriate notice of the proposal and of the time and place for a public hearing to be held thereon not less than 30 days after the date of such notice. After such hearing the Secretary is authorized to formulate and promulgate such regulation as he shall find to be necessary to effectuate the purposes of such provision. The regulation so promulgated shall become effective on a date fixed by the Secretary, which date shall not be prior to 90 days after its promulgation, and may be amended or repealed in the same manner as is provided for its adoption; except that (1) regulations setting up exemptions pursuant to section 402, paragraph (g), may be promulgated without notice or hearing and shall become effective at such time as the Secretary determines, and (2) public hearing on regulations under section 306 (a) may be held within a reasonable time after notice thereof, and the Secretary may fix the effective date of such regulations at any reasonable time after promulgation thereof.

(b) The district courts of the United States are hereby vested with jurisdiction, on petition by any interested person, (1) to restraint by injunction, temporary or permanent, the enforcement by any officer, representative, or employee of the Department of any regulation promulgated in accordance with subsection (a) if it is found as a fact or conclusion of law by the judge of such court that the regulation is unreasonable, arbitrary, or capricious, or not in accordance with law, and that the petitioner may suffer substantial damage by reason of its enforcement; and (2) to grant appropriate injunctive relief from any act or ommission of any officer, representative, or employee of the Department in the administration of this act, if it has been shown that such act or omission is unreasonable, arbitrary, or capricious, or not in accordance with law, and that the petitioner may suffer substantial damage thereby: *Provided*, That nothing in this section shall be deemed to abridge the right of any person against whom a criminal prosecution or suit for injunction shall have been brought under this act, or who shall intervene as claimant in any proceeding of libel for condemnation, to plead that the regulation, the violation of which is alleged as the ground for such prosecution, suit, or libel is invalid on any of the grounds set forth above.

EXAMINATIONS AND INVESTIGATIONS

SEC. 703. (a) The Secretary is authorized to conduct examinations and investigations for the purposes of this act through officers and employees of the Department or through any health, food, or drug officer or employee of any State, Territory, or political subdivision thereof, duly commissioned by the Secretary as an officer of the Department. In the case of food packed in a Territory or possession of the United States the Secretary shall attempt to make inspection of such food at the first point of entry within the territorial limits of the United States when, in his opinion and with due regard to the enforcement of all the provisions of this act, the facilities at his disposal will permit of such inspection.

(b) Where a sample of a food, drug, or cosmetic is collected for analysis under this act the Secretary shall, upon request, provide a part of such official sample for examination or analysis by any person named on the label of the article; except that the Secretary is authorized, by regulations, to make such reasonable exceptions from, and impose such terms and conditions relating to, the operation of this sentence as he deems necessary for the effectuation of the purposes of this act.

(c) For the purposes of enforcement of this act, records kept by the Treasury Department in accordance with laws, and regulations thereunder, relating to alcoholic beverages and medicinal liquors shall be open to inspection by any official of the Department of Agriculture duly authorized by the Secretary of Agriculture to make such inspection.

RECORDS OF INTERSTATE SHIPMENT

SEC. 704. For the purpose of enforcing the provisions of this act, carriers engaged in interstate commerce, and persons receiving food, drugs, devices, or cosmetics in interstate commerce, shall, upon the request of an officer or employee duly designated by the Secretary, permit such officer or employee, at reasonable times, to have access to and to copy all records showing the movement in interstate commerce of any food, drug, device, or cosmetic, and the quantity, shipper, and consignee thereof; and it shall be unlawful for any such carrier or person to fail to permit such access to and copying of any such record so requested when such request is accompanied by a statement in writing specifying the nature or kind of food, drug, device, or cosmetic to which such request relates: *Provided*, That evidence obtained under this section shall not be used in a criminal prosecution of the person from whom obtained: *Provided further*, That carriers shall not be subject to the other provisions of this act by reason of their receipt, carriage, or delivery of food, drugs, devices, cosmetics, or advertising matter in the usual course of business as carriers.

FACTORY INSPECTION

SEC. 705. For purposes of enforcement of this act, officers or employees duly designated by the Secretary, after first making request and obtaining permission of the owner, operator, or custodian thereof, are authorized (1) to enter, at reasonable times, any factory, warehouse, or establishment in which food, drugs, devices, or cosmetics are manufactured, processed, packed, or held for shipment in interstate commerce or are held after such shipment, or to enter any vehicle being used to transport such food, drugs, devices, or cosmetics in interstate commerce; and (2) to inspect, at reasonable times, such factory, warehouse, establishment, or vehicle and all pertinent equipment, finished and unfinished materials, containers, and labeling therein. Any such owner, operator, or custodian who refuses such request shall be guilty of a misdemeanor and shall on conviction thereof be subject to the penalties prescribed by section 706 (b) of this act.

PROHIBITED ACTS AND PENALTIES

SEC. 706. (a) The following acts and the causing thereof are hereby prohibited:

(1) The introduction or delivery for introduction into interstate commerce of any food, drug, device, or cosmetic that is adulterated or misbranded.

(2) The adulteration or misbranding of any food, drug, device, or cosmetic in interstate commerce.

(3) The receipt in interstate commerce of any food, drug, device, or cosmetic that is adulterated or misbranded, and the delivery or proffered delivery thereof in the original unbroken package for pay or otherwise.

(4) The dissemination of any false advertisement (the falsity or misleading character of which involves health) by United States mails, or in interstate commerce by radio broadcast or otherwise, for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics.

(5) The dissemination of a false advertisement (the falsity or misleading character of which involves health) by any means for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics, in interstate commerce.

(6) The introduction into interstate commerce of any food in violation of section 306.

(7) The refusal to permit access to or copying of any record as required by section 704.

(8) Forging, counterfeiting, simulating, or falsely representing, or without proper authority using, any mark, stamp, tag, label, or other identification device authorized or required by regulations promulgated under the provisions of section 306.

(9) The using by any person to his own advantage, or revealing, other than to the Secretary or officers or employees of the Department, or to the courts when relevant in any judicial proceeding under this act, any information acquired under authority of section 306 or 705 concerning any method or process which as a trade secret is entitled to protection.

(10) The dissemination of any false advertisement not covered by subdivision (4), by United States mails, or in interstate commerce by radio broadcast, or otherwise, for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics.

(11) The dissemination of a false advertisement not covered by subdivision (5), by any means, for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics, in interstate commerce.

(b) Any person who violates any of the provisions of subdivisions (1) to (7), inclusive, of paragraph (a) of this section shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than 1 year, or a fine of not more than $1,000, or both such imprisonment and fine; and for a second or subsequent offense imprisonment for not more than 2 years, or a fine of not more than $5,000, or both such imprisonment and fine: *Provided, however,* That any person who violates any of the provisions of subdivision (4) or (5) of paragraph (a) of this section shall only be liable for and forfeit and pay a civil penalty of not more than $1,000 to be recovered by civil action in the district court within the district where the person resides or carries on business if (1) the violation does not involve danger to health or gross deception, and (2) the violation is established by opinion evidence only; except that for a second or subsequent violation to which this proviso applies such civil penalty shall be in an amount not to exceed $5,000.

(c) Notwithstanding the provision of paragraph (b) of this section, in case of a willful violation of any of the provisions of subdivisions (1) to (7), inclusive, of paragraph (a) of this section the penalty shall be imprisonment for not more than 3 years, or a fine of not more than $10,000, or both such imprisonment and fine.

(d) No publisher, radio-broadcast licensee, advertising agency, or other agency or medium for the dissemination of advertising shall be deemed to have violated the provisions of subdivision (4) or (5) of paragraph (a) of this section by reason of the dissemination of any false advertisement when such dissemination is caused by the manufacturer, packer, distributor, or seller, residing in the United States, of the article so advertised. It shall be unlawful for any publisher, radio-broadcast licensee, advertising agency, or other agency or medium for the dissemination of advertising willfully to refuse, on reasonable request of an officer or employee duly designated by the Secretary, to furnish to such officer or employee the name and post-office address of the manufacturer, packer, distributor, or seller, residing in the United States, who caused him to disseminate any such advertisement; and any publisher, radio-broadcast licensee, advertising agency, or other agency or medium for the dissemination of advertising who so refuses shall be guilty of a misdemeanor and shall on conviction thereof be subject to the penalties prescribed by paragraph (b) of this section.

(e) No dealer shall be subject to the penalties of paragraph (b) of this section (1) for having received in interstate commerce any article of food, drug, device, or cosmetic and delivered it or proffered delivery of it as received, if such delivery or proffer was made in good faith, unless he refuses to furnish on request of an officer or employee duly designated by the Secretary the name and address of the person from whom he purchased or received such article and copies of all documents, if any there be, pertaining to the delivery of the article to him, or (2) if he establishes a guaranty or undertaking signed by the person residing in the United States from whom he received in good faith the article of food, drug, device, or cosmetic, or the advertising copy therefor, as the case may be, to the effect that such article is not adulterated or misbranded, and such copy is not false, within the meaning of this act, designating this act. To afford protection, such guaranty or undertaking shall contain the name and address of the person furnishing such guaranty or undertaking, and such person shall be amenable to the prosecution and penalties which would attach in due course to the dealer under the provision of this act. No retail dealer shall be prosecuted under this section for the dissemination, if in good faith, of any advertisement offering for sale at his place of business any article which he does not distribute or sell in interstate commerce.

((f) Any person who violates any of the provisions of subdivision (8) of paragraph (a) of this section shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than 1 year or a fine of not more than $5,000, or both such imprisonment and fine.

(g) Any person who violates any of the provisions of subdivision (9) of paragraph (a) of this section shall be guilty of a felony and shall on conviction thereof be subject to imprisonment for not more than 2 years or a fine of not more than $5,000, or both such imprisonment and fine.

LIABILITY OF CORPORATIONS AND THEIR OFFICERS

SEC. 707. (a) When construing and enforcing the provisions of this act, unless otherwise provided, the act, omission, or failure of any officer, employee, or agent acting for or employed by any person, within the scope of his employment or office, shall in every case be deemed to be the act, omission, or failure of such person, as well as that of the officer, employee, or agent.

(b) Whenever a corporation or association violates any of the provisions of this act, unless otherwise provided, such violation shall also be deemed to be a violation by the individual directors, officers, or agents of such corporation or association who personally ordered, or did any of the acts constituting in whole or in part, such violation.

INSTITUTION OF CRIMINAL AND CIVIL PENALTY PROCEEDINGS

SEC. 708. Before reporting any violation of this act to any United States attorney for institution of criminal proceedings thereunder, or for the institution of civil penalty action under section 706 (b), the Secretary shall, in accordance with regulations prescribed by him, afford appropriate notice and opportunity for hearing to the person against whom the proceedings are contemplated (1) upon the question of such violation; and (2) to review his tentative decision to make such report, upon cause shown satisfactory to the Secretary. The report shall be accompanied by findings of the appropriate officers and employees, duly authenticated under their oaths. Nothing in this act shall be construed as requiring the Secretary to report for prosecution or for the institution of libel, or injunction proceedings, or civil penalty action, minor violations of this act whenever he believes that the purposes of the act can best be accomplished by a suitable written notice or warning.

SEIZURE

SEC. 709. (a) Any article of food, drug, device, or cosmetic that is adulterated or misbranded when introduced into or while in interstate commerce, or which may not, under the provisions of section 306, be introduced into interstate commerce, shall be liable to be proceeded against while in interstate commerce, or at any time thereafter, on libel of information and condemned in any district court of the United States within the jurisdiction of which the article is found: *Provided, however,* That no libel for condemnation shall be instituted under this act for any alleged misbranding if there is pending in any court a libel for condemnation proceeding under this act based upon the same alleged misbranding, and not more than one such proceeding shall be instituted if no such proceeding is so pending, except that such limitations shall not apply (1) when such misbranding has been the basis of a prior judgment in favor of the United States, in a criminal injunction or libel for condemnation proceeding under this act, or (2) when the Secretary has probable cause to believe from facts found by him that such misbranding of the article renders it imminently dangerous to health or is, in a material respect, false, grossly misleading, or fraudulent; and in any case where the number of libel for condemnation proceedings is limited as above provided the proceeding pending or instituted shall, on application of the claimant, seasonably made, be removed for trial to any district which may be agreed upon by stipulation between the parties to the proceeding.

(b) The article shall be liable to seizure by process pursuant to the libel, and the procedure in cases under this section shall conform, as nearly as may be, to the procedure in admiralty; except that either party may demand trial by jury of any issue of fact joined in any such case. In cases of articles of food, drugs, devices, or cosmetics seized under the provisions of this section when the same issues of adulteration or misbranding under the provisions of this act, raised by the same claimant, are pending in various jurisdictions, the United States district court for any district where one of such seizures is pending, or for any other district which may be agreed upon by stipulation between the parties to the proceeding, is hereby vested with jurisdiction to consolidate and try such cases; and on application of the claimant, seasonably made, such cases may be tried in any such jurisdiction or in the district so stipulated.

(c) The court at any time after seizure up to a reasonable time before trial, shall by order allow any party to a condemnation proceeding, his attorney or agent, to obtain a representative sample

of the article seized, and as regards fresh apples and fresh pears, a true copy of the analysis on which the proceeding is based.

(d) Any food, drug, device, or cosmetic condemned under this section shall, after entry of the decree, be disposed of by destruction or sale, as the court may, in accordance with the provisions of this section, direct, and the proceeds thereof, if sold, less the legal costs and charges, shall be paid into the Treasury of the United States; but such article shall not be sold under such decree contrary to the provisions of this act or the laws of the jurisdiction in which sold: *Provided*, That after entry of the decree and upon the payment of the costs of such proceedings and the execution of a good and sufficient bond conditioned that such article shall not be sold or disposed of contrary to the provisions of this act or the laws of any State or Territory in which sold, the court may by order direct that such article be delivered to the owner thereof to be destroyed or brought into compliance with the provisions of this act under the supervision of an officer or employee duly designated by the Secretary, and the expenses of such supervision shall be paid by the party obtaining release of the article under bond. Any article condemned by reason of its being an article which may not, under section 306, be introduced into interstate commerce, shall be disposed of by destruction.

(e) When a decree of condemnation is entered against the article, court costs and fees and storage and other proper expenses shall be awarded against the person, if any, intervening as claimant of the article.

INJUNCTION PROCEEDINGS

SEC. 710. (a) In order to avoid multiplicity of criminal prosecutions, or libel for condemnation proceedings, the district courts of the United States are hereby vested with jurisdiction for cause shown, to restrain by injunction, temporary or permanent, any person from the repetitious (1) introduction or causing to be introduced into interstate commerce of any adulterated or misbranded food, drug, device, or cosmetic; or (2) dissemination of or causing to be disseminated any false advertisement by United States mails, or in interstate commerce by radio broadcast or otherwise, for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics; or (3) dissemination of or causing to be disseminated a false advertisement by any means for the purpose of inducing, directly or indirectly, the purchase of food, drugs, devices, or cosmetics in interstate commerce. In such injunction proceedings it shall not be necessary to show on the part of such person an intent to continue the offense.

(b) Violation of any injunction issued pursuant to this section may be summarily tried and punished by the court as a contempt. Such contempt proceedings may be instituted by order of the court or by the filing of an information by the United States attorney; and process of the court for the arrest of the violator may be served at any place in the United States or subject to its jurisdiction. No person shall be deemed to have violated an injunction, issued pursuant to this section, by reason of the dissemination, subsequent to such injunction, of the false advertisement which was the basis of the injunction, if such dissemination was beyond the control of such person.

DUTIES OF UNITED STATES ATTORNEY

SEC. 711. It shall be the duty of each United States attorney to whom the Secretary, consistently with the provisions of sections 708 and 709, reports any violation for institution of criminal, libel of information for condemnation, or other proceedings under this act, to cause appropriate proceedings to be instituted in the proper courts of the United States without delay. All suits instituted under this act, except those relating to the functions of the Federal Trade Commission, shall be by and in the name of the United States. Notwithstanding the provisions of section 876 of the Revised Statutes, subpenas for witnesses who are required to attend a court of the United States, in any district, may run into any other district in any proceeding under this act.

IMPORTS AND EXPORTS

SEC. 712. (a) The Secretary of the Treasury shall deliver to the Secretary of Agriculture upon his request, samples of food, drugs, devices, and cosmetics which are being imported or offered for import into the United States, giving notice thereof to the owner or consignee, who may appear before the Secretary of Agriculture and have the right to introduce testimony. If it appears from the examination of such samples or otherwise that (1) any false advertisement of such article has been disseminated in the United States by the importer or exporter thereof, or any person in privity with him, within 3 months prior to the date such article is offered for import, or (2) such article has been manufactured, processed, or packed under insanitary conditions, or (3) such article is forbidden or restricted in sale in the country in which it was produced or from which it was exported, or (4) such article is adulterated or misbranded, then such article shall be refused admission.

(b) The Secretary of the Treasury shall refuse delivery to the consignee and shall cause the destruction of any such article refused admission, unless such article is exported by the consignee within three months from the date of notice of such refusal, under such regulations as the Secretary of the Treasury may prescribe: *Provided*, That the Secretary of the Treasury may deliver to the consignee any such article pending examination and decision in the matter on execution of a bond as liquidated damages for the amount of the full invoice value thereof together with the duty thereon, and on refusing for any cause to return such article or any part thereof to the custody of the Secretary of the Treasury when demanded for the purpose of excluding it from the country or for any other purpose, such consignee shall forfeit the full amount of the bond as liquidated damages.

(c) All charges for storage, cartage, and labor on any article which is refused admission or delivery shall be paid by the owner or consignee and in default of such payment shall constitute a lien against any future importations made by such owner or consignee.

(d) A food, drug, device, or cosmetic intended for export shall not be deemed to be adulterated or misbranded under this act if it (1) accords to the specifications of the foreign purchaser, (2) complies with the laws of the country to which it is intended for export, and (3) is labeled on the outside of the shipping package with the words "For export." But if such article is sold or offered for sale in domestic commerce, this paragraph shall not exempt it from any of the provisions of this act.

PUBLICITY

SEC. 713. (a) The Secretary shall cause to be published from time to time reports summarizing all judgments, decrees, and court orders which have been rendered, including the nature of the charge and the disposition thereof.

(b) The Secretary may also cause to be disseminated information regarding food, drugs, devices, or cosmetics in situations involving, in the opinion of the Secretary, imminent danger to health or gross deception of the consumer. Nothing in this section shall be construed to prohibit the Secretary from collecting, reporting, and illustrating the results of the investigations of the Department.

SEPARABILITY CLAUSE

SEC. 714. If any provision of this act is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the constitutionality of the remainder of the act and the applicability thereof to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE AND APPEALS

SEC. 715. (a) This act shall take effect 12 months after the date of its enactment. The Federal Food and Drugs Act of June 30, 1906, as amended (U. S. C., 1934 ed., title 21, secs. 1–15), shall remain in force until such effective date, and, except as otherwise provided in this paragraph, is hereby repealed effective upon such date: *Provided*, That the provisions of sections 701 and 702 shall become effective on the enactment of this act, and thereafter, the Secretary is authorized hereby to (1) conduct hearings and to promulgate regulations which shall become effective on or after the effective date of this act as the Secretary shall direct, and (2) designate prior to the effective date of this act food having common or usual names and exempt such food from the requirements of subdivision (2) of paragraph (i) of section 302 for a reasonable time to permit the formulation, promulgation, and effective application of definitions and standards of identity therefor as provided by section 304: *Provided further*, That the act of March 4, 1923 (U. S. C., 1934 ed., title 21, sec. 6; 42 Stat. 1500, ch. 268), defining butter and providing a standard therefor, and the provisions of the act of July 24, 1919 (U. S. C., 1934 ed., title 21, sec. 10; 41 Stat. 271, ch. 26), defining wrapped meats as in package form, shall remain in force and effect and be applicable to the provisions of this act: *And provided further*, That amendment to the Food and Drugs Act, section 10A, approved August 27, 1935 (U. S. C., 1934 ed., Supp. I, title 21, sec. 14a), shall remain in force and effect and be applicable to the provisions of this act: *And provided further*, That nothing in this act shall impair or be construed to impair or diminish the powers of the Federal Trade Commission under existing law.

(b) The provisions of this act shall not be held to modify or repeal any of the existing laws of the United States except as provided by paragraph (a) of this section.

(c) Meats and meat-food products shall be exempt from the provisions of this act to the extent of the application or the extension thereto of the Meat Inspection Act, approved March 4, 1907, as amended (U. S. C., 1934 ed., title 21, secs. 71–91; 34 Stat. 1260 et seq.).

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New York [Mr. COPELAND].

Mr. KING. Mr. President, I have just entered the Chamber. Perhaps the Senator from New York has covered the point concerning which I am about to make inquiry. The Senate will recall that when the so-called liquor bill was under consideration by the Finance Committee—and it was pending before that committee for weeks—the question was urgently argued with respect to the utilization of nothing but grain for the manufacture of distilled spirits. After very full consideration of the subject the proposed amendment was eliminated.

I should like to know what the attitude of the conference committee was with respect to that matter. I move that it all be eliminated in order to conform to the action of the Senate. We cannot repudiate the action of the Senate after a full discussion covering a very long period of time.

Mr. BAILEY. Mr. President, I stated to the Senator from Utah that the amendment to which he refers had not been put in the bill. If it is there, it is there by inadvertence

and the Senator from New York [Mr. COPELAND] will agree to strike it out, I am sure. We will have no trouble about it.

Mr. ASHURST. Mr. President, I have just entered the chamber to find that the conference report on Senate bill no. 5 is before the Senate. I remember the able speech of the Senator from Utah [Mr. KING], and of the Senator from Kentucky [Mr. BARKLEY], pointing out that alcohol is alcohol, whether it be made from beets or grain or potatoes. Personally, I am not interested; but it would be most unfair and ungenerous and unworthy of the Senate at this late hour, by inadvertence or carelessness or in any other way, to permit a provision of the bill to become law which would deny the sugar-beet growers or the cane growers the right to distill alcohol from their products or which would prohibit or restrict the use of such alcohol for any lawful purpose whatsoever.

Mr. KING. I may say to the Senator that it would be manifestly unfair in view of the fact that the two Senators from Louisiana were very much interested, particularly the senior Senator from Louisiana [Mr. OVERTON] who is ill and unable to be here to protect his interests and to advocate upon the floor of the Senate, as he did when he was well, the position which he then took.

Mr. ASHURST. I should feel a sort of guilt if I were to permit a bill to pass containing such a provision because one of the Senators from Louisiana paid me the compliment to ask my opinion, and I said:

> You may go home; you are at liberty to go, because the Senate of the United States keeps faith. The Senate has voted, and by an overwhelming majority has decided that the same alcohol may be distilled from sugar beets or from cane, as well as from grain; and you may rest assured that the Senate will not reverse that action by any direct action or any indirect action.

Mr. President, before there is a vote on the conference report I wish to have assurances from the Senators. I wish that provision stricken out if it can be done.

Mr. BAILEY. We are agreeing upon a motion to have it stricken out.

Mr. ASHURST. Then I have overspoken myself. I know I may depend upon the fairness and the generosity of our Senate conferees; but in these closing hours, when important matters are being poured over like a cataract, even the best-informed Senators frequently do not know precisely what is in a bill; and if the able Senator from North Carolina [Mr. BAILEY], and likewise the able Senator from New York [Mr. COPELAND], assure me that the provision inserted by the House, reading as follows:

> A food shall be deemed to be misbranded * * * if it purports to be or is represented as any kind of whisky, and it contains alcohol derived from any source other than grain.

If these two Senators assure me that that has gone out, I am willing to take my seat.

Mr. BAILEY. We will move to strike from the bill as reported the language to which the Senator is objecting.

Mr. ASHURST. I have nothing more to say.

Mr. KING. That language is found on pages 53 and 54, under subdivisions (l) and (m). I move to delete those subdivisions, which are as follows:

> (l) If it is a distilled liquor, or if it is a beverage (other than fortified wine) containing any distilled liquor, unless its label states (1) the percentage by volume of alcohol therein; (2) in case it contains two or more whiskies or other alcoholic beverages, the percentage by volume of each distilled liquor present and the source of sources from which each is derived; (3) in case of any kind of whisky stored in wood, or any mixture of whiskies of which one or more has been stored in wood, the length of time, if any, each such whisky has been so stored; and (4) in the case of any mixture of any kind of whisky or whiskies with neutral spirits, the length of time, if any, each such whisky has been stored in wood: *Provided*, That the provisions of this paragraph shall not apply insofar as they impose any requirement imposed by or under authority of the Federal Alcohol Administration Act.
>
> (m) If it purports to be or is represented as any kind of whisky, and it contains alcohol derived from any source other than grain.

Mr. ASHURST. Mr. President, how may a conference report be amended?

Mr. COPELAND. May I answer the Senator? We are in a very peculiar position. The conferees have disagreed. We came so near to an agreement that we had the legislative counsel draw up a compromise bill, and it is that which I am offering. Therefore, the Senator is entirely within his rights in moving that it be amended as he has said.

Mr. ASHURST. I know that we may depend upon the good faith of our conferees. I am not challenging their good faith. Even the most diligent Senator in times like these may not know, however, what is included in a conference report. I have nothing more to say, except that I hope that by no accident or inadvertence will such a provision be incorporated in any legislation. Surely there should not be any discrimination by reason of a difference in the raw material used in the production of the same product; so far as alcohol is concerned that principle was confirmed by a law enacted by Congress in 1917 and reenacted in 1918.

Mr. KING. I ask to have the question put on my motion to eliminate paragraphs (l) and (m) on pages 53 and 54.

The PRESIDING OFFICER. The question is on the motion of the Senator from Utah to amend the amendment proposed by the Senator from New York to the amendment of the House by striking out paragraphs (l) and (m).

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as amended, to the amendment of the House.

The amendment, as amended, to the amendment of the House was agreed to.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on today, June 20, 1936, that committee presented to the President of the United States the following enrolled bills and joint resolutions:

S. 81. An act to provide for the collection and publication of statistics of peanuts by the Department of Agriculture;

S. 1896. An act to provide for interest payments on American Embassy drafts:

S. 2039. An act making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies;

S. 2293. An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States;

S. 3247. An act to waive any exclusive jurisdiction over premises of Public Works Administration slum-clearance and low-cost housing projects, to authorize payments to States and political subdivisions in lieu of taxes on such premises, and for other purposes;

S. 4268. An act to authorize the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.;

S. 4390. An act to amend the National Defense Act relating to the Medical Administrative Corps;

S. 4567. An act to authorize the Secretary of Agriculture to extend and renew for the term of 10 years a lease to the Chicago, Milwaukee & St. Paul Railway Co. of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, and for a right-of-way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 9, 1926;

S. 4699. An act to provide a commissioned strength for the Corps of Engineers, United States Army, for the efficient performance of military and other statutory duties assigned to that corps;

S. 4784. An act to permit mining within the Glacier Bay National Monument;

S. 4786. An act to authorize the Secretary of Agriculture to make such adjustments and revisions found to be due on contracts entered into by the Government with crop producers under the Agricultural Adjustment Act;

S. J. Res. 251. Joint resolution granting the consent of Congress to the city and county of San Francisco to construct a causeway and highways on Yerba Buena Island in San Francisco Bay, and for other purposes;

S. J. Res. 277. Joint resolution to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery; and

S. J. Res. 291. Joint resolution amending section 11 of the Soil Conservation and Domestic Allotment Act.

INTERNAL-REVENUE TAXATION

Mr. STEIWER. Mr. President, I had just concluded reading an affidavit subscribed by Hazel Morgan. In order to answer the question asked a few minutes ago by the Senator from South Carolina, I think I ought to say that the Mr. Pryor referred to in that affidavit is Mr. V. W. Pryor; and he is, or was, a special investigator of the Department of Justice. Mr. Anderson, referred to therein, is Mr. Victor Anderson, who is also an investigator of the Department of Justice, and, I believe, a very responsible man.

In order to illustrate further what I have intended to develop in the earlier portion of my statement to the Senate, I wish to read briefly from an affidavit signed by R. H. Carroll. I read as follows:

During the latter part of the year 1933, my daughter, Marcell Carroll, was employed in the county agent's office of Shelby County, Tex., while I was employed as community committeeman in Shelby County, Tex. I was notified from the county agent's office that my check was there in settlement with my daughter and myself for the work that we had done in connection with the county agent's office. I then called at the county agent's office for this check, and a lady employed in the county agent's office delivered the check to me (the amount I do not remember), but I do know that it was more than enough to reimburse my daughter and myself for the amount of work that we had done. I then called Mr. Scurlock's attention to this error in the amount of the check, Mr. Scurlock requested that he and I go to the Farmers State Bank together and we would arrange for the difference. When we arrived at the Farmers State Bank, the correct amount that was due my daughter and myself was counted out to me in money, the banker then asked me what to do with the balance, and I referred him to Mr. Scurlock, who told the banker to place it to Mr. Scurlock's credit.

This is of but little importance, except that it fairly well typifies the procedure of certain of the local officials in some of these 16 counties of Texas, and shows how, by padding the accounts and by increasing the remittances, and by diverting the funds, they found a way to enrich themselves, and in most cases, but not in this one, they found a way to deprive the tenant farmers of that which had been intended for them.

In the case of a lady named Hamblen, to which I now call attention, no cotton had been planted for the year 1934, and the committeeman so stated on the papers that are referred to in this series of affidavits as the Bankhead papers, and, of course, she should not have been issued a permit; but after her compliance papers were turned in to the county agent's office, according to the affidavit from which I now read, the paper was changed to show that she had a certain area planted to cotton, and she was paid money upon this basis. In this case it appears that a local agent, a clerk in the county agent's office, named Moss, in one way or another, had to do with changing these papers so as to make it possible to collect this money. As I proceed with the affidavits it will be noted that in very many cases—I think my attention has been called to not less than 20 or 30—the people of that area are making affidavit that this clerk was a party to irregularities, and it is said that he is a party to forgeries, all for the purpose of getting money for himself, and in most cases for the purpose of depriving the tenant farmers of their money.

Let me read briefly from Mrs. Hamblen's affidavit:

When I signed the 1934 cotton-reduction contract, I intended to plant what cotton I was permitted on my farm, known as the O. W. Randell place. I had additional cotton farm land besides this place and felt that, if the Government desired a reduction, I would do my part by decreasing my yield as much as possible. I did have two tenants on another farm I own. These tenants' names were F. A. Stevens and Jesse Randell, Appleby, Tex. F. A. Stevens was permitted to plant 16 acres of cotton; Jesse Randell 17 acres. These tenants were share croppers and were on the basis of third and fourth. The tenants were given their proportion of tax-exemption certificates and I was given for my part a total of 1,320 pounds of certificates for these two farms.

I used about 750 pounds of certificates to gin my portion of cotton. I sold about 300 pounds of certificates for 2 cents per pound and sent to the national cotton pool in Washington about 35 pounds of certificates.

I interrupt the reading of the affidavit at this point to state that the Secretary of Agriculture has fixed an upset price of 4 cents per pound upon these tax-exemption certificates. They were guaranteed by the faith of the United States Government to be worth that amount. In fact, I think they were worth more, but that was their trading price.

Here is an affiant who makes affidavit that she sold her certificates to the speculators for 2 cents a pound. This is a practice which obtained throughout these 16 counties, a practice which has been identified in several thousand cases. I am not prepared, from the meager information which has been furnished me, to state the exact number of thousands of cases in which this practice has been followed, but wherever it was followed, the grower failed to receive the benefit intended and the speculator received the difference between the price paid and the 4 cents a pound which the Secretary of Agriculture paid in the redemption of the certificates.

I quote further from this affidavit:

I received a card from the county agent's office saying I was entitled to some cotton certificates for the farm I live on, which I had signed a contract but had no cotton planted. I called at the county agent's office and was informed that I was not entitled to any additional certificates. I returned home and a few days later I received another card. I called at the office with the card and, upon presenting the notice (after a wide search), the certificates could not be located. After this search I gave up hopes. Mr. Hyde, assistant in cotton adjustment, told me that he could not find them. Then a Mr. Burroughs, working for Sam Stripling, Nacogdoches, Tex., came to my house and told me that I had 755 pounds of certificates in the county agent's office; that Sam Stripling, owner of Stripling Drug Store, had gone to the county agent's office and saw on the records that 755 pounds were in my name and that Mr. Stripling sent him out to buy them from me. He offered me 2 cents, and I sold them to him. I went to the bank to cash the check he gave me and the bank turned it down. Then I asked Mr. Stripling why the check was turned down, and he said that when he went to the county agent's office to get the certificates they were gone, and the name Mary A. Hamblen was signed on the B. A. 105.

I skip some portion of the affidavit, and read further as follows:

When John Weatherly, Jr., came to measure my cotton land he wrote down that I had no cotton planted.

I heard nothing more about the matter until I was contacted by Mr. V. W. Pryor, investigator for the United States Department of Agriculture, during the first part of February 1935. Mr. Pryor showed me the records, in which my 755 pounds of stolen certificates had been used at the Knous Gin, Chireno, Tex. I did not know there was any such gin in existence.

This affidavit, like all the others, discloses irregularities, first, in the issuance of the certificates, irregularities in the possession of the certificate, the acquisition by speculators of the certificates, and the deprivation of the farmer of the benefit which had been intended.

Let me read briefly now from an affidavit subscribed by Mr. George Lewis, as follows:

I am a tenant on the farm of R. N. Wilson, Nacogdoches, Tex.

On or about March 20, 1935, I was taken to the Redland Hotel, Nacogdoches, Tex., and interviewed by Mr. Victor Anderson, chief of field investigators, and was told that I had pooled some tax exemption certificates issued in the name of Miss Dora Price.

I told Mr. Anderson that I knew nothing about the matter; that I had pooled no certificates; I did not know Miss Dora Price and did not buy any certificates from anybody. Mr. Anderson showed me a paper with my name on it, and also Mr. R. N. Wilson's, but I did not understand what it was.

Up to the present date, I have never pooled any certificates, mine or any one else's, in the national pool and I do not know who pooled those belonging to Miss Dora Price in my name.

A good illustration of one means by which the speculators enriched themselves, and by which the farmers were deprived of their share, is disclosed in an affidavit signed by Mr. A. L. Little. From that affidavit I read the following:

During the month of July 1933 we had an awful flood in our section of the county which practically destroyed my cotton crop. After the destruction of the cotton by the flood I made a supplemental contract which, in addition to the original contract, totaled 50 percent of my cotton acreage.

I did not receive a notice to plow the cotton up and did not know whether or not my contract would be accepted, so when the cotton opened I picked it and sold it.

After I had sold the cotton my Government check came, which, as well as I remember, amounted to about $20. I did not want to

take the check because I had sold the cotton. Mr. Rhodes, community committeeman, and Mr. T. F. Powers, Attoyac, Tex., were present, and they told me that it was given on the basis of the flood and would be absolutely all right to accept the check, so I did.

I bought about 100 pounds of seed cotton at about 5 cents per pound, totaling $5, and the check I received from the Government was for about $20, from Aster Langford, Attoyac, Tex., and plowed it under in my own field in the presence of Eugene Rhodes, local committeeman.

I had no intention of defrauding the Government when I accepted the check and followed the instructions of our community committeeman, who we thought knew the rules and regulations of the program. My intention was to cooperate with the Government programs to the best of my knowledge.

I think I should state at this point that I have been furnished with some dozen or 20 affidavits, all relating in general to the same kind of a situation, where a portion of the crop had been destroyed by flood, and that portion destroyed by flood or by storm was regarded as a reduction in area, and for that supposed reduction in area the tax-exemption certificates were issued.

In some of these cases the benefit set up by this kind of transaction went to the tenant farmer, and in other cases it is disclosed that either the landlord or some speculator first obtained possession of the certificates; and the money, or at least a greater part of the money, did not go to the tenant farmer.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. STEIWER. I yield.

Mr. BLACK. The Senator has read quite a number of affidavits apparently coming from somewhere in the State of Texas. I was not in the Chamber when the Senator began his remarks, and he may have stated where he got them. He has stated several times since I came into the Chamber that he was furnished these affidavits. Does the Senator object, if he has already stated, to repeating where he got the affidavits?

Mr. STEIWER. Not at all. They came into my hands very recently. They have been gathered, I think, in the last 2 weeks, chiefly in 16 counties in Texas. They were prompted by investigations which the Department of Agriculture itself had made, but they were secured by private investigators.

Mr. BLACK. May I ask the Senator whom the private investigator represented?

Mr. STEIWER. I do not know myself.

Mr. BLACK. Did he represent the Republican national committee?

Mr. STEIWER. I think not. I do not know, myself.

Mr. BLACK. The Senator does not know whom he represented?

Mr. STEIWER. I will say to the Senator that I have information concerning some of the reports made to the Department of Agriculture by its own agents, and find that every charge in the affidavits is indicated in whole or in part by charges in those reports.

Mr. BLACK. The Senator is not now, I understand, reading from any report by the Department of Agriculture.

Mr. STEIWER. No.

Mr. BLACK. But from private reports which purport to be affidavits which make very serious personal charges and reflections on numerous individuals in the State of Texas.

Mr. STEIWER. That is true.

Mr. BLACK. I should think it would certainly be proper and fair for the record to show at whose instance these purported affidavits were secured.

Mr. STEIWER. The name of the notary in every case, of course, is on the affidavit. The name of the signer is on the affidavit. Those are all disclosed. These affidavits, I will say to the Senator, were brought to my attention by a gentleman of my acquaintance who told me that they had been procured in the South by a former investigator of the Department and by one other man who had been employed to go with him to help draw the affidavits. I do not know the name of that person.

Mr. BLACK. Mr. President, may I ask the Senator if he knows the name of the person who supplied him with the affidavit, and for whom he works?

Mr. STEIWER. That gentleman's name is Judge.

Mr. BLACK. Judge?

Mr. STEIWER. Yes.

Mr. BLACK. What does he do? What is his business?

Mr. STEIWER. His chief interest just now is an inquiry into this situation in Texas.

Mr. BLACK. Does the Senator know whom he represents?

Mr. STEIWER. No; I do not. I think he represents himself.

Mr. BLACK. Does the Senator know for whom he is working in getting the affidavits?

Mr. STEIWER. No; I do not know. He, personally, is not getting the affidavits. I think they are being gotten by the other two gentlemen whose identity I have just disclosed, and he brought them to me.

Mr. BLACK. Then we are to understand that the Senator does not know and has no information as to who it is that is paying the persons who get the affidavits reflecting upon people in the State of Texas?

Mr. STEIWER. I have said to the Senator that they were handed to me by Mr. Judge. Mr. Judge is interested in arriving at the facts of the administration of the Triple A in this particular section of the Cotton Belt in the State of Texas. I will say also to the Senator that I have discussed this matter with one former employee of the Department of Agriculture and also with the Comptroller General. I am not going to quote the Comptroller General with respect to it, because the Senator can inquire of him if he desires to do so, but the Comptroller General has had access to most of these affidavits; he has had them examined. His agent made an examination, and he told me it was consistent with the information already in his office, and asked if I would return the material to him when I had concluded with it, because there were some features to it that he was to investigate on behalf of the United States.

He called to my attention, however, the fact that many of these irregularities in the State of Texas amount only to a violation of State law. I think I ought to say in fairness to the Department of Agriculture that the Comptroller General tells me that in the main these irregularities do not result in loss to the Federal Treasury. There is some loss in taxes and in some incidental respects. But the Comptroller General assured me, and of course I accept his assurance, that he has endeavored to protect the Treasury, and thinks that he has protected the Treasury by seeing to it that no more than the proper amount was paid in the aggregate to the claimants in the various counties. I understand that this system, when boiled down, is chiefly the diversion or conversion of certain portions of this benefit money from the sharecroppers and small farmers to the barons and speculators.

Mr. BLACK. I am sure the Senator would agree that it would be fair to these people for him to state the name of the investigator who was formerly with the Department of Agriculture and whether or not he had been discharged; also what were his initials, so that both the initials of this gentleman and Mr. Judge would be available.

Mr. STEIWER. I shall be glad to state that. The name of the agent, or former agent, as the case may be, is Pryor. I stated his name earlier and stated his initials—V. W.

Mr. BLACK. P-r-y-o-r?

Mr. STEIWER. Pryor; yes. Before I conclude I am going to read a short excerpt from a report made by this man. I am told by the Comptroller General, and I think it is not divulging a secret to relate here, that this matter is known to Mr. Wallace; that he discussed it with Mr. Wallace; that Mr. Wallace deplored the situation, had made some effort through investigations to hold the situation in hand, but had felt that there was nothing more he could do.

Mr. BLACK. Would the Senator mind stating who are the people to whom Mr. Pryor reported?

Mr. STEIWER. In the Department I think it is the head of the pool whose name I do not know, unless it be Mr. Johnson. Another employee of the Department was Mr.

Deal. They are all in the employ now of the Triple A and all accessible to the Senator.

Mr. BLACK. The Senator is referring now to the report made while this gentleman was in the Department of Agriculture?

Mr. STEIWER. Yes.

Mr. BLACK. The Senator stated that he did not know whether the Republican National Committee had anything to do with procuring these affidavits. May I ask whether he knows whether or not the Republican Party's national committee's twin organization, the Liberty League, employed this gentleman?

Mr. STEIWER. I should not think so, Mr. President.

Mr. BLACK. The Senator would not know whether or not the Liberty League employed him. Of course he did not know who employed him.

Mr. STEIWER. I should be greatly surprised if the Liberty League had knowledge of this situation, but I do not know anything about that. I might say that one of these men was sent to me by Mr. Hurley.

Mr. BLACK. Mr. Hurley

Mr. STEIWER. Mr. Hurley. The Senator knows who he is. The former Secretary of War.

Mr. BLACK. Oh, yes; the Honorable Patrick Hurley.

Mr. STEIWER. Yes. And he advised me that this man appealed to him professionally.

Mr. BLACK. The investigator had appealed to him professionally?

Mr. STEIWER. Yes; that is my understanding. All these facts to which I refer are known, I am sure, to the Department of Agriculture and possibly also to the Department of Justice.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

Mr. STEIWER. I yield.

Mr. CONNALLY. I beg the Senator's pardon but I was detained in the House of Representatives and was not here when the Senator made his opening remarks. I understand the Senator is reading certain affidavits relating to transactions or rather supposed transactions in the State of Texas?

Mr. STEIWER. Yes.

Mr. CONNALLY. Sixteen counties in the State?

Mr. STEIWER. Yes. I do not think I will undertake to read affidavits from all 16 counties. The investigations were made in the 16 counties. I am reading a limited number of affidavits. I think they apply only to three or four counties.

Mr. CONNALLY. The Senator says the notary public's name was attached to the affidavits. Was it the same notary public in each case? Does the same notary take all the affidavits?

Mr. STEIWER. No; I think not.

Mr. CONNALLY. I want to ask the Senator in all fairness, since he seems to select Texas as the object of the attack, how did he become interested in this matter? Did some discharged employee, anxious for funds, betray in a sense his own employers who had discharged him? Did he seek financial employment by the Republican National Committee or somebody else to get this information?

Mr. STEIWER. I do not think so, Mr. President. One of the men I talked to was a former employee. I do not know whether or not he was discharged. He said he resigned. He told me he resigned. However, I am not necessarily vouching for him. I do not know whether it makes any difference whether he was discharged or resigned or whether he is disinterested or interested. The affidavits must stand on their own merits, of course, and the facts must be squared with the record.

Mr. CONNALLY. There is no record except the record that the Senator is making. He says he does not vouch for these affidavits, and yet without naming individuals, without naming the counties, he comes here and puts in the RECORD material which according to his statement is slanderous.

Mr. STEIWER. Mr. President, I have named each affiant and I will be glad to disclose to the Senator the name of each notary. The affidavit in each case contains the name of the county, of course, and there is not any secret about it. I am endeavoring to make a complete disclosure.

Mr. CONNALLY. Is Mr. Patrick Hurley, former Secretary of War, a sort of volunteer aid to Mr. Hoover, of the G-men, or how is it that he becomes interested?

Mr. STEIWER. I would not undertake to answer that question. Let me go just a little further. I read these affidavits not for the purpose of charging particular crime against anyone but to illustrate the methods or the manner in which these things were accomplished.

I read briefly from an affidavit signed by Mr. Renfro Washington, who, according to the information here noted, is a colored man.

I read as follows:

> During the year of 1933 I was a third and fourth tenant on the farm of L. A. Moss, Chireno, Tex. I made and signed a contract to plow up 10 acres of cotton acreage. I do not know what I was to receive per acre; therefore, I don't know the amount of my check.
>
> I was not allowed to go to the county agent's office and get my check and I never received any notices nor information regarding the same through the mail. Mr. Moss got the check and allowed me about $75 on my account.
>
> I never saw the check and never endorsed it, neither have I ever given anyone authority to sign my name for me. Mr. Moss was a community committeeman.

It is disclosed in numerous affidavits in my possession that Mr. Moss was one of those employed at the county agent's office, and throughout all these transactions had much to do with the issuance of the tax-exemption certificates, the signing of the contracts, and the issuance of the checks.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

Mr. STEIWER. I yield to the Senator from Texas.

Mr. CONNALLY. The Senator has read an affidavit about Mr. Moss. What does the Senator imply by reading it? What harm has been done? What is the crime charged? The affiant says he got $75; that the landlord turned over to him $75. Does the Senator charge that the landlord withheld part of it?

Mr. STEIWER. That was not the purpose of reading this particular affidavit.

Mr. CONNALLY. I know; but what is the crime charged in the affidavit?

Mr. STEIWER. I have just said to the Senator that I read this affidavit to show the method. If the Senator had listened to my explanation he would not be so perturbed.

Mr. CONNALLY. I am somewhat concerned with the method of the Senator from Oregon in bringing in charges of this character.

Mr. STEIWER. I can see that the Senator is. He will be more perturbed as I proceed. [Laughter.] I read this affidavit merely to show that this particular agent in the county agent's office was carrying on these transactions without turning over the check or the substantiating papers to the person for whom the money was intended. It will be disclosed, as I proceed, that in very many cases in this office and in other offices the tenants at no time had possession of the contracts, the certificates, or the checks, and that by a system of endorsements to which the people of the office resorted they found a way to handle the money and to pay the tenants apparently what they wanted to pay them; that the tax-exemption certificates were sold, and came into the hands of speculators at as low as a cent and a half per pound, in most cases I think at 2 cents per pound, in some cases at 3 cents per pound, and were redeemed at 4 cents per pound.

Now I wish to read briefly from one other affidavit, supplied by Mr. G. W. Alders, which was made in Texas, in the county of Nacogdoches:

> During the month of November 1934 I received my tax-exemption certificates from the county agent's office. After I ginned my cotton I had about 500 pounds of surplus certificates left. I had no use for them, so I sold them to J. O. Perry, cotton buyer, Nacogdoches, Tex., for 2 cents per pound. He paid me with a personal check. Mr. Perry bought the certificates from me in the county agent's office and paid me for them in his office. Mr. Perry did not tell me what he intended doing with the certificates I sold him.

This affidavit, I think, has no significance except that it is another affidavit which illustrates the method by which those who desired to speculate in these certificates did speculate, and did deprive the farmer of the benefit which a generous Government intended the farmer to receive.

Mr. LEWIS. Mr. President, will the Senator from Oregon allow me to ask his judgment? To whom did the possessor of those checks present them for payment?

Mr. STEIWER. This particular check was a personal check by the person who bought the tax-exemption certificates.

Mr. LEWIS. Whence are these tax-exemption certificates issued?

Mr. STEIWER. They are issued, I think, from Washington, and were supposed to reach the hands of the producer. In many cases they did reach the hands of the producer, but in most numerous other cases the tax-exemption certificates never reached the hands of the producer but were handled by someone along the line before they got to the producer, either by someone in the county agent's office or in many cases by the landlord, who handled the certificates both for himself and for his tenant.

Mr. LEWIS. Does the Senator assume that there was some method by which that kind of fraud upon the farmer might have been avoided?

Mr. STEIWER. I am not so sure about that, Mr. President. I think possibly so; but at no time have I criticized the officers of the Triple A for what they have done in this connection. Apparently the thing that was contemplated under the law was one which lent itself to imposition.

Mr. LEWIS. We are both anxious to prevent that kind of robbery upon the innocent farmer; and I was wondering whether, in examining the subject, the Senator had come to a conclusion as to what system might protect the farmer against similar frauds in the future, if they should be attempted.

Mr. STEIWER. If I were to criticize the procedure resorted to, I should say that too much authority was vested in persons who were not regular employees of the Government, who were not regularly identified with the Department of Agriculture or with the Triple A.

Mr. LEWIS. Who does the Senator assume vested such unwarranted authority?

Mr. STEIWER. The Triple A. Mr. President, if I were doing it I should not attempt this sort of thing at all; but if it were to be done over again, certainly we could find means of providing better safeguards than were provided in these cases; and, of course, they ought to be provided.

Now, I wish to read one or two further short affidavits.

Mr. BLACK. Mr. President, will the Senator yield for a question.

Mr. STEIWER. Yes.

Mr. BLACK. I note, in looking over the affidavits, that apparently they are all sworn to before the same notary public, Hazel Morgan. I also note that there is an affidavit from Hazel Morgan stating that she was employed for 5 months for that purpose, going around over the State of Texas; and apparently all of them were written on the same typewriter.

Mr. STEIWER. She was employed during those 5 months by the Department of Agriculture, and these affidavits have all been made since she was separated from the Department, so she did not spend 5 months in obtaining the affidavits. I think these affidavits were gathered in the short space of 10 days, or possibly 2 weeks.

Mr. BLACK. I think, if the Senator will look, he will see that she states that she was employed by Mr. V. W. Pryor for some months as a notary public to go around and obtain affidavits.

Mr. STEIWER. He was a regular investigator of the Department. She was a Government employee at that time.

Mr. BLACK. May I ask the Senator whether these affidavits were sent up to him by Mr. Hurley?

Mr. STEIWER. Oh, no.

Mr. BLACK. Or did they send up a synopsis of the statement?

Mr. STEIWER. Oh, no. I merely meant to say that I got in touch with Mr. Pryor through Mr. Hurley. Mr. Hurley thought I would be interested.

Mr. BLACK. May I ask if they also gave out a statement to the press containing these charges, which is typewritten also?

Mr. STEIWER. I do not know anything about that. I have never seen any publication in the press concerning the matter.

Mr. BLACK. Was not one given out to the press this afternoon?

Mr. STEIWER. I do not know of it. If there was, I am not advised of it. I wish to say to the Senator that I have affidavits here which were notarized by Mr. J. A. Phillips, and I think by other persons. It just happens that those which the Senator from Alabama examined were all notarized before Hazel Morgan, and those that I have read I think were all notarized before Hazel Morgan.

Now let me read briefly from the short affidavit by Mr. R. F. Black. This is also from Nacogdoches County, Tex. He subscribes himself as living at Martinsville, Tex.

About the month of November 1934 I received my second issue of tax-exemption certificates from the county agent's office. As I had already ginned my cotton, I had no use for the certificates.

I went to the county agent's office and asked about pooling my certificates. Forest Gee, clerk in the county agent's office, told me that I might never get anything out of them if I pooled them and he offered me 2 cents per pound, but I did not sell them to him. Later I went to the county agent's office again to pool them but I was unable to get any information, so I was sent to Max Hart, Nacogdoches, Tex., who was buying certificates. I sold Mr. Hart 95 pounds of certificates for 2 cents per pound and he paid me $1.90 in cash.

Of course that is a very trifling transaction, but this gentleman, whose name is Mr. Max Hart, is referred to in a number of affidavits and has been referred to on a number of occasions by those making reports to the Agricultural Department.

I read briefly from the affidavit of Ellis Black as follows:

During the month of November 1934 I received my second issue of cotton tax exemption certificates of about 130 pounds from the county agent's office.

I asked at the office about pooling them in the national pool, but I was told by Forest Gee, clerk in the county agent's office, that if I pooled them, I might never get anything out of them. He offered me 2 cents per pound but I did not sell them to him.

I was contacted on the street by a man who said Max Hart, Nacogdoches, Tex., was buying certificates. I went to Max Hart and sold him the 130 pounds for 2 cents per pound. Mr. Hart did not tell me what he wanted the certificates for.

Senators will note that is substantially the same form of affidavit from which I just read. There follows a statement that the certificates were sold to Mr. Max Hart.

The next affidavit is subscribed to by Mr. G. W. Martin, who also lives in the same county in Texas. In his affidavit he said he received certain tax-exemption certificates and that after ginning his cotton he sold about 200 pounds of those certificates.

I think it is unnecessary to proceed further with the recitals. They all illustrate substantially the same thing, namely, that in a very wide range of territory and in a very great number of cases the tenant farmer, and in some cases the landlord farmer, did not keep his certificates but sold his certificates to some speculator. It is disclosed that in some cases the transaction was a perfectly honorable transaction. The owner of the certificate sold because he desired to part with it and was willing to take the 2 cents per pound instead of the 4 cents per pound which he would have received had he kept the certificates. In numerous other cases, however, it is disclosed by the affidavits that it was not an aboveboard transaction; that the certificates never reached the person for whom they were intended; that they were diverted at the offices or by the landlord and that the tenant received only part of the money intended for him; and that the rest was converted to the use of persons in some cases identified and in other cases to persons not identified by the documents.

I want to read very briefly from a report or a memorandum made by Mr. Pryor. He furnished this to me personally. I read only a short excerpt and I omit some words which seem to have no significance:

We discovered numerous forgeries and thefts of certificates, and we also found that numerous contracts had been made and executed with nonexistent cotton producers whose names had been forged to the records. Certificates had been issued to these nonexistent persons and converted by one of the clerks in the county agent's office, a Mr. Moss.

I digress to say that is the same Mr. Moss who is a clerk in one of the offices and who has been referred to in a number of the affidavits from which I have read and in numerous other affidavits from which I have not read.

We further found that the entire county was completely demoralized. The county committee was dominated by a group of speculators and they in turn dominated those who were openly buying and selling certificates inside the county agent's office. Several other clerks in the county agent's office had openly bought and sold certificates and acted as agents for other buyers and sellers. Among the speculators was one T. E. Baker, who was president of the First National Bank, and who controlled in this and adjoining counties a great number of cotton gins. There was also a druggist in this town by the name of Sam Stripling. In addition to these two large speculators, there were four or five others who had bought and controlled approximately 80 percent of all certificates that had been pooled or illegally used.

Mr. Sam Stripling, here referred to, is the same person referred to in one or two affidavits from which I have read.

Mr. BLACK. Mr. President, before the Senator leaves that affidavit will he tell me——

Mr. STEIWER. It is not an affidavit. I am reading from a statement made by Mr. Pryor himself.

Mr. BLACK. Does he have at the beginning of his statement any facts relating to his employment and what he has been doing?

Mr. STEIWER. I have stated two or three times that Mr. Pryor was for some time in the employ of the Agricultural Adjustment Administration, so I did not read that part of the statement.

Mr. BLACK. Does it state in whose employ he is now?

Mr. STEIWER. I will read from the first part of the statement where he says:

I began work for the Agricultural Adjustment Administration on October 9, 1934, and was classified as assistant audit clerk.

I think it is developed that at a later time that rating was changed and his pay was advanced. He was in the employment of the Adjustment Administration for some little time. I cannot say in whose employ he is at this time. I asked if he was willing to make a trip through the South in connection with this matter, and he said he was. He was receiving no compensation that I know of.

Mr. BLACK. Of course, it is a very expensive trip from here to Texas and I am sure the Senator therefore knows, if he actually went down there, who paid his expenses.

Mr. STEIWER. I think his expenses are paid by Mr. Judge, the man I named a while ago.

Mr. BLACK. But the Senator is the man who asked him to go.

Mr. STEIWER. I said I asked him, but I think I merely suggested it. He expressed himself willing to go.

Mr. BLACK. Where did Mr. Judge get the funds and from what association?

Mr. STEIWER. I cannot advise the Senator. I assume Judge had his own funds. It may be the Liberty League, for all I know, but I have no information that would even hint in that direction.

Mr. BLACK. Perhaps the Senator is right—that it may have been the Liberty League.

Mr. STEIWER. The Senator from Alabama suggested that a little while ago and that is the reason I suggest it now.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. STEIWER. Certainly.

Mr. SCHWELLENBACH. May I ask the Senator who it was that paid the expenses of Mr. Pryor's trip to Texas?

Mr. STEIWER. Mr. Judge, as I have just explained.

Mr. SCHWELLENBACH. It was the Senator's idea that Mr. Judge would pay the expenses?

Mr. STEIWER. He told me he would undertake to see they were defrayed.

Mr. CONNALLY. Mr. President, who is this strange Mr. Judge?

Mr. STEIWER. I do not think he is strange. Why does the Senator say he is strange?

Mr. CONNALLY. We cannot find out who he is. Who is he and with what organization is he connected and who is paying him and what is he doing now?

Mr. STEIWER. Mr. Judge is a man I have known for some months. He was himself an investigator at one time. I do not know that I know his history.

Mr. CONNALLY. What is he doing now?

Mr. STEIWER. He was commended to me by a number of gentlemen of my acquaintance.

Mr. CONNALLY. If the Senator knows him so well, will he not please tell us in whose employ he is?

Mr. STEIWER. I do not know him so well. I do not know in whose employ he is.

Mr. CONNALLY. If the Senator wants us to be frank with him, he ought to be frank with us. I would not want to associate with a man and accept his statements and take him into my confidence, and neither would the Senator from Oregon, I am sure, if I did not know something about who he is and where he is from and who is paying him and what he is doing. Will the Senator tell us?

Mr. STEIWER. Mr. Judge has not anything to do with these affidavits except to defray the expenses of Mr. Pryor and another man to get these affidavits. Because I did not have full knowledge of the persons getting the affidavits, I went confidentially to an employee of the Agricultural Adjustment Administration to find out if they had reports on irregularities in Texas, and I was told that they did have such reports. I then went to the Comptroller General of the United States, I took the information to him, and the Comptroller General told me the information was consistent with information which he already had respecting very many areas in the cotton-producing section of the South.

Mr. BLACK. Mr. President, did the Senator state that he does not know who was paying the money to Mr. Judge or for Mr. Judge?

Mr. STEIWER. I do not know. I could guess at it.

Mr. BLACK. Who was it?

Mr. STEIWER. The Senator has not asked me to submit a guess.

Mr. BLACK. Why not tell us? Who was it?

Mr. STEIWER. He has asked me to say whether I knew, and I told him very truthfully that I do not know.

Mr. BLACK. The Senator has no judgment on it?

Mr. STEIWER. The Senator did not ask me that. If the Senator wants me to speculate upon it, I have no doubt that Mr. Judge is financed in this matter by people who want to disclose the facts——

Mr. BLACK. By what people?

Mr. STEIWER. In connection with this matter.

Mr. BLACK. Who are the people?

Mr. STEIWER. I have no doubt people interested in the campaign.

Mr. BLACK. Is it the Republican National Committee?

Mr. STEIWER. I do not know that.

Mr. BLACK. Is that the Senator's judgment?

Mr. STEIWER. I believe Mr. Judge is identified in some way with the Republican National Committee.

Mr. BLACK. It is not the Lemke committee, is it, the Union Party committee? The Senator knows that?

Mr. STEIWER. I would not think that.

Mr. BLACK. May I ask the Senator in all fairness if they did not send up to him with those affidavits a statement which he has right there now, on yellow paper, giving a summary of the remarks——

Mr. STEIWER. No.

Mr. BLACK. With a statement as to the number of the cases of fraud, and so forth, and if that did not come from the Republican National Committee publicity headquarters.

Mr. STEIWER. No; it did not. That came from Texas, by mail, from the investigator, and the yellow paper I made myself in my own office, based upon the information that was disclosed to me.

Mr. SCHWELLENBACH. Mr. President, will the Senator state whether or not Mr. Kirby, of the Save the Constitution for the South committee, had anything to do with it?

Mr. STEIWER. I do not think so. I do not know Mr. Kirby, have had no dealings with him, and have no reason to believe he has any interest in the matter at all.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. STEIWER. I yield.

Mr. BILBO. Will the Senator give me the initials of Mr. Pryor, whom he is quoting so freely?

Mr. STEIWER. I have stated them three or four times. The initials are V. W. Pryor.

Mr. BILBO. He was formerly employed by the Agricultural Administration?

Mr. STEIWER. I have stated that also; yes.

Mr. BILBO. And he served the Department in Texas?

Mr. STEIWER. Yes, he did; and elsewhere, I think, also.

Mr. BILBO. This same Pryor came to my office last year and gave me a personal report of some irregularities in Texas in the administration of the agricultural service department and asked me my advice as to what he should do. I told him to report it to his chief. A few days after that I got a notice from him, or a telephone call. He was in jail in Washington and wanted me to go on his bond, and he was indicted by the grand jury of Missouri for embezzlement in handling money for the Government in connection with the Federal land bank. That is your man.

Mr. STEIWER. I am very much indebted to the Senator for that contribution. [Laughter.] That brings me to something which I ought to say in connection with this matter. I said a little while ago that I was not disposed to be critical of the Agricultural Department for their failure to stop these irregularities in certain parts of the South.

I say that yet. But there is one phase of this matter for which the Department of Agriculture may very well be criticized, and the contribution of the Senator from Mississippi makes it necessary for me to relate that phase.

After this investigator had made most numerous reports, and after a large number of investigators had examined the alleged irregularities in Texas, he was told that he must not continue. He claims that at that time he was not discharged. I do not know whether he was or not. He was told he must not continue, but elected to continue in what he was doing. Whereupon an indictment was brought against him. It was in connection with that indictment that he appealed to Mr. Hurley.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. STEIWER. Yes.

Mr. SCHWELLENBACH. Is that Mr. Pat Hurley, who testified before our committee that he got $25,000 from the Associated Gas & Electric Co. for one telephone call?

Mr. STEIWER. I have related——

Mr. SCHWELLENBACH. Is that the same Pat Hurley who got $25,000 from the Associated Gas & Electric Co. for one telephone call?

Mr. STEIWER. The Senator cannot disconcert me with that kind of an interruption.

Mr. SCHWELLENBACH. Does the——

Mr. STEIWER. I will not yield. I ask for order. I want to say to my friend from Washington that in response to questions propounded before the Senator from Washington came into the Chamber I identified Mr. Hurley as the former Secretary of War.

Mr. SCHWELLENBACH. I should just like to say——

Mr. STEIWER. I will not yield to the Senator. I have identified Mr. Hurley. The Senator from Washington can ask me again, if he wants to, if this is Mr. Pat Hurley, former Secretary of War, and I shall be happy to answer the question, but when the Senator starts in, "Is that the Mr. Hurley who testified he got $25,000", of course, he is not seeking information, he is merely trying to arouse prejudice against Mr. Hurley. I am not going to deal with the Senator on that basis. When I sit down, of course, he can say whatever he chooses to say, but in my time I will not yield to the Senator for that kind of questioning.

Mr. SCHWELLENBACH. Mr. President, is the Senator willing to yield to me for just a little calm observation?

Mr. STEIWER. Certainly; I can do that.

Mr. SCHWELLENBACH. I should like to say to the Senator that I have the highest respect for the Senator from Oregon, and when the Senator from Oregon brings in serious charges about the conduct of the Agricultural Adjustment Administration, I am inclined to look with a serious viewpoint on them, but when I find that the source of the Senator's information comes from Mr. Patrick Hurley, who, since severing his connection with the Hoover administration, has been a lobbyist here representing those interests in this country which are most opposed to the welfare of the people of this country, I am rather surprised that the Senator from Oregon would have anything to do with anybody who was sent to him by Patrick Hurley.

Mr. STEIWER. Does the Senator think Mr. Hurley had anything to do with the preparation of these affidavits, or with their truth or falsity?

Mr. SCHWELLENBACH. Having heard his testimony, and having seen his conduct since he left the Hoover administration, I would say that if he had anything to do with it, it is not worthy of consideration by anybody, let alone the United States Senate.

Mr. STEIWER. At this hour I am not going to defend Mr. Hurley, though a great deal could be said in his defense. But so far as the affidavits are concerned, I am sure he has never seen them. His whole connection with the matter was to send Mr. Pryor to me.

I desire to state, in fairness to Mr. Pryor, the facts in connection with his relations with the Department of Agriculture. I had said at the time when I was last interrupted that he was told not to go further with his investigation. He apparently was not a thoroughly disciplined employee, and his disposition was to go much further than somebody wanted him to go. Whereupon an indictment was returned against him in the State of Missouri and I am informed by him, and by Mr. Hurley, and I think by one other, that this matter was referred to the Department of Justice, by Mr. Pryor himself, and that the Department of Justice investigated the situation in connection with this indictment, and after they made their investigation, they reached the conclusion that there was no justification for the indictment against this man, and it has been nolle prossed. I saw the telegram from the United States attorney advising that the indictment had been nolle-prossed.

Mr. BLACK. Mr. President, may I ask the Senator a question?

Mr. STEIWER. Yes.

Mr. BLACK. I must be mistaken. Is that the same man about whom I asked the Senator so much in the beginning? Do I understand that he knew he was indicted before the Senator from Mississippi so stated?

Mr. STEIWER. Yes; I knew he was indicted and that the Department of Justice nolle-prossed the indictment. It appears that some sinister influence caused his indictment, and I will say, in justice to the Department of Justice, that when the Department of Justice learned the facts, they promptly brought about the dismissal of the indictment.

I am not ready to condemn this man merely because some influence brought about an indictment in an unfair case. I plead with Senators not to try to exculpate the Agricultural Administration or this particular part of it merely by making charges against Mr. Pryor or against anybody else.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. STEIWER. Just a moment and I shall yield. I desire to finish what I was saying. The charges which I bring to the bar of the Senate can all be investigated. Most of them have already been investigated by the Department of Agriculture. They may all be investigated. If they are false, the

Department of Agriculture has every facility for disproving the charges and to condemn me for making them. I pray my friends that they not seek to answer serious charges of this nature by seeking to discredit Mr. Pryor or anyone else, but that they do the thing that ought to be done, namely, urge the Department of Agriculture to make a full investigation and a full disclosure of the facts.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. STEIWER. I yield.

Mr. BYRNES. I never heard of Mr. Pryor before, but the Senator says he was indicted in Missouri. He was indicted, then, by a grand jury. Now the Senator says some sinister force caused that. What does the Senator mean?

Mr. STEIWER. I am unable to say more than I have said.

Mr. BYRNES. Then why does the Senator say it? When a grand jury composed of the citizens of a sovereign State indict a man, does the Senator from Oregon say that some sinister force caused the indictment without knowing anything about it or having any information about it?

Mr. STEIWER. Yes; because when the Department of Justice made their investigation—and they made a broad investigation, sending several investigators into the field—when they investigated it they almost immediately brought about the dismissal of the case.

Mr. BYRNES. That might be true, but the Senator from Oregon is not living up to the role in which we have known him when he says that a grand jury of a sovereign State indicted a man and afterward the case might have been nolle prossed by the district attorney; but the Senator from Oregon says some sinister influence caused it. Who caused it? Who does the Senator from Oregon want us to believe caused it?

Mr. STEIWER. I do not want to identify anyone in that connection. I do not know.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. STEIWER. I yield.

Mr. HASTINGS. It is a perfectly simple proposition. If you are willing to lie, to go before a grand jury and make up a fabricated case against a respectable citizen, it can be done, and that, I suppose, is the sinister motive to which the Senator from Oregon refers.

Mr. STEIWER. I was not charging the grand jury with anything.

Mr. BYRNES. I knew the Senator from Oregon could not answer whenever it came to that, so it was necessary for the Senator from Delaware to step in.

Mr. HASTINGS. Mr. President, has the Senator from Oregon yielded to me?

Mr. STEIWER. Yes.

Mr. HASTINGS. I am wondering whether we are going to have order here. Will the Senator yield further to me for a moment?

Mr. STEIWER. Yes; I yield to the Senator.

Mr. HASTINGS. Will the Senator from South Carolina sit down until I shall say what I desire to say?

Mr. BYRNES. I am sitting down. Does not the Senator from Delaware see that I am sitting down?

Mr. HASTINGS. Mr. President, as I said, this is a very simple proposition, and I just wanted to make the suggestion to the Senator from Oregon if it had not occurred to him that if some person wants to prosecute another person and he is willing to go before the grand jury and make a false statement it is not difficult to secure an indictment. I agree with the Senator from Oregon that it is to the credit of the Department of Justice that they dismissed the case when they discovered there was no foundation for the indictment.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield that I may ask the Senator from Delaware a question?

Mr. STEIWER. I yield.

Mr. SCHWELLENBACH. I should like to ask the Senator from Delaware if he knows anything, to his own personal knowledge, about the facts in this case?

Mr. HASTINGS. Do not ask me a foolish question.

Mr. SCHWELLENBACH. Well, if the Senator from Delaware has no personal knowledge about the facts in the case, and yet comes to the assistance of a Senator not being able to answer the question, I think there is only one conclusion we can draw in reference to the method of conducting grand juries in the State of Delaware.

Mr. STEIWER. Mr. President, I have brought to my friends across the aisle all the concern that I want to bring to them about this matter; but I wish to say—and I hope they will take seriously the suggestion which I make to them—that a charge of this character cannot be laughed off or dissipated merely by criticism of Mr. Pryor. He happens to be the person who made it possible to get a lead into the facts of these cases. I say, in conclusion, that these affidavits tie in with each other. They support and corroborate each other. They support and corroborate certain reports that have been made to the Department of Agriculture, and support and corroborate the reports made by Mr. Pryor himself, all to such extent that I think, upon my responsibility as a Senator, they ought to be brought to the attention of this body. Because I learned of them only in the last 2 days I was not permitted to do what I should like to have done.

I think it would have been in order to have asked for an investigation. It would yet be in order, if time and the temper and patience of Senators would permit, for the Senate to adopt a resolution asking the Secretary of Agriculture to transmit to the Senate all these reports, and requesting him to make the necessary investigation and report to the Senate.

We have a responsibility to those who pay the taxes and to those who raise the funds. We have a responsibility when we embark upon a program of farm relief to see that the money goes to the people for whom it is intended. It is not worthy of us nor in keeping with that responsibility to attempt to dodge the facts alleged in this case by making criticism either of Mr. Pryor or of the very humble junior Senator from Oregon.

Mr. CONNALLY. Mr. President, will the Senator from Oregon let me have his affidavits and papers so that I may inspect them?

Mr. STEIWER. I will be glad to let the Senator have those from which I read. I think I will keep those which I did not read.

Mr. CONNALLY. Does the Senator have something he wants to conceal from the Senate?

Mr. STEIWER. Oh, no.

Mr. CONNALLY. He wants an investigation. He wants the Senate to know everything. Yet he does not want to give the Senator from Texas all the affidavits.

Mr. HASTINGS. Does the Senator from Texas promise to support a request for an investigation if the Senator gives him all the affidavits?

Mr. CONNALLY. I have not yielded to the Senator from Delaware. I request him to take his seat until I do.

Mr. HASTINGS. I beg the Senator's pardon.

Mr. CONNALLY. I would not have made that remark except that the Senator from Delaware was so anxious to have the Senator from South Carolina take his seat after he had taken the floor to make some remarks.

Mr. BYRNES. The Senator from Texas will remember that the Senator from South Carolina was seated. The Senator from Delaware could not see him.

Mr. CONNALLY. Mr. President, if the Senator from Oregon will be good enough to give me those affidavits, I shall be very happy to have them.

Mr. STEIWER. I am not going to give them to my friend from Texas, but I will be happy to let him see them. I will send over most of those I read and others. They are all attached together.

Mr. CONNALLY. I should like to have also the yellow sheet which the Senator has there. I think the yellow sheet is an advance press report of the Senator's speech. I cannot read it until morning and I should like to see it now.

Mr. President, some nights ago, with a very palpitating heart and stimulated intellect, I listened over the radio to the great keynote speech out at Cleveland by the junior Senator from Oregon. I suppose that this is the second edition, the second chapter, of the great Republican attack on the Democratic administration. What does it consist of, so far as we can tell? It consists of certain affidavits submitted by the junior Senator from Oregon, procured how? By a discredited and discharged employee—I think I am warranted in saying that, because the Senator from Oregon said it was a former employee—a discharged and discredited former employee going around to the Republican National Committee, or one of its minions—Mr. Judge—I do not know who Mr. Judge is.

Mr. BLACK. Mr. Jones.

Mr. CONNALLY. I thought he said Judge. I am getting to Jones in a minute. I do not know who Mr. Judge is, but the Senator from Oregon does know who he is. If he does not know who he is, he ought not to stand up here in the Senate and quote him before Senators and thereby vouch for him.

Mr. STEIWER. Mr. President, I did not quote him. He had nothing to do with these affidavits. He was not even there when they were made. He transmitted them to me.

Mr. CONNALLY. But Mr. Judge is the man who defrayed the expenses for getting them.

Mr. STEIWER. I think he will defray the expenses.

Mr. CONNALLY. He is not interested; he is just simply a patriot, desirous of getting information, and now he is going down in the South and paying money for that information. This snooper trying to snoop around over my State, trying to discredit the people of Texas and the administration of the A. A. A. Act.

That is a sample of the great statesmanship we are going to see exhibited by the keynote speaker of the Republican convention at Cleveland. He said these affidavits all tied into each other. I think he is correct. I think they do. Whenever I find a dozen affidavits all subscribed and sworn to before the same notary public, written on the same typewriter, dictated by the same dictator, I know they are all going to tie in very beautifully and very properly. That is what we have here.

Who is the notary public?

Hazel Morgan, notary public in and for Nacogdoches County, Tex.

They switch off and get a Mr. Phillips over in St. Augustine County, but all the affidavits in Nacogdoches County are made, so far as I can tell from the affidavits, before Miss Hazel Morgan—Hazel Morgan, Hazel Morgan, Hazel Morgan, J. A. Phillips—whenever they cross a county line in my State they have to get a new notary public—Hazel Morgan, J. A. Phillips, Hazel Morgan. In Shelby County they had D. M. Alvord.

The burden of this complaint seems to be that there is some objection to the cotton-exemption certificates being sold by one farmer to another. As a matter of fact the Department of Agriculture expressly authorized and directed the sale of the exemption certificates from one farmer to another. In other words, if I had exemption certificates for 10 bales of cotton and I needed but two or three, I was permitted to sell the remainder to another farmer who had raised more cotton than he had exemption certificates for, and the Department of Agriculture expressly approved such sales in all cases.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. HATCH. Out in west Texas in the panhandle country, during the time the Bankhead Cotton Act was in effect, is it not true there was quite a drought all over that part of Texas?

Mr. CONNALLY. To be sure there was.

Mr. HATCH. Is it not also true that about the only money those cotton farmers got in that part of Texas was what they received from the sale of their exemption certificates?

Mr. CONNALLY. To be sure. A farmer might have certificates for 10 bales of cotton and only raise 2 bales, so he would have eight certificates for sale. The Department of Agriculture, in order to adjust the equities, would permit him to sell those eight certificates to some other farmer who needed them.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. SCHWELLENBACH. I wonder if the Senator knows who "F. S." is. Apparently there is somebody who had to approve the various affidavits before the junior Senator from Oregon was permitted to use them.

Mr. STEIWER. Is my friend from Washington seriously disturbed about that? "F. S." are my own initials. Some of those affidavits I expected to read and some I did not, and on these I expected to read I placed my initials.

Mr. SCHWELLENBACH. I notice the list runs to 110–C, and the Senator only approved a few. Did they run all the way from 1 up to 110? What became of the ones the Senator did not read?

Mr. STEIWER. I do not think I read them. I just put my initials on them.

Mr. CONNALLY. Did the Senator from Oregon send over the yellow sheet?

Mr. STEIWER. That is my own memorandum, but I have no objection to sending it to the Senator.

Mr. CONNALLY. I thank the Senator from Oregon. I really believe that if the witnesses he seeks to quote and Mr. Judge and Mr. Jones were as frank and open as the Senator from Oregon has been we would get at the truth of this matter.

(At this point Mr. STEIWER sent a paper by a page to Mr. CONNALLY.)

Mr. CONNALLY. Mr. President, the Senator from Oregon has done me the kindness to send to my desk a yellow sheet—just a yellow sheet—entitled "Summary of Charges Contained in Statement by Senator STEIWER, United States Senate, June 20, 1936." It reads as follows:

The true conditions assigned by the President (see message to Congress, Mar. 3, 1936) are both overstatements.

Mr. STEIWER. Mr. President, will the Senator permit an interruption at that point?

Mr. CONNALLY. Certainly.

Mr. STEIWER. I read most of that into the RECORD just at the beginning of my remarks. I departed from a little of it, and part of it I read from literally. It is all in the RECORD.

Mr. CONNALLY. Mr. President, it is very difficult to ascertain just what the Senator from Oregon proposes to charge in these affidavits. They are very voluminous and I shall not weary the Senate by reading them.

The Senator from Oregon himself, as I understood him, said the Comptroller General had advised him that most of the cases involved no fraud whatever upon the Government. Is that correct?

Mr. STEIWER. The fraud on the Government was incidentally due to loss of taxes, and in some few cases, where there was a nonexistent farm or a non-existent farmer, then the claim became a fraudulent claim against the Government. Where the claim was valid and where the certificate was issued to a farmer and was a valid certificate, there was no fraud upon the Government.

Mr. CONNALLY. Mr. President, we have here the spectacle of the Senator from Oregon making a big disturbance and big complaint about the administration of the A. A. A. Act when he admits that, so far as he knows, it involves no fraud on the Government of the United States. I suppose his contention is that there were fraudulent transactions between the landlord and the tenant which are the subject of State jurisdiction and, I assume, of State prosecution. I know, however, the Federal Government did send to the State of Alabama, I believe it was, a year or two ago, investigators who brought about several indictments involving the administration of the Agricultural Adjustment Act, and those people were prosecuted. If there is no fraud on the Federal Government, what business is it of the Federal

Government to go out and try to make a disturbance and make a row here about this matter? Where is there any Federal responsibility? If the Government of the United States had not been defrauded, it is not the business of the Federal Government to undertake to prosecute private transactions.

The whole plot and plan as revealed by the Senator from Oregon proves that this is an agitation which has been manufactured. Why did he select certain counties in Texas? Why did he not select some counties in Oregon? Why did he not select some counties in Kansas? He selected a group of counties in Texas and states he got the information through procuring the services of so-called former investigators, one of whom was indicted, as it is now revealed, in Missouri for a criminal offense. The Senator from Oregon knew that when he made these charges. He knew that his witness had been indicted, but he did not reveal that fact to the Senate until the corkscrewing operation of the Senator from Mississippi.

Now, let us see. I want to see one of these affidavits. Here is the affidavit of A. V. Little. I will just take one at random:

STATE *of* TEXAS,
County of Nacogdoches:
Personally appeared before me, the undersigned, A. V. Little, who, first being duly sworn, deposes and says—

I may observe that this affidavit has the letters "O. K." on the top of it. That has passed the censor. This affidavit will do. [Laughter.] This affidavit is good politics for the Republican organization. This affidavit has the approval of the high command in this campaign.

Now, what is the great crime?

During the month of July 1933 we had an awful flood in our section of the county—

Well, up to that point I think the affidavit probably is true. [Laughter.]

which practically destroyed my cotton crop. After the destruction of the cotton by the flood, I made a supplemental contract which, in addition to the original contract, totaled 50 percent of my cotton acreage. I did not receive a notice to plow the cotton up—

Well, if he did not make any cotton, what was the sense in plowing it up? He says he did not make any cotton—

and did not know whether or not my contract would be accepted, so when the cotton opened I picked it and sold it. After I had sold the cotton my Government check came, which, as well as I remember, amounted to about $20.

Twenty dollars! Why, that would not have paid the fees of this notary public for taking these affidavits. It would not have paid the cigar bill of Mr. Pryor while he was securing these affidavits. It would not have paid the help for one dinner party given by Mr. Patrick J. Hurley, former Secretary of War, and late lobbyist for the utilities. If what the Senator from Alabama says is true, Mr. Hurley ought to come under the excess-profits tax. [Laughter.] We are told he got $25,000 for one telephone call in connection with the utilities. Now he is complaining because some little tenant down in Texas got $20. [Laughter.]

After I had sold the cotton, my Government check came, which, as well as I remember, amounted to about $20. I did not want to take the check, because I had sold the cotton.

The Senator implies that these checks were not tendered to these people; that they had no opportunity to get them.

I did not want to take the check, because I had sold the cotton. Mr. Rhodes, community committeeman, and Mr. T. F. Powers, Altoyac, Tex., were present, and they told me that it was given on the basis of the flood and would be absolutely all right to accept the check, so I did.

I bought about 100 pounds of seed cotton at about 5 cents per pound, totaling $5, and the check I received from the Government was for about $20, from Aster Langford, Altoyac, Tex., and I plowed it under in my own field in the presence of Eugene Rhodes, local committeeman.

I had no intention of defrauding the Government when I accepted the check and followed the instructions of our community committeeman, who, we thought, knew the rules and regulations of the program. My intention was to cooperate with the Government program to the best of my knowledge.

Mr. President, if that is a fair sample of these affidavits, who has committed a crime? Here is a poor tenant farmer. He gets a little Government check for $20 after the floods had come and destroyed his crop. Twenty dollars was the contribution of the Government. He goes to the committeeman who is the official administrator of the act in the county and says, "I do not know that I am entitled to this $20. I do not want it." The committeeman says, "Yes; you are entitled to it." He finally takes it, and he spends $5 for cottonseed to plant another crop, I suppose, and he gets $15 of the Government's money. That is this affidavit. That is this serious charge which the Senator from Oregon brings against the A. A. A. These are the indictments that the keynoter of the Republican Party lays at the door of the Democratic administration.

Mr. President, they are childish. Think about it. The party of Mr. Fall, carrying $100,000 in a black bag from New York down to Washington, finding lodgment in the precincts of the Government itself, finding lodgment in the Cabinet—the party of Mr. Fall is outraged because a poor, humble tenant down in Texas gets $20 from the Government in the open for carrying out the A. A. A. Act, with the county committee approving it, with all the world knowing it. The acceptance of that $20 is a fraud and a crime, but taking $100,000 in a black bag in the dark, behind the door, where no one sees it, is a great act of statesmanship. [Laughter.]

Talk about enforcing the law, complaining of the Department of Agriculture because it does not prosecute some little, humble tenant who got $20 in broad daylight in the county courthouse from the public administrator of the act, who told him he was entitled to it, and who spent it for some food and perhaps for some humble clothing! That is a crime on the part of the Department of Agriculture; but a Department of Justice presided over by a malodorous Attorney General in the person of Harry Daugherty can forgive crooks, he can vacate offenses, he can pardon before trial the infractions of the criminal and civil laws of the United States; yet this, this, is a great crime! A great crime because some tenant got $20 and did not give part of it to the Republican National Committee! [Laughter.]

Now, Mr. President, I desire to lay down some interrogatories. I am going to find out who this man Judge is. I want to know, and I ask the newspapermen to take out their pencils and help us get some information. Find out who this man Judge is, and who is paying him. For whom is he working? Where is this man Pryor tonight? Who is paying him?

The Senator from Oregon says Pryor was getting $1,620 in the Department of Agriculture—$1,620—and after he lost his job the Senator from Oregon says it is his impression and belief that this man made the trip down to Texas to investigate these cases at his own expense. At his own expense! A $1,620 clerk, with his job gone, reaches down in his pocket and gets out the money he has saved over the years at $1,620, and goes down to Texas as a patriot and as a public benefactor!

Ah! We know who paid his expenses. I do not know the individual. I do not know the particular dollar. We did not mark the money; but we know that somebody in the pay of those particular interests now busy in this campaign, particularly concerned with discrediting the administration and getting back once more into power themselves, furnished the money and supplied the sinews.

The Senator from Oregon did not have the boldness to deny that. He admitted a while ago, in answering the Senator from Alabama, that he suspected that this matter would get into the campaign. He "suspected" it would get into the campaign! Well, if it does not get into the campaign any more effectively than the speech of the Senator from Oregon out at Cleveland did, it will not get very far in the campaign. [Laughter.]

Now, let us see about the position of the Senator from Oregon on this farm situation.

Pryor is under indictment. I wonder who got the indictment dismissed. I wonder who quashed it. The Senator

from Oregon says that certain sinister influences got him indicted. The Senator must know all about the case, or he would not make a charge that sinister influences had him indicted.

What were those sinister influences? Who were they? It is a great crime in the eyes of the Senator from Oregon for this little tenant to openly accept $20 with the approval of the committee and the approval of the Government; but because somebody who is doing the dirty work for the Republican national committee gets indicted, his indictment was brought about by "sinister influences", just as Fall's indictment was brought about by sinister influences.

Let us see about this. The Senator from Oregon is not in sympathy, anyway, with the agricultural program. He never has been in sympathy with it. The Senator from Oregon has been an enemy of the Agricultural Adjustment Act.

Mr. STEIWER. Mr. President——

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Texas yield to the Senator from Oregon?

Mr. CONNALLY. I yield.

Mr. STEIWER. The Senator has probably forgotten that I have been for many years a supporter of agricultural relief. I was a supporter of the McNary-Haugen bill. I voted to pass it over the veto of a Republican President. I supported agricultural relief in still other respects. If the Senator knew the record, he would not say I was an enemy of agricultural relief.

Mr. CONNALLY. I did not say the Senator was an enemy; I said he was not in sympathy with the A. A. A. Act, and I repeat it.

The Senator says he voted for the McNary-Haugen bill. Yes; he voted to pass it over the President's veto. It is easy to vote for something one knew the President is going to veto, and easy to vote to pass it over his veto, when one knows there are not enough votes to pass it over his veto.

Mr. STEIWER. Will the Senator yield again?

Mr. CONNALLY. I yield.

Mr. STEIWER. Incidentally, I voted for the Triple A also.

Mr. CONNALLY. The Senator from Oregon voted for the Triple A?

Mr. STEIWER. Indeed I did, and when I know what I do now about its administration, I am not so proud of the vote.

Mr. CONNALLY. I would like to verify that report. I cannot believe that the Senator from Oregon voted for this nefarious, this unconstitutional, this outrageous A. A. A. Act.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BYRNES. That was last year.

Mr. CONNALLY. Oh, it was 2 years ago.

Mr. BYRNES. Two years ago. It was not an election year. In an election year the Senator could not vote for the agricultural program.

Mr. CONNALLY. Mr. President, we have marvelous conversions. Men who grow intellectually change their views. A man who never develops any gets a little idea in his early youth. It never burgeons into a great plant, but he just grows along thinking the same thing. Anybody can do that. But it takes a broad-minded man to develop and change his views and grow.

There is a little bee that buzzes around the heads of statesmen. I have seen it ruin many a good Senator. [Laughter.] When that little bee, with its seductive buzz, with its seductive voice, and a rather caressing stroke, the little bee of the Vice Presidency or the Presidency, begins to tickle the ear of a Senator, he may from then on be a great statesman, but as a Senator "he ain't worth a damn." [Laughter.]

When the Senator from Oregon was just a plain Senator, when he was content to serve the people of Oregon primarily, and the people of the Nation only incidentally, when he was devoted, as he has been through the years, to the interests of the farmer, voting for the McNary-Haugen bill every time he thought it had no chance to pass, making strong speeches to the farmers out in Oregon, when he had a chance in 1933 to redeem the pledges he had made, simply a Senator from Oregon, he walked up to the bar of the Senate and voted for the A. A. A. But that was in 1933. Time moves rapidly in these modern days. We are no longer in the "horse and buggy" period. We are living in the period of the airplane. Men travel rapidly. Their careers expand rapidly.

In 1936, with bees buzzing all around [laughter], a statesman's vision must expand as his opportunities to serve expand. So I understand the mental processes by which the Senator from Oregon, representing a little ranch State, a little agricultural State, comes to the conclusion that America is not made up of just ranches and farms, that it is made up of great industries, made up of great cities, made up of world commerce. A man fit to be President or Vice President of this Nation must rise above provincialism, and must not represent one industry alone, that of farming and agriculture. So he condemns the act.

Here are his words out at Cleveland:

> What has the administration done to agriculture?

This is the friend of the farmer speaking, this is the man who voted for the act, who knew it was unconstitutional, of course, all the time. The Senator from Oregon did. But his zeal for the farmer and his desire to go along with the new administration were so overwhelming that he disregarded the fact that it was unconstitutional.

The only fault I have to find with the Senator from Oregon is that he ought to have told some of us that it was unconstitutional. Out at Cleveland it was unconstitutional. When he voted for it in 1933 it was not unconstitutional. Out at Cleveland in 1936 it was unconstitutional.

This is what he said:

> They made worse—

And this, I suppose, is what he is talking about tonight, in connection with these affidavits.

> They made worse the Triple A program by maladministration, by making food costly and scarce.

Whenever you tell me how you are going to help the farmer get more for his corn and his wheat and his hogs and not make them cost more to the man who eats them, the consumer, then I will subscribe to the doctrine of the Senator from Oregon. He is complaining in 1936 that the A. A. A. did work, that it made what the farmer raised cost more, and he is now complaining that the consumer had to pay a little more for it. This is the friend of the farmer speaking, speaking as the mouthpiece of the Republican Party.

If the Senator from Oregon knew that this was a destructive act in 1933, why did he vote for it? He would not vote for it for political reasons, he would not vote for it because he feared the wrath of the farmers of Oregon; oh, no. He is a statesman. He rises above these petty issues. But if it was destructive in 1933, why did the Senator from Oregon vote for it then and denounce it at Cleveland in 1936. I suspect the Senator from Oregon, like this fellow judge, had been talking to Patrick J. Hurley, and some of the other Republican influential figures.

The Senator from Oregon voted for the N. R. A. in 1933—voted for the National Recovery Act. I did not even have courage to vote for the N. R. A. I am over on this side of the aisle, and I had to vote against that, but the Senator from Oregon in 1933 voted for the National Recovery Act—the N. R. A.—and in 1936, out at Cleveland, the same Senator from Oregon, but with a different voice and with a different outlook and with a different pair of ears, denounced the N. R. A. as unconstitutional and as a terrible measure.

Is that all? If I am not correct in these references to votes, I shall be glad to be interrupted by the Senator from Oregon. By what sort of magic does the N. R. A. in 1933 prove itself a great agency for the rehabilitation of America and industry and in 1936, when cold winds begin to blow through the political trees out in Oregon, it becomes an

object of anathema and scorn and denunciation and repudiation by the Senator from Oregon?

Mr. STEIWER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Oregon?

Mr. CONNALLY. I yield.

Mr. STEIWER. I think the Senator is not fair in suggesting that it is magic that changed the attitude of the country toward some of these things. Many of us attribute it to the decision of the Supreme Court of the United States which we hold in respect and which we do not characterize in terms of magic.

Mr. CONNALLY. Is the Senator still for the N. R. A.? Suppose it were constitutional, would he still be for it?

Mr. STEIWER. No.

Mr. CONNALLY. No; not since the decision of the Supreme Court?

Mr. President, the Senator from Oregon said that he attributed the change in attitude to the decision of the Supreme Court. Then, I asked him was it that which changed him and did he still believe in the N. R. A., and he has said that he does not believe in it now even though it were constitutional. So it was not the Court that changed the attitude of the Senator from Oregon. What changed his views from 1933 to 1936 except this great broadening expansion of the statesman's viewpoint when the bees begin to buzz around political ears. [Laughter.]

Mr. President, I have a memorandum here—and if I am in error I want the Senator from Oregon to correct me—showing that the Senator from Oregon voted for the Banking Act of 1933. The Banking Act of 1933 was sponsored by the administration, and enacted in an effort to resurrect the crumbling and shattered and broken financial structure of America; but after it had worked for 3 years, after it had survived all the strain and stress of emergency administration, after it had proven a success and saved the banks of America, then at Cleveland the Senator from Oregon denounces the administration's financial operations.

What wrought this wondrous change? If it is not magic, by what kind of intellectual alchemy did this transformation of the mental processes of the junior Senator from Oregon take place since they present a totally different aspect in 1936?

I am told that the Senator from Oregon voted for the Municipal Bankruptcy Act. If I am in error, I desire to be corrected. The Municipal Bankruptcy Act was also declared to be unconstitutional. Is that another case where the decision of the Court changed the mind of the Senator from Oregon? I suppose he would still be for it if it were constitutional, but at Cleveland he denounced the Roosevelt administration for practically everything that has been done by it since 1933.

I am informed that the Senator from Oregon voted for the social-security bill, and if I am in error as to that I shall be glad to be corrected. The social-security bill was a measure sponsored by the administration designed to take care of the aged, and to provide unemployment insurance for the unemployed. It was great in conception, noble in its vision, and, I believe, in realization it will be one of the most outstanding achievements in social legislation; and yet the Senator from Oregon, at Cleveland, turned his hand against the achievements and accomplishments of this administration, though, so far, he has voted for practically all the outstanding acts of the administration.

Oh, but, Mr. President, if these acts were vicious, if they were unconstitutional, if they were unsound, if they were destructive of the fundamentals of American liberty, if they were destructive of our institutions, why did not the Senator from Oregon rise in his place here, and with only a fraction of the vehemence and eloquence and zeal and frenzy that he showed at Cleveland, advise the Senate as to the obnoxious and destructive qualities of these enactments?

Mr. President, here is what the Senator confesses: The Senator from Oregon knew that somebody in that convention was aware of his record; the Senator knew that he could not get away with that broadside against the administration without somebody's digging up some part of his record. Here is what he said:

The failure of the New Deal cannot be attributed to Republican obstruction. In the beginning of its administration, Republicans in Congress forgot politics in their desire to cooperate.

Mr. President, if it was patriotic in 1933 for Republicans to forget politics in order to help put over a program to rehabilitate America, when did it become patriotic to vote for those measures and lie in wait behind the corner and seek to assassinate the administration which brought them into being? It was patriotic, so the Senator says, in 1933 to forget politics. They did not forget it long—not the Senator from Oregon. Some of them did, but the Senator from Oregon forgot it no longer than he could begin to perceive a certain rising feeling among the disaffected and among those who oppose the administration. When he saw a little flicker of light, a little ray coming up over the horizon, that offered political victory against the New Deal, against the present administration, then he began to think of politics again when he heard that little bee buzzing around and whispering in his ear.

Mr. CLARK. What bee?

Mr. CONNALLY. The Senator from Missouri wishes to know what bee? The Vice Presidential bee. [Laughter.]

Here is what the Senator from Oregon said:

In the beginning of its administration—

Yes; just "in the beginning", but as we were well started, as soon as we did the necessary work, as soon as we put our program pretty well over, then they quit us, and so did the Senator from Oregon. Here is what he says:

The suffering caused by depression affected all in authority regardless of party.

Think of it! The Senator from Oregon in 1933 was thinking of those who were suffering; he was thinking of those who were crushed, bruised, and broken by the depression; he was thinking of the fortunes that had been wiped out; he was thinking of the ruined banks; he was thinking of the deflated farmer; he was thinking of the unemployed; and his heart was bleeding for the suffering—

The suffering caused by depression affected all in authority regardless of party—

Including the Senator from Oregon. Now, think of it! Here is his personal confession, and it is "good for the soul", so we are told, to confess now and then.

In my own case—

Listen to these solemn words of the Senator from Oregon, standing in the very sanctuary of his party, standing before the great microphone of his party; standing where the floodlights of that great convention hall played upon him, with the chairman of the national committee not far away, catching his words, listening to his intonations, searching out his language, like the father confessor in the private booth, to see if he was sincere. What does the Senator say?

In my own case, I threw aside partisan considerations and voted for some—

"Voted for some"—

of the temporary measures to meet the emergency. In varying degrees we subordinated our personal and partisan views to support the national program.

That is a splendid confession; that is a marvelous admission; that so long as his heart was bleeding for the suffering, so long as he was thinking of the farmer, so long as he was worried about the unemployed, he was big enough and brave enough and good enough to forget politics, but as soon as millions of the unemployed are reemployed, as soon as the farm prices rise again, as soon as the banks reopen, then he revives his politics and comes out and assaults the program which he helped to establish.

What kind of political morality is that? The Senator is talking about a little tenant farmer who got $20 from the A. A. A. with the sanction of his county committee and with the sanction of the Government, in broad daylight. I

would compare the morality of that transaction with the political morality of those who espouse a program and vote for it on the ground that to do so is patriotic and statesmanlike, and forgetful of party consideration, and then after the program is put over, for the sake of politics, for the hope of a little office, because of ambition to climb up another round on the ladder, turn against the program they had embraced, forget their patriotic desire to rise above partisanship, and go to sniping the forces of the administration and the forces who put over the program. I will compare my little, humble, obscure, tenant farmer down in Texas with the mighty political figure that makes a solemn admission of that kind of political conduct and political morality.

I wish I had the speech of the Senator from Oregon that he made at Cleveland. He was the man who charged that President Roosevelt, now in the White House, had no political conscience. I was surprised. I was shocked. If someone can resurrect from the wastebasket the speech of the Senator from Oregon I should be glad to have it handed to me. I should like to quote the language used by the Senator from Oregon with regard to the President of the United States. He said the President was without conscience. I shall compare the conscience of the President of the United States, who has stood for these measures, who believes in them, who is sincere in his belief, with the kind of political morality of those who voted for the measures because they were afraid not to vote for them, and then when the danger was past and when they listened and thought they could come out of the woods into the open, turned around and assaulted the program and the leader under whose banner they were marching 3 years ago.

Mr. President, those of us who have lived in the West remember when a drought came and the water holes all dried up. The cattle became poor for lack of grass and the little water that was left was insufficient. The old emaciated cattle would crowd in and frequently become bogged. I remember as a boy that I aided my father, with a span of mules, by going down to the old water hole and putting a rope around an old cow's horn, hitched a pair of mules, and pulling her out of the bog hole. Of course, she was a wild cow on the range. Almost without exception as soon as she got out on a smooth piece of ground again and back to safety, instead of showing appreciation for the saving of her life, she turned her horns upon her rescuer and sought to gore him to death. [Laughter.]

That is the situation of the Senator from Oregon. He and his party, along with some other Americans, were in complete collapse in March 1933. They were suffering more than we were, because they had more to lose than we had. They had most of the money. They were suffering. The reign of their leader had come to an end. Like Joe Louis in last night's engagement, after the first 4 months of the Hoover administration he never remembered anything else until March of 1933. [Laughter.]

Mr. Hoover was in a fog. He was in a maze. He knew not what to do. He wandered aimlessly in the great confusing, complex, amazing mass of problems which pressed upon him. The Republican Party was leaderless and nearly all of them ruined financially. Many of them had just been defeated for office in November 1932. They were glad to grasp Roosevelt's coattails. They were glad to have a leader, and so they embraced the program—or many of them did. There was none closer to the coattails of the President than the Senator from Oregon. He got just as close to the President's coattails as he could, and some say he got under the President's coattails. [Laughter.]

Mr. President, that was the attitude of many of the Republicans. They supported the President. They were great men. They were not puny little politicians. Anybody can be a puny little pale-faced anaemic politician. Anybody can be that kind of a creature, but it takes a great man to be a statesman, to rise above party, and to look out over the broad horizon that reaches from the morning to twilight. They followed the President, and when we put over the program, when we saved the farmer and put him back into some degree of prosperity, when we increased the value of corporate stocks from $19,000,000,000 to $51,000,000,000 in 3 years, when we added values to the quoted stock sufficient to pay the entire public debt, when we saved the homes and the farms of the people of America, when we opened the closed banks and put them on their feet, when we gave their depositors a program of insurance of their deposits so that whenever a man puts money in the bank he knows he will get it back, when we regulated the stock exchanges, when we provided securities supervision to protect the orphans and widows from the blue-sky manipulators and robbers, when we got the country back on its feet, the Republican senior Senator from Oregon then emerged. Many Republicans were sincere. Most of them are pretty good people. Most of them meant what they said. The Senator from Oregon came out of his shell hole when the storm had passed and when the program was over. He came out of his shell hole and then began to snipe and assault and attack the President and his administration in the rear.

Mr. President, I cannot read all of these affidavits. I denounce them as being the product of a conspiracy, a conspiracy by certain interests here in Washington, a conspiracy that has fructified into a plan whereby a former discredited and, I hope, despised employee betrayed his employer—if there is anything I despise it is a man who in a confidential relationship secures information by reason of that relationship and then when he is discharged, when he loses his job for disloyalty or inefficiency, goes around for the sake of money, like a cringing beggar to interested parties, and offers to sell for gold the sacred information that he received in a confidential relationship. That avowedly is the kind of witness the Senator from Oregon brings here, a discharged employee, paid by sinister interests—and that is the term used by the Senator from Oregon—sinister interests, paid by sinister political interests, to snoop around and get a little political ammunition for use in the pending Presidential campaign.

Let me say to the Senator from Oregon in closing, wherever you find one case of wrongdoing in the Agricultural Adjustment Act, you will find 100 poor farmers who have been benefited and lifted up from the very dregs of poverty, where they had lost hope. You will find a hundred of them that praise the Administration and lift up their voices in praise of the results of the actions of the Administration. Wherever you find one little sneaking, disloyal employee, you will find a thousand ranchmen and bankers and businessmen ready to testify that the Administration and the Government and the President have rendered them outstanding service.

Mr. President, I apologize to the Senate for consuming so much of its time, but I thought it was warranted in resenting this attack by the Senator from Oregon—this childish, puny, pale-faced, discredited attack because some little tenant farmer got $20 to which he was entitled, with the approval of the Government and with the approval of his committee.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1146. An act for the relief of Michael Dalton;

S. 2268. An act for the relief of Bausch & Lomb Optical Co.;

S. 3143. An act for the relief of the Passaic Valley Sewerage Commissioners;

S. 3879. An act for the relief of James W. Grist;

S. 4241. An act to provide for the sale of a certain isolated tract of the public domain in the State of Oregon;

S. 4432. An act authorizing and directing the Secretary of War to lease land on the Fort Moultrie (S. C.) Military Reservation to the owners of certain cottages thereon;

S. 4608. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of York County, Maine;

S. 4633. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

S. 4648. An act to promote safety at sea in the neighborhood of ice and derelicts, and for other purposes; and

S. 4773. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels.

The message also announced that the House had passed the bill (S. 1790) for the relief of Margaret Murphy, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1567. An act to amend section 5 of the act of March 2, 1919, generally known as the War Minerals Relief Act;

S. 1793. An act to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602);

S. 2460. An act to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes";

S. 2647. An act authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors, materialmen, and laborers for material and labor furnished in the construction of a post-office building at Hempstead, N. Y.;

S. 3405. An act for the relief of Capt. James W. Darr;

S. 3843. An act to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes;

S. 4727. An act to quiet title and possession with respect to certain lands in Lawrence County, Ala.;

S. 4780. An act to extend the laws governing inspection of vessels, and for other purposes;

H. R. 2435. An act for the relief of the Citizens State Bank of Marianna, Fla.;

H. R. 8316. An act to modify section 20 of the Permanent Appropriation Repeal Act, 1934, with reference to individual Indian money;

H. R. 8368. An act to enforce the twenty-first amendment; and

H. R. 12490. An act authorizing a preliminary examination of the Levisa Fork of Big Sandy River in the vicinity of the Breaks of Sandy.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

Mr. STEIWER. Mr. President, will the Senator withhold that motion for just a minute?

Mr. ROBINSON. I should like to do so. We will return to legislative session later.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations of postmasters, which were referred to the Committee on Post Offices and Post Roads.

(For nominations this day received, see the end of Senate proceedings.)

REPORTS OF A COMMITTEE—POSTMASTERS

The PRESIDING OFFICER. Reports of committees are in order.

Mr. McKELLAR. Mr. President, I have in my hand a large number of post-office nominations, some of them having been sent in some time ago, and some of them just an hour or two ago. They have all been submitted to the Senators from the various States, and they have been submitted to Senators without regard to party. They have been approved by Senators, and I ask unanimous consent that they may be reported and may be acted on at this time and confirmed, and the President notified of the confirmations.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of John W. Clancy to be United States district judge, southern district of New York.

Mr. COPELAND. Mr. President, I am not here to oppose this nomination or any other judicial nomination so far as the personalities are concerned.

The PRESIDING OFFICER. The Senator from New York will please suspend until the Senate is in order. The Chair requests Senators kindly to take their seats. Those entitled to the privilege of the floor are requested to refrain from conversation.

The Senator from New York is recognized.

Mr. COPELAND. Mr. President, as I said, I have no inclination to oppose the gentlemen who have been nominated for the judgeships in my State. I have in mind a much larger question than the confirmation of certain nominations sent to us by the President. It is my judgment that we do not need more judges in the southern district of New York.

I am in a very unhappy position, because of the fact that these judges' names are sent here tonight because of a measure which I introduced and had passed through the Senate. That was a long time ago. If I remember correctly, it was last year. A great many Senators are advised by persons in whom they have confidence about this, that, or the other thing. I suppose, in a sense, all the friends one has ought to be registered under the Black bill; but the fact is that every man in public life is more or less influenced by the lovely and charming friends he has, and persons in whom he has great confidence.

It was represented to me, of course in good faith, that there was a great need for judges in the southern district of New York. Indeed, the judicial council has recommended that there should be two additional judges for the southern district of New York.

I have been in a conference all day, since 9 o'clock this morning. I was not aware until just now that this matter would come up; so if my statements are more or less disconnected it is because I have had no opportunity to assemble my material.

Let me call the attention of the Senate to various matters. We have in the southern district of New York, I believe, seven judges. I ask the able Senator from Arizona, the chairman of the Judiciary Committee, if I am right.

Mr. ASHURST. There are seven. One was appointed as a result of a bill which passed recently. There were six before, and that made seven. These two would make nine, of course.

Mr. COPELAND. Yes; in the southern district.

Mr. President, we were up until 2 o'clock this morning, and I have been in conference since 9 o'clock this morning steadily until now; and if I am somewhat sensitive to noise and confusion, I desire my friends here to realize that it is not my normal condition. Ordinarily, I am quite insensitive to these matters; but if I may have quiet, it will help me.

The PRESIDING OFFICER. The Chair is attempting to obtain order, but the Senator realizes that the galleries are very crowded, and the floor is crowded.

Mr. COPELAND. I realize that.

The PRESIDING OFFICER. Once more the Chair requests that the Senate will please be in order.

Mr. COPELAND. I think I may say, in all truth, that I never saw a finer looking group of visitors than we have in the gallery tonight; and I shall be very much obliged to them if they will help me by being as quiet as possible. I

know I shall not edify them; and yet, after all, there is not anything more important to every citizen in America than to be sure that the judges are well chosen and that we have a judiciary of the very highest type.

I have been more impressed than ever by that fact because of a recent experience in this Chamber, where for 2 weeks we set aside all of our usual activities in the Senate to find reasons why a district judge in Florida might be taken from the bench. Judges ought never to be chosen lightly, or recklessly, or hastily.

They ought always to be chosen with reference to their fitness, their qualifications, with reference to their qualities of mind and soul, which will make them upon the bench the fair, honest, forthright, upright judges whom our people are entitled to have to pass judgment upon the matters which are taken before the courts.

There are in this country 152 Federal district court judges. You are very generous with us, Senators, when you seek to give us in the one district of New York nine judges, when there are in the city itself across the River, Brooklyn, a number of Federal judges. In the northern district and in the western district of New York it might well be that we have more than our share of district judges. But let us take the southern district of New York, the one with which we are dealing tonight.

There can be no doubt that there has been a delay in the progress of cases, a delay in the completion of cases, but let me state why that is. As the distinguished Senator from Arizona has said, we have six judges. We are entitled to seven. For several years the seventh judgeship has not been filled. By act of Congress it was decided that the vacancy could not be filled until last year, when it was determined that it might be filled. So for a year we have been deprived of the services of one judge who might have been appointed by the President at any time within the past year. Unfortunately another judge, one of our able judges upon the Federal bench in the southern district, was ill all last year, so that reduced the number to five.

Here is another matter which I am glad has been rectified by the wisdom of my distinguished colleague the junior Senator from New York [Mr. WAGNER]. He has succeeded, as he is so capable of succeeding in legislative matters, in having a law passed providing that the subsistence of judges shall be $10 a day instead of $5.

Mr. ASHURST. Mr. President, will the Senator yield to me?

Mr. COPELAND. I yield.

Mr. ASHURST. The increase in the subsistence allowance was simply a restoration to what it had been for many, many years.

Mr. COPELAND. I understand that.

Mr. ASHURST. For example, I should say that for 30 or 40 years the subsistence of a judge when holding court away from his residence was $10 per diem, but at the time the compensation of Representatives and Senators in Congress was reduced, the subsistence per diem of the Federal judges was reduced to $5, and the recent act did not provide an increase but a restoration to what the subsistence had been for many years. I thank the Senator for yielding.

Mr. COPELAND. Mr. President; I have not been on the floor of the Senate for some little time, and, perhaps, I should inquire what the legislative situation is. I have no desire to prolong the session. What is pending before the Senate?

The PRESIDING OFFICER. The Senate is in executive session, and the pending nomination——

Mr. COPELAND. I beg the pardon of the Chair; I mean the legislative situation.

The PRESIDING OFFICER. The so-called Guffey coal bill is the pending business, and it is open to further amendment.

Mr. COPELAND. Mr. President, let it be understood, then, that I am not desirous of delaying the proceedings, but I do desire to complete my statement before I leave the floor.

As a matter of economy, as the able Senator from Arizona has said, the subsistence was cut from $10 a day to $5. A decent room in a hotel in New York cannot be hired for $5 a day. It was not possible for a judge to come to New York City from Texas, or from some other point in the South, because they could not afford to live in New York on the subsistence allowance.

New York has the most delightful summer climate in the world. Not in Oregon or anywhere else can there be found a more delightful place to spend the summer; but $10,000 a year is a salary of a Federal judge, and a Federal judge could not afford to go to New York and take his wife on a pittance of $5 a day for subsistence. Now the $10 rate has been restored.

The significance of that is that we will now be able to call upon other courts for aid when there is pressure in New York. I am thankful to high heaven that my friend the judge who has been ill is now restored to health. I am very happy that Judge Hightower, who was recommended by my colleague and heartily endorsed by me, has been added to the court. So now we have a full court, under the previous law, and we have a subsistence arrangement which will make it possible for us to call in visiting judges.

Mr. President, that is not all. We used to have many of our naturalization cases attended to in the State court. I well remember a battle I had in this Chamber when I first came into the Senate, 12 or 14 years ago, a battle with my then colleague, the distinguished Senator WADSWORTH, now a Member of the House of Representatives.

The State court judges in New York are usually Democrats. Our Republican friends did not like to have naturalization take place in courts presided over by Democratic judges, and so they passed a law providing that naturalization cases could not be taken any more to the State courts, but must be taken care of in Federal courts. So, for a few years the Federal courts in New York were crowded with naturalization cases.

Let me call attention to the fact that in 1928 there were 38,298 naturalization cases passed on in the Federal courts of New York. We do not have any such numbers any more. The Senator from North Carolina and the Senator from Georgia, or at least their predecessors, have seen to it that not so many people come to the United States.

Mr. President, one who is away from the floor of the Senate for a day quite loses track of things. Early this morning or yesterday I was urged to come and talk for a long period of time, and now I am warned to speak a very brief time. Just exactly what should I do?

However, as I said, the number of naturalization cases has been reduced from 38,000 a year to 13,000—25,000 fewer naturalization cases brought before our Federal courts.

In the next place, our Federal courts have been congested with business because of the bankruptcy laws. I suppose we have had more bankruptcies in New York City than all the rest of the country put together. That is an epidemic. It will soon disappear.

As regards the report of the judicial council, I suppose it is lese majesty or something or other even to hint that a Supreme Court judge might be mistaken, and still it is not so great a crime now as it was formerly, because I think I have heard more criticism of the Supreme Court judges during the last 5 or 6 months than I have ever previously heard. The distinguished Chief Justice in a speech said within a month that the admiralty cases in New York, because of the choked calendars, required 27 months to be disposed of. How is it possible for a judge to be so wrong? As a matter of fact, one of the judges writes me:

> Trials may be had as soon as desired in admiralty cases.

That is not 27 months. Another judge—Judge Patterson—writes me:

> Admiralty cases up to date.

The point of all this is that we do not need two more judges in the southern district of New York any more than the most beautiful woman in the gallery tonight needs two noses. It is an outrage to think that we should impose upon the taxpayers of the country two $10,000 salaries—that is $20,000—with clerks and bailiffs and stenographers; probably a total cost of $50,000 a year for ever and ever. Talk about balancing the Budget and about economy! We are

proposing here tonight to impose a burden of $50,000 a year upon the taxpayers of the country that will be paid every year from now to the end of time, because we never abolish any offices.

Mr. President, I have tried honestly and conscientiously to make clear to the Senate that these judges are not needed. Now, having failed to impress the Senate, as, of course, I have failed, I wish to say of the men who are recommended that from the advices I have had in the last 3 or 4 days I know of no reason why either one of these men should not be an acceptable member of the court. I think they are upstanding, fine gentleman. The letters and telegrams I have had from distinguished lawyers in New York have made it clear to me that they are worthy men.

There is resentment on the part of the Bar Association and on the part of the New York Chamber of Commerce that these names were sent here without due consideration by the Bar Association without an opportunity to measure the worth and the ability of the candidates, but I must say in all candor that, so far as I know, they are worthy men. If we need judges in the southern district, these are good men. However, it is my contention and my conviction that these judges are not needed, and I think it is quite unworthy of us to impose a continuous burden of hardship upon the taxpayers of the country. Everybody is a taxpayer, whether or not his name is upon the assessor's roll, and every time we add $50,000 here and $50,000 there it means that there is added to the cost of the dresses and the clothing and the shoes and the rent and all the necessities of all the citizens of our country just that much increase in the taxes, and that much more must be added to the family budget.

I have done the best I can, and I leave it with the Senate to determine what shall be done.

Mr. BORAH. Mr. President, I wish to ask the Senators from New York, who undoubtedly know these gentlemen, if it is their opinion that they are capable of filling the positions to the credit of the judiciary of the country if their nominations shall be confirmed.

Mr. WAGNER. Mr. President, if the Senator is directing his question to me, I unhesitatingly answer that, in my opinion, they are both highly qualified to fill the office of Federal judge. I happen to have known both of them for a long while. I served with Senator Mandelbaum in the legislature. It so happened that when he was admitted to the bar under the laws of New York it was necessary that lawyers pass a test conducted by a character committee, and I certified at that time to his good character, and I have never regretted it since.

Mr. Clancy is a scholarly gentleman. He is a very successful lawyer. He is not what is termed a corporation lawyer. He has not had large clients, but he has been a successful lawyer. He is very scholarly. He is a man of very high character and ideally fitted for a judicial post. He has acted as a referee in some cases, and I have communications from attorneys who appeared before him as referee who say that he showed not only exceptional legal acumen, but a sense of impartiality that fitted him for judicial service.

As to Mr. Mandelbaum, he, too, is very highly esteemed in New York. He served in the legislature for a number of years. He was one of the leaders in the enactment of progressive laws in the State of New York.

I have here somewhere the reports of the Citizens' Union, which is an organization, as perhaps the Senator knows, of independent citizens supported by citizens interested in the civic welfare of our city, who each year pass on what they regard as the records of the legislators. They are not very friendly, as has been evidenced on several occasions, to the Democratic organization in New York, but in all their reports they highly praise Senator Mandelbaum for his work in the legislature.

Mr. COPELAND. Mr. President, so far as I am concerned, I do not know these gentlemen. My experience has been in the operating room and not in courts, so I do not know many lawyers, and often I have been glad that I have not known any more than I have met. [Laughter.] However, I cannot contribute anything of my personal knowledge regarding these gentlemen.

Mr. WAGNER. The Citizens' Union said with reference to Senator Mandelbaum that he is a conscientious and able legislator of long experience, actively interested in improving the living conditions of the common people, and has sponsored effectively the most important housing bills of the session and presided over the civics committee with notable fairness.

Another statement made with reference to him is that he is one of the most useful public servants in the legislature, that, as chairman of his committee, he blocked nearly all objectionable bills, and piloted a number of much-needed improvements in the housing line through the senate, and that his voting record is one of the best.

Mr. BORAH. The reason why I asked the question is, first, because of my very great respect for the Senator from New York, and, secondly, because it has been represented to me that neither of the gentlemen has been actively engaged in practice and that neither is a lawyer of standing in the profession.

Mr. WAGNER. I think that is a mistaken estimate. That probably came from members of the State judiciary committee, and I say nothing in criticism of the members of that committee because I was a member of it for a number of years. They are not always in a position to know. They are busy lawyers. Most of them have very large practices and do not always come in contact with other members of the bar and are not always in a position to know who is active at the bar.

I know that both Mr. Clancy and Mr. Mandelbaum are active members of the bar, successful lawyers, and possess what I, as a former occupant of the bench, regard as the most important qualification of all—they are men of high character and unquestioned integrity.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of John W. Clancy to be United States district judge, for the southern district of New York?

Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Samuel Mandelbaum to be United States district judge for the southern district of New York.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Albert Branson Maris, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

BOARD OF TAX APPEALS

The legislative clerk read the nomiantion of Richard L. Disney, of Oklahoma, to be a member of the Board of Tax Appeals for a term of 12 years from June 2, 1936.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, I ask that the nomination of Delia G. Guay, to be postmaster at Peshtigo, Wis., may be recommitted to the Committee on Post Offices and Post Roads.

The PRESIDENT pro tempore. Without objection, the nomination is recommitted to the Committee on Post Offices and Post Roads.

Mr. McKELLAR. I now ask unanimous consent that all other nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters, with the exception noted, are confirmed en bloc.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. WALSH. I ask unanimous consent that nominations in the Navy be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. WALSH. I ask unanimous consent that nominations in the Marine Corps be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Marine Corps are confirmed en bloc. That completes the calendar.

Mr. ROBINSON. Mr. President, I inquire whether there are other nominations on the Vice President's desk to be disposed of?

The PRESIDENT pro tempore. The Chair is informed that there are no others.

RESUMPTION OF LEGISLATIVE SESSION

Mr. ROBINSON. I move that the Senate resume legislative session.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 3175. An act for the relief of Jesse Ashby;

S. 4152. An act validating certain conveyances by Kickapoo Indians of Oklahoma made prior to February 17, 1933, providing for actions in partitition in certain cases; and

S. 4457. An act authorizing the appointment of an additional circuit judge for the third circuit.

The message also announced that the House had passed the bill (S. 4490) for the relief of F. W. Elmer with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the joint resolution (S. J. Res. 196) to correct errors in the enrollment of Private Act No. 349, Seventy-fourth Congress, approved August 29, 1935, and to clarify the duties of the Comptroller General in connection with said act, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bill and joint resolution of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 3505. An act for the improvement and protection of the beaches along the shores of the United States; and

S. J. Res. 38. Joint resolution for the adjustment and settlement of losses sustained by the cooperative marketing associations.

The message further announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 3866. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Emanuel Bratses; and

H. R. 6773. An act to deepen the irrigation channel between Clear Lake and Lost River, in the State of California, and for other purposes.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 6719. An act to amend the Canal Zone Code;

H. R. 8107. An act to authorize the coinage of 50-cent pieces in connection with the celebration of the one hundredth anniversary of the opening of the tri-State Territory of east Texas, north Louisiana, and south Arkansas by Capt. Henry Miller Shreve, to be held in Shreveport, La., and surrounding territory in 1935 and 1936;

H. R. 10094. An act to amend section 1 of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269); and

H. R. 11688. An act providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 4719. An act for the relief of the Bridgeport Irrigation District;

H. R. 3866. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Emanuel Bratses;

H. R. 6719. An act to amend the Canal Zone Code;

H. R. 12395. An act to provide revenue, equalize taxation, and for other purposes; and

S. J. Res. 115. Joint resolution designating the last Sunday in September as "Gold Star Mother's Day", and for other purposes.

ADJUSTMENT OF LOSSES OF COOPERATIVE MARKETING ASSOCIATIONS

Mr. ROBINSON. I understand there are a number of communications from the House on the desk. I request that they be laid before the Senate.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 38) for the adjustment and settlement of losses sustained by the cooperative marketing associations, which were to strike out all after the enacting clause and insert:

That the Court of Claims, in accordance with such rules as it may adopt, shall investigate losses sustained during the stabilization operations of the Federal Farm Board in 1929 and 1930, by cooperative associations to which loans were made, either directly or indirectly, by the Federal Farm Board, through withholding grain from the market and making advances to their members in order to stabilize prices, for the purpose of determining—

(1) The amount of loss, if any, in the case of each such association and the facts and circumstances relating to such loss; and

(2) Whether, because of any agreement or understanding between such associations, or any of them, and the Federal Farm Board (or any member, officer, or employee thereof) or because of any other facts or circumstances, there is any legal, equitable, or moral obligation on the part of the United States to reimburse such associations, or any of them, for the whole or any part of any such loss.

The court shall report to Congress, at the earliest practicable date, the results of its investigation and determinations, together with such recommendations as it deems appropriate.

And to amend the title so as to read: "Joint resolution to provide for an inquiry by the Court of Claims with respect to losses sustained by cooperative marketing associations in connection with stabilization activities in grain."

Mr. FRAZIER. I move that the Senate concur in the amendments of the House.

Mr. McKELLAR. Mr. President, I want it distinctly understood that this joint resolution applies solely to grain and does not apply to cotton. I want to know if that is the understanding of the Senator from North Dakota.

Mr. FRAZIER. That is correct. The joint resolution as amended applies only to grain. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MARGARET MURPHY

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1790) for the relief of Margaret Murphy, which was, on page 1, line 8, to strike out "$80" and insert "$60."

Mr. WHEELER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

F. W. ELMER

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 4490) for the relief of F. W. Elmer, which was, on page 1, line 5, to strike out "$2,500" and insert "$1,500."

Mr. BILBO. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

IMPROVEMENT AND PROTECTION OF COASTAL BEACHES

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3505) for the improvement and protection of the beaches along the shores of the United States, which were, on page 1, line 4, after the word "construction" to insert "where Federal interests are involved"; on page 2, line 14, to strike out the period at the end of the line, and insert a colon and the following proviso: "*Provided*, That not more than 75 percent of the cost of any specific investigation shall be borne by the United States", and on page 3, after line 6, to add a new section, as follows:

SEC. A. Any expenses incident and necessary in the undertaking of the investigations and studies authorized herein may be paid from funds hitherto or hereafter appropriated for examinations, surveys, and contingencies for rivers and harbors.

Mr. BURKE. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

CORRECTION IN ENROLLMENT OF A PRIVATE ACT

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 196) to correct errors in the enrollment of Private Act No. 349, Seventy-fourth Congress, approved August 29, 1935, and to clarify the duties of the Comptroller General in connection with said act, which was, on page 1, line 12, after "DeKnight" to insert:

For services rendered before the committees of Congress and executive officers of the Government during the period of 20 years prior to and including the date of approval of said act, in connection with securing authority for payment of the findings of the Court of Claims therein enumerated: *Provided*, That such payment of 10 percent shall be participated in by such other attorney or attorneys, of any, who, in addition to having appeared in the Court of Claims, shall have rendered services as above described during said period, such participation to be in proportion to the value and extent of services so rendered as determined by the Comptroller General of the United States, to whom all claims for participation in said 10 percent shall be presented within 30 days from the date of approval of this act.

Mr. WALSH. I move that the Senate agree to the amendment of the House.

The motion was agreed to.

PURCHASE OF SUPPLIES AND MAKING OF CONTRACTS, ETC., BY THE UNITED STATES

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes, which were to strike out all after the enacting clause and insert:

That in any contract made and entered into by any executive department, independent establishment, or other agency or instrumentality of the United States, or by the District of Columbia, or by any corporation all the stock of which is beneficially owned by the United States (all of the foregoing being hereinafter designated as agencies of the United States), for the manufacture or furnishing of materials, supplies, articles, and equipment in any amount exceeding $10,000, there shall be included the following representations and stipulations:

(a) That the contractor is the manufacturer of or a regular dealer in the materials, supplies, articles, or equipment to be manufactured or used in the performance of the contract;

(b) That all persons employed by the contractor in the manufacture or furnishing of the materials, supplies, articles, or equipment used in the performance of the contract will be paid, without subsequent deduction or rebate on any account, not less than the minimum wages as determined by the Secretary of Labor to be the prevailing minimum wages for persons employed on similar work or in the particular or similar industries or groups of industries currently operating in the locality in which the materials, supplies, articles, or equipment are to be manufactured or furnished under said contract;

(c) That no person employed by the contractor in the manufacture or furnishing of the materials, supplies, articles, or equipment used in the performance of the contract shall be permitted to work in excess of 8 hours in any one day or in excess of 40 hours in any one week;

(d) That no male person under 16 years of age and no female person under 18 years of age and no convict labor will be employed by the contractor in the manufacture or production or furnishing of any of the materials, supplies, articles, or equipment included in such contract; and

(e) That no part of such contract will be performed nor will any of the materials, supplies, articles, or equipment to be manufactured or furnished under said contract be manufactured or fabricated in any plants, factories, buildings, or surroundings or under working conditions which are unsanitary or hazardous or dangerous to the health and safety of employees engaged in the performance of said contract. Compliance with the safety, sanitary, and factory inspection laws of the State in which the work or part thereof is to be performed shall be prima-facie evidence of compliance with this subsection.

SEC. 2. That any breach or violation of any of the representations and stipulations in any contract for the purposes set forth in section 1 hereof shall render the party responsible therefor liable to the United States of America for liquidated damages, in addition to damages for any other breach of such contract, the sum of $10 per day for each male person under 16 years of age or each female person under 18 years of age, or each convict laborer knowingly employed in the performance of such contract, and a sum equal to the amount of any deductions, rebates, refunds, or underpayment of wages due to any employee engaged in the performance of such contract; and, in addition, the agency of the United States entering into such contract shall have the right to cancel same and to make open-market purchases or enter into other contracts for the completion of the original contract, charging any additional cost to the original contractor. Any sums of money due to the United States of America by reason of any violation of any of the representations and stipulations of said contract set forth in section 1 hereof may be withheld from any amounts due on any such contracts or may be recovered in suits brought in the name of the United States of America by the Attorney General thereof. All sums withheld or recovered as deductions, rebates, refunds, or underpayments of wages shall be held in a special deposit account and shall be paid, on order of the Secretary of Labor, directly to the employees who have been paid less than minimum rates of pay as set forth in such contracts and on whose account such sums were withheld or recovered: *Provided*, That no claims by employees for such payments shall be entertained unless made within 1 year from the date of actual notice to the contractor of the withholding or recovery of such sums by the United States of America.

SEC. 3. The Comptroller General is authorized and directed to distribute a list to all agencies of the United States containing the names of persons or firms found by the Secretary of Labor to have breached any of the agreements or representations required by this act. Unless the Secretary of Labor otherwise recommends, no contracts shall be awarded to such persons or firms or to any firm, corporation, partnership, or association in which such persons or firms have a controlling interest until 3 years have elapsed from the date the Secretary of Labor determines such breach to have occurred.

SEC. 4. The Secretary of Labor is hereby authorized and directed to administer the provisions of this act and to utilize such Federal officers and employees and, with the consent of the State, such State and local officers and employees as he may find necessary to assist in the administration of this act and to prescribe rules and regulations with respect thereto. The Secretary shall appoint, without regard to the provisions of the civil-service laws but subject to the Classification Act of 1923, an administrative officer, and such attorneys and experts, and shall appoint such other employees with regard to existing laws applicable to the employment and compensation of officers and employees of the United States, as he may from time to time find necessary for the administration of this act. The Secretary of Labor or his authorized representatives shall have power to make investigations and findings as herein provided, and prosecute any inquiry necessary to his functions in any part of the United States. The Secretary of Labor shall have authority from time to time to make, amend, and rescind such rules and regulations as may be necessary to carry out the provisions of this act.

SEC. 5. Upon his own motion or on application of any person affected by any ruling of any agency of the United States in relation to any proposal or contract involving any of the provisions of this act, and on complaint of a breach or violation of any representation or stipulation as herein provided, the Secretary of Labor, or an impartial representative designated by him, shall have the power to hold hearings and to issue orders requiring the attendance and testimony of witnesses and the production of evidence under oath. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In case of contumacy, failure, or refusal of any person to obey such an order, any District Court of the United States or of any Territory or possession, or the Supreme Court of the District of Columbia, within the jurisdiction of which the inquiry is carried on, or within the jurisdiction of which said person who is guilty of contumacy, failure, or refusal is found, or resides or transacts business, upon the application by the Secretary of Labor or representative designated by him, shall have jurisdiction to issue to such person an order requiring such person to appear before him or representative designated by him, to produce evidence if, as, and when so ordered, and to give testimony relating to the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt

thereof; and shall make findings of fact after notice and hearing, which findings shall be conclusive upon all agencies of the United States, and if supported by the preponderance of the evidence, shall be conclusive in any court of the United States; and the Secretary of Labor or authorized representative shall have the power, and is hereby authorized, to make such decisions, based upon findings of fact, as are deemed to be necessary to enforce the provisions of this act.

SEC. 6. Upon a written finding by the head of the contracting agency or department that the inclusion in the proposal or contract of the representations or stipulations set forth in section 1 will seriously impair the conduct of Government business, the Secretary of Labor shall make exceptions in specific cases or otherwise when justice or public interest will be served thereby. Upon the joint recommendation of the contracting agency and the contractor, the Secretary of Labor may modify the terms of an existing contract respecting minimum rates of pay and maximum hours of labor as he may find necessary and proper in the public interest or to prevent injustice and undue hardship. The Secretary of Labor may provide reasonable limitations and may make rules and regulations allowing reasonable variations, tolerances, and exemptions to and from any or all provisions of this act respecting minimum rates of pay and maximum hours of labor or the extent of the application of this act to contractors, as hereinbefore described. Whenever the Secretary of Labor shall permit an increase in the maximum hours of labor stipulated in the contract, he shall set a rate of pay for any overtime, which rate shall be not less than one and one-half times the basic hourly rate received by any employee affected.

SEC. 7. Whenever used in this act, the word "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

SEC. 8. The provisions of this act shall not be construed to modify or amend title III of the act entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved May 3, 1933 (commonly known as the Buy American Act), nor shall the provisions of this act be construed to modify or amend the act entitled "An act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes", approved March 3, 1931 (commonly known as the Bacon-Davis Act), as amended from time to time, nor the labor provisions of title II of the National Industrial Recovery Act, approved June 16, 1933, as extended, or of section 7 of the Emergency Relief Appropriation Act, approved April 8, 1935; nor shall the provisions of this act be construed to modify or amend the act entitled "An act to provide for the diversification of employment of Federal prisoners, for their training and schooling in trades and occupations, and for other purposes", approved May 27, 1930, as amended and supplemented by the act approved June 23, 1934.

SEC. 9. This act shall not apply to purchases of such materials, supplies, articles, or equipment as may usually be bought in the open market; nor shall this act apply to perishables, including dairy, livestock, and nursery products, or to agricultural or farm products processed for first sale by the original producers; nor to any contracts made by the Secretary of Agriculture for the purchase of agricultural commodities or the products thereof. Nothing in this act shall be construed to apply to carriage of freight or personnel by vessel, airplane, bus, truck, express, or railway line where published tariff rates are in effect or to common carriers subject to the Communications Act of 1934.

SEPARABILITY CLAUSE

SEC. 10. If any provision of this act, or the application thereof to any persons or circumstances, is held invalid, the remainder of the act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

SEC. 11. This act shall apply to all contracts entered into pursuant to invitations for bids issued on or after 90 days from the effective date of this act: *Provided, however,* That the provisions requiring the inclusion of representations with respect to minimum wages shall apply only to purchases or contracts relating to such industries as have been the subject matter of a determination by the Secretary of Labor.

And to amend the title so as to read: "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes."

Mr. WALSH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

REPORT OF COMMITTEE TO NOTIFY THE PRESIDENT

Mr. ROBINSON, from the committee appointed to join a similar committee of the House of Representatives to inform the President of the United States that the Congress is ready to adjourn, and to ask him if he has any further communication to make, reported that they had performed that duty, and that the President had stated that he had no further communicaion to make to the Congress.

REGULATION OF INTERSTATE COMMERCE IN BITUMINOUS COAL

The Senate resumed the consideration of the bill (H. R. 12800) to regulate interstate commerce in bituminous coal, and for other purposes.

The PRESIDENT pro tempore. The bill is before the Senate and open to amendment.

Mr. COPELAND. Mr. President, I ask unanimous consent for the consideration of Calendar No. 2561, House bill 8482.

The PRESIDENT pro tempore. The clerk will state the title of the bill.

The LEGISLATIVE CLERK. A bill (H. R. 8482) for the relief of Jacob G. Ackerman.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. GUFFEY. I object. I call for the regular order.

The PRESIDENT pro tempore. The Senator from Pennsylvania objects.

Mr. BAILEY. Mr. President, I ask unanimous consent for the consideration of House bill 12522, for the relief of Grier-Lowrance Construction Co., Inc. It is simply a bill which refers a case for trial to the Court of Claims, and is a perfectly just measure.

Mr. GUFFEY. I object.

The PRESIDENT pro tempore. Objection is made.

Mr. ROBINSON. I call for the regular order.

The PRESIDENT pro tempore. The bill is before the Senate and open to amendment. If there be no further amendment to be proposed——

Mr. HOLT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Carey	King	Pope
Ashurst	Clark	La Follette	Radcliffe
Bachman	Connally	Lewis	Reynolds
Bailey	Copeland	Lonergan	Robinson
Barkley	Davis	McGill	Russell
Benson	Dieterich	McKellar	Schwellenbach
Bilbo	Duffy	McNary	Sheppard
Black	Frazier	Maloney	Steiwer
Bone	George	Metcalf	Thomas, Okla.
Borah	Gerry	Minton	Thomas, Utah
Brown	Gibson	Moore	Truman
Bulow	Guffey	Murphy	Van Nuys
Burke	Hale	Murray	Wagner
Byrd	Hastings	Neely	Walsh
Byrnes	Hatch	Norris	Wheeler
Capper	Hayden	O'Mahoney	
Caraway	Holt	Pittman	

The PRESIDENT pro tempore. Sixty-six Senators having answered to their names, a quorum is present.

Mr. HOLT and Mr. CLARK addressed the Chair.

The PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROBINSON. I call for the regular order.

The PRESIDENT pro tempore. The Senator from West Virginia is recognized.

Mr. HOLT. I yield to the Senator from Missouri, but I do not wish to lose the floor.

Mr. ROBINSON. I make the point of order that the Senator cannot yield for the transaction of business, and I call for the regular order. I serve notice now that if the Senator yields for the transaction of business he will lose the floor.

The PRESIDENT pro tempore. That is true.

Mr. HOLT. Mr. President, I realize that many Senators have stayed late tonight to hear the discussion on the coal bill, and I appreciate that consideration; but I wish to read to them tonight from the volume called Aesop's Fables. I shall proceed to do so in a few moments; but before going to that volume I wish to place in the RECORD an excerpt from the New York Times of the 18th day of October 1928—a year which the Senator from Arkansas [Mr. ROBINSON] so well remembers:

John L. Lewis, president of the United Mine Workers of America, urged the election of Herbert Hoover as President in an address

broadcast over 21 stations of the Columbia Broadcasting System network last night as part of the program of the Republican National Committee's radio hour.

On the Democratic ticket that year were the Honorable Alfred E. Smith, of New York, and the senior Senator from Arkansas, Mr. ROBINSON. John L. Lewis, who is now becoming such a factor in the Halls of the United States Congress, requested that Herbert Hoover should be elected.

I quote further from the article:

Speaking in the studio of station WOR—

Which is located in New Jersey—

Mr. Lewis said that from the viewpoint of organized labor, as well as of business and industry, unprecedented conditions made it imperative that Mr. Hoover be elected.

That is the same Mr. Lewis who desires the passage of the famous revamped Guffey coal bill. Here is an exact quotation from him.

"We are in the midst of a new industrial revolution which has become the marvel of the civilized world," he said. "The astounding basis of procedure underlying this new development has been that prices should be lowered to the consumer and at the same time the wages of labor should be indeterminately increased in accordance with the principle of increased productive efficiency."

After discussing conditions during and after the war, Mr. Lewis said: "The vital need of Mr. Hoover's election to the Presidency becomes clearly apparent." He continued: "Labor and industry require his services and genius for constructive industrial statesmanship, so that the unprecedented industrial and business prosperity which he inaugurated may be properly developed and stabilized"——

Mr. CLARK. Mr. President, will the Senator yield?

Mr. HOLT. I shall be glad to yield to the Senator for a question.

Mr. CLARK. Mr. Lewis, by that course, put himself somewhat in the same situation as the famous tenderfoot who went out to hunt bears, and upon whose tombstone it was written: "He whistled for the grizzly, and the grizzly came." [Laughter.]

Mr. HOLT. Mr. President, John L. Lewis then wanted the country stabilized, just the same as he wants the coal industry stabilized today—

"and in order further that the way which he has opened to human and social betterment may be widened and made certain for coming generations of our people."

(At this point a message was received from the House of Representatives, which appears elsewhere in today's RECORD.)

Mr. HOLT. Mr. President, a parliamentary inquiry before I proceed.

The PRESIDENT pro tempore. The Senator will state it.

Mr. HOLT. If I yield for a quorum call, I understand that I do not lose the floor. Is that correct?

The PRESIDENT pro tempore. The Senator will not lose the floor; but he will have to be recognized again, and make his second speech.

Mr. HOLT. On the question of business being transacted?

The PRESIDENT pro tempore. The Senator cannot hold the floor while a quorum call is proceeding.

Mr. HOLT. Mr. Lewis wanted to stabilize the country by the election of Herbert Hoover, and it must have been stabilized in good shape, because we saw the condition during the 4 years of Hoover.

Now Mr. Lewis comes to us and requests us to pass a coal bill to stabilize the industry. If this coal bill would not stabilize the coal industry any better than Herbert Hoover stabilized the country, I am sure we do not want such stabilization.

Now I desire to read a little further. I realize that Senators wanted my opinion on this bill before they adjourned, and I appreciate that compliment, and I am just going to quote from John Lewis, who sat in the gallery and was very efficient today in his activities. Now I desire to read from John L. Lewis' book a little further. This is what is said on page 16 of a book called "The Miners' Fight for American Standards", by John L. Lewis.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. HOLT. If I do not lose the floor, because I realize that is what is trying to be brought about.

The PRESIDENT pro tempore. The Senator may yield for a question, and nothing else.

Mr. MINTON. I desire only to ask the Senator a question.

Mr. HOLT. Mr. President, is the Senator from Indiana going to ask me a question?

Mr. MINTON. I had that in mind; yes. [Laughter.] If I get the drift of the Senator's argument——

Mr. HOLT. I have not really started to argue.

Mr. MINTON. I admit it is not much of an argument up to now. [Laughter.] What I had in mind was this, if I get the drift of what the Senator is saying, that Mr. Lewis is in an inconsistent position today, having backed Hoover in 1928, and being in the campaign for Roosevelt, or for this administration, in the year 1936. Is that correct?

Mr. HOLT. Mr. Lewis has been inconsistent in most everything he has done.

Mr. MINTON. At least the Senator assumes that Mr. Lewis is now inconsistent in that position?

Mr. HOLT. I do not believe anyone knows where Mr. Lewis is on most anything.

Mr. MINTON. Then he is very inconsistent?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HOLT. I yield for a question.

The PRESIDENT pro tempore. The Senator may yield for a question.

Mr. BARKLEY. Did the Senator know that Mr. Lewis had supported Mr. Hoover when he voted for the coal bill in the last session of Congress?

Mr. HOLT. No; I did not.

Mr. BARKLEY. If he had known it, would he have voted against it?

Mr. HOLT. I would not have voted against the bill, but it certainly would have weakened my idea of Mr. Lewis' judgment. It actually did that.

Mr. MINTON. The question I wanted to ask——

Mr. HOLT. Does the Senator from Indiana desire to ask me a question?

Mr. MINTON. Yes.

Mr. HOLT. Very well.

Mr. MINTON. The question I wanted to ask the Senator from West Virginia was this: Being on the subcommittee which had in charge the hearing on the Guffey bill in the last session, I remember very distinctly the junior Senator from West Virginia appearing before the subcommittee and telling us how important it was to the State of West Virginia that the Guffey coal bill be passed, and that we need not be fooled by the propaganda of certain coal producers. Now I find the junior Senator from West Virginia on the other side of the case. Does the Senator feel that his position today is consistent with his position in 1935?

Mr. HOLT. Absolutely. I will tell the Senator from Indiana very clearly something about the Supreme Court, about which he has talked so much.

I was in favor of the original Guffey bill because it contained a number of provisions in behalf of the man who works—the miner. It had in it provision for regulation of wages; it had in it provision for regulation of hours; it had in it provision for better working conditions. The pending Guffey coal bill does not have any of those labor provisions in it. Does that answer the Senator from Indiana?

Mr. MINTON. Not quite; because I find upon the second hearing on the pending bill, which the Senator is discussing, that the same labor men, the same mine workers, in whom the Senator was interested in the first instance were here in the interest of this bill, because they believe it would be in their interest to have this bill passed; and the same coal producers for whom the Senator spoke in the first hearing and for whom he vouched in the first hearing are here today asking for the passage of this bill.

Mr. HOLT. The Senator may look at that with the idea of realizing that this bill is nothing but a price-fixing statute, and whether Mr. Lewis wants it or not Mr. Lewis is not going to get it. Mr. Lewis is not particularly interested, in my opinion, in the miners in my State and in the miners in the

Senator's States as much as he is interested in building himself up with the idea that he may be President in 1940.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. HOLT. For a question.

Mr. MINTON. I merely desire to bring to the Senator's attention the fact that the same people for whom he spoke and whose cause he espoused in 1935 were the same people from West Virginia who are espousing this bill which is now before the Senate, and I merely wanted to know whether or not the Senator from West Virginia repudiates the people in 1936 for whom he spoke in 1935.

Mr. HOLT. I shall be glad to answer the Senator in this way. They questioned me during the recent campaign in West Virginia, when 250,000 Democrats stayed away from the polls. They questioned me about that and said, "Why do you fight these people you used to be with?" My only answer was that I admitted that I did go to bed with certain labor leaders, but when I woke up in the morning and found out whom I was in bed with, I guarantee that I never went back again. When I found I was in bed with John Lewis, I could not get around his bulldozing and got out of bed as quickly as I rolled over and found out who was there. I am proud of the fact that I am not a bedmate of John Lewis or any of his bulldozers. I am not a bit afraid of his political power. John Lewis was sitting in the gallery today and was very much interested in the bill. I am not his bedmate any more. [Laughter.]

Mr. MINTON. The Senator has consorted with him some in days gone by.

Mr. HOLT. I may have in the past, but that was in my young days before I was educated in the United States Senate.

Now I desire to go ahead with the reading of the book by John L. Lewis, whom I think we have discussed a little tonight. It is said on page 16 of the book called The Miners' Fight for American Standards what I shall read. I will quote this because I feel Senators ought to understand it. Speaking of the United Mine Workers, he said:

It has a right to ask not only the moral but the political support of every real American in the effort it is making, especially in its endeavor to restore the status of citizenship to many thousands who are now deprived of the elemental rights and privileges of American manhood and womanhood.

Here is something else he says on page 15. I skipped a page:

The policy of the United Mine Workers of America at this time is neither new nor revolutionary. It does not command the admiration of visionaries and utopians. It ought to have the support of every thinking businessman in the United States, because it proposes to allow natural economic laws free play in the production and distribution of coal.

Listen to that. Here is John L. Lewis himself speaking:

It ought to have the support of every thinking businessman in the United States, because it proposes to allow natural economic laws free play in the production and distribution of coal.

That is John Lewis. "Natural economic laws", which he says we cannot use now. Let me go a little bit further and see something else on page 17 of this book. There are only 189 pages in it, so I am sure the Senator from Indiana would like to read it:

Undoubtedly there will be many who will say that the United Mine Workers of America betrays a lack of foresight and ability in trusting merely to the operation of natural economic laws to bring about a permanent improvement.

That is John Lewis. He says:

Undoubtedly there will be many who will say that the United Mine Workers of America betrays a lack of foresight and ability in trusting merely to the operation of natural economic laws to bring about a permanent improvement. The union must confess that it has no patent cure-all in its pantry. The American people have become so accustomed to the proffer of sure cures by politicians and economic quacks that many of them are disappointed when any man or organization fails to promise a removal of any ill by short-cut, easy way, or magic formula.

I wish Senators to realize that this is not RUSH HOLT talking. That is John Lewis talking. I realize that the Senate desires to know what I think of the bill, but I wish the Senate to know what John Lewis thinks of it. He says:

The Union must confess that it has no patent cure-all in its pantry. The American people have become so accustomed to the proffer of sure cures by politicians and economic quacks that many of them are disappointed when any man or organization fails to promise a removal of any ill by short-cut, easy way, or magic formula.

However, many of the newspaper-reading public undoubtedly will recall that governmental commissions, manned by the best that America can muster in engineering skill, economic acumen, political and legal knowledge, backed by every resource of research and statistical analysis, have in recent years studied the coal problem from mine to cook stove, and failed to find any other remedy except the free play of the same economic laws which brought the coal industry into being.

Let me quote again from John Lewis. He says:

That governmental commissions, manned by the best that America can muster in engineering skill, economic acumen, political and legal knowledge, backed by every resource of research and statistical analysis, have in recent years studied the coal problem from mine to cook stove, and failed to find any other remedy except the free play of the same economic laws which brought the coal industry into being.

That was John Lewis in the past. Today is John Lewis saying something else? I would like to refer this to my good friend from Indiana.

There has been a great output of literature on coal in recent times, which has condemned the industry as planless, wasteful, and destructive of fuel resources, which our great-great-grandchildren may sadly miss in 2025 A. D.

For a winter's night in front of a good coal fire, burning some of this wastefully and planlessly mined coal, these books offer real entertainment.

It is interesting to probe the mythology of various peoples and explore the haunts of the cave men in an effort to find out when our ancestors learned to make a fire, and discovered how coal would burn. It is fascinating to speculate on how the capture of the sun's heat now wasted on the Sahara Desert may eventually close the world's mines. However, this knowledge will never fill a 10-ounce coal pail for a single New York tenement dweller during a shortage, nor ever determine what should be a fair price for the pail, in the opinion of all the parties to the complicated processes and transactions, which brought that coal to the buyer.

Let us admit at the outset, that the coal industry was not conceived, planned, and blue printed by scientific supermen or young critics just out of Harvard.

That reminds me of something about these critics out of Harvard, that they have so much to say, these brain trusters you know, that draw up these bills. Here is what John Lewis thinks of them:

Let us admit at the outset that the coal industry was not conceived, planned, and blue printed by scientific supermen or young critics just out of Harvard, who are fully equipped to tell us of all the mistakes our granddads made.

The Senator from Indiana told me about my mistakes in being with John Lewis. I admit it.

Coal, like all other minerals, was discovered, its uses learned, and as the demand for it grew, men with capital prospected for it, found it, opened mines, and employed miners. In time the industry, like others, was overdeveloped and overproduction became chronic. This overdevelopment and overproduction would have been checked as in most other industries, if economic law had been given free play.

Listen to that. That is John Lewis.

This overdevelopment and overproduction would have been checked as in most other industries, if economic law had been given free play.

That is the law of demand and supply that he is trying to change.

It is in these obstructions to the operation of fair competition in the industry and its ills, that the industry is economically most peculiar today.

The charge of planlessness and waste can be laid with equal justice at the door of nearly every American industry—lumbering, oil, and farming, for instance. However regrettable planlessness and waste may be from an idealistic standpoint, many of us are so hard-headed as to suspect that America would never have been settled, and American industries would never have been developed to a point where it was possible or worth while to economize, if it had not been possible to exploit our natural resources under free conditions in the beginning.

In other words, John Lewis at that time said that we should have a right to exploit that under free conditions.

It is said that we have skimmed the cream off our country. But it is also true that it is from the use of that cream that we acquired the capital and equipment with which later to develop the vast resources of lower grade, the use of which now maintains a nation of 114,000,000 people.

The bituminous-coal resources of the United States are so enormous and have been so lightly touched that any discussion of past waste is now scarcely of academic interest.

The charge of monopoly in the bituminous-coal industry must have been made somewhere by somebody, because signs of such an impression can be detected in popular discussion. From the nature of the bituminous-coal resources of the country, their distribution, and the modes of production employed, there has never been and cannot be any such control over the soft-coal supply.

That is John Lewis. Listen again to this:

From the nature of the bituminous-coal resources of the country, their distribution and the modes of production employed, there has never been and cannot be any such control over the soft-coal supply.

It may be worth while to quote at this point the United States Coal Commission:

"There is no evidence of any combination or monopoly among producers and shippers of bituminous coal now or at any time, to control production or influence prices."

When did they start it?

"In fact the mines are so numerous, the control so diversified, and the competition so keen that such a combination even to influence the price is inherently impossible."

Private control of a monopolistic nature which could limit production according to any plan or formula being impossible, it may be worth while to consider in passing the possibility of Government control of this industry.

May I repeat that, because I realize the Senate wants to hear it?

Private control of a monopolistic nature which could limit production according to any plan or formula being impossible, it may be worth while to consider in passing the possibility of Government control of this industry.

It is difficult to conceive how any such control through political agencies could function without putting straight jackets upon the supply of industrial energy that would bring paralysis of initiative and enterprise in all other business lines.

Let me read that again:

It is difficult to conceive how any such control through political agencies could function without putting strait jackets upon the supply of industrial energy that would bring paralysis of initiative and enterprise in all other business lines. The quantity of coal needed for the factories and homes of America cannot be determined in advance, simply is not subject to exact forecast, because it varies from day to day with the ebb and flow of business not only in America but around the world. The writer is convinced that such an indeterminate quantity cannot be regulated artificially in a manner even to promote stability, much less insure it.

Before I go back to that I want again to refer to this point. He uses the word "stability" again. He said:

The writer is convinced that such an indeterminate quantity cannot be regulated in a manner even to promote stability.

I look at the title of the pending bill and I find that it is desired to "stabilize" the coal industry. That is my understanding. Mr. Lewis says it cannot be done. I realize Mr. Lewis wants to know how I stand on the bill, but during the next hour and 10 minutes I want to tell Mr. Lewis how he stands on the bill. I read further:

Coal is so intimately related to every other industrial activity that the only manner in which we can hope to have the coal industry function in tune with the rest of the industrial system is to see that coal remains at all times subject to the same economic laws which are simultaneously determining the volume of all production and distribution of commodities.

I want to repeat that because I am sure the Senate wants to understand it. I am sure Senators are interested in John Lewis, and here is what he said:

Coal is so intimately related to every other industrial activity, that the only manner in which we can hope to have the coal industry function in tune with the rest of the industrial system, is to see that coal remains at all times subject to the same economic laws which are simultaneously determining the volume of all production and distribution of commodities.

Despite its handicaps and fundamental evils, that must be corrected within the industry before coal can claim to be keeping step with more advanced industries, America reaps the benefits of the cheapest coal in the world, due primarily to the productivity of the American miner, which is more than three times that of the British mine worker.

I will go now to page 70, because that is another important part I want the Senate to hear before I repeat it:

During the war period, and as late as 1920, when huge profits were being reaped by operators, the mine workers expected the coal companies to put their affairs in order. They had a right to expect and anticipate that the large earnings of this period would enable the operators to improve their equipment and roll up large surpluses to meet the nonunion competition of lean years which were sure to come.

During the war period, when they got all these increased prices for coal, did they give the increases to the miner? Let me repeat what Mr. Lewis said, because I want the Senate to hear it.

During the war period, and as late as 1920, when huge profits were being reaped by operators, the mine workers expected the coal companies to put their affairs in order. They had a right to expect companies to put their affairs in order. They had a right to expect and anticipate that the large earnings of this period would enable the operators to improve their equipment and roll up large surpluses to meet the nonunion competition of lean years which were sure to come.

And now, after the operators have neglected their opportunity, when the earnings of the boom period have been dissipated in needless land purchases and unwise investments in other fields of industrial endeavor, the mine worker says to the operators, "You passed up your opportunity; you cannot take from me now the earnings that rightly should accrue from my labor to pay the costs of your business stupidity."

That is what he said with reference to that particular point.

I now turn to page 93 of the book. May I inform Senators that there are only 188 pages in the book. I read:

On the other hand, certain economic laws like that of demand and supply are universal in their application, and many of the local ills of the industry, on examination, turn out to be merely variations of the general malady. This will be discussed later in dealing with some concrete examples of friction between management and men caused by the different conditions of mining and the productive capacity of properties.

It would seem that in regard to an industry which is admitted on all sides to be suffering from chronic overproduction that the stock charge against organized labor that it restricts the output would be omitted. But the enemies of the miners' union have overlooked the inherent comedy of such a charge and their faith in the credulity of the public appears to be one of those things so sublime that it borders on the ridiculous.

That is what John Lewis thought about the bill.

Now, I want to read from the CONGRESSIONAL RECORD from a speech inserted by my colleague from West Virginia, who is sponsoring the pending bill, to show what he thought about the coal bill when the coal miners were not organized, and did not have the votes that they now claim to have. I have heard several reasons assigned for the desire for the passage of the bill. One of them is that it means 300,000 votes in Pennsylvania; and, secondly, that it means a lot of votes in different States of the Union. I read from the CONGRESSIONAL RECORD:

PROPOSED COAL LEGISLATION

Mr. NEELY. Mr. President——

Mr. ROBINSON of Indiana. I yield to the Senator from West Virginia if he simply wants to present something at the desk.

Mr. NEELY. Mr. President, I ask unanimous consent to read for the benefit of the Senate a brief article entitled "No Coal Legislation", which appeared in the Boston Herald on the 29th day of May 1926. It sufficiently answers the querulous and paternalistic editorial in today's New York World which the distinguished Senator from New York [Mr. COPELAND] has read into the record.

Mr. ROBINSON of Indiana. Mr. President, I think I shall have to decline to yield.

Mr. NEELY. I assure my friend from Indiana that I shall consume but a few minutes of his time.

Mr. ROBINSON of Indiana. I understood that the Senator simply wanted to present something at the desk.

Mr. NEELY. No; I do not want to embalm it; I desire to read it.

Mr. ROBINSON of Indiana. Very well.

Mr. NEELY. The article is as follows:

"NO COAL LEGISLATION"

This is my colleague speaking, who is supporting the pending bill, and who says he is for regulation, that we should have regulation. Here is what he said before he went out

of the Senate the last time. He went out the last time that he ran for reelection, and here is what he said:

Mr. NEELY. The article is as follows:

"NO COAL LEGISLATION

"Our idea is that Congress would do well to adjourn without passing any coal legislation. Any business which is open to so wide competition as coal mining will take care of itself, just as does the textile manufacturer and countless others. When governments get into the game, as the British Government did with the coal industry in Great Britain, the long-distance results are unhappy. If we have legislation giving the President authority to act in an 'emergency', who is to judge when that arises? We might have a socialistic President who would see an emergency, for political or other purposes, long in advance of its arising. We have had a coal strike. It led to undoubted inconvenience, but to no real suffering. Had the Government been a partner in the enterprise we should, as American consumers, be far less happily situated than we are today. Let economic law work its way out."

That was my colleague from West Virginia speaking.

Let economic law work its way out.

And I suggest to the Senate that that was when the United Mine Workers did not have many members voting in West Virginia. That was when they had only a few votes; and, of course, you may surmise what I mean by that.

Let individual enterprise rather than bureaucratic oversight determine our industrial future with coal as with other things.

I wish to read that again:

Let individual enterprise rather than bureaucratic oversight determine our industrial future with coal as with other things.

I anticipate that the World may demur to the sufficiency of the foregoing as a reply to its editorial, and I therefore venture, with supreme confidence, to inform this truly great newspaper that there will be no communistic coal legislation enacted by the Congress during the present session unless the date of our proposed adjournment be postponed from the 26th day of June until after the autumnal equinox.

May I read that paragraph again? This is my colleague, who now says we should regulate the coal industry.

I anticipate that the World may demur to the sufficiency of the foregoing as a reply to its editorial, and I therefore venture, with supreme confidence, to inform this truly great newspaper that there will be no communistic coal legislation enacted by the Congress during the present session unless the date of our proposed adjournment be postponed from the 26th day of June until after the autumnal equinox.

It is a matter of rather common knowledge that the New York World and a large proportion of the people of the city in which it is published are bitterly opposed to the Federal Government interfering with the illegitimate liquor business that flourishes in a certain Eastern State, which, because of my respect for the rules of the Senate, I refrain from naming.

That was the State of Mr. COPELAND, who was sponsoring the bill that was being fought at that particular time.

The Representatives in this body of the States of West Virginia, Virginia, Pennsylvania, Ohio, Indiana, Illinois, Kentucky, and Tennessee protest against the Federal Government interfering with the legitimate business of producing coal.

Now I desire to quote from my colleague again, and tell you what he thought about coal legislation. I have not yet told you what I think about it. I am just reading from the proponents of the bill, Mr. John L. Lewis and my colleague from West Virginia. Here is what he said: Let me quote it again. I think the Senator from New York recalls that famous fight over the coal legislation proposed at that particular time.

The Representatives in this body of the States of West Virginia, Virginia, Pennsylvania, Ohio, Indiana, Illinois, Kentucky, and Tennessee protest against the Federal Government interfering with the legitimate business of producing coal.

Mr. BRUCE. Mr. President, will the Senator yield to me?

Mr. ROBINSON of Indiana. I cannot yield for any extended discussion.

Mr. BRUCE. I simply wish to say to the Senator that he may add Maryland.

Mr. NEELY. I am delighted to hear that Maryland, as usual, opposes an extension of bureaucratic government—

That was when they were trying to put this bureau on top of it.

Mr. NEELY. I am delighted to hear that Maryland, as usual, opposes an extension of bureaucratic government, and I am greatly heartened to know that those of us who are opposing this latest paternalistic proposal are to have the valuable assistance of the able Senator from Maryland [Mr. BRUCE].

Let me again say that this statement was made when the United Mine Workers did not have many votes in West Virginia. That was after the Jacksonville agreement had been broken, and my colleague said this; and I wish to repeat it for the third time, so that you may hear it. Here is my colleague speaking about this matter:

Mr. NEELY. I am delighted to hear that Maryland, as usual, opposes an extension of bureaucratic government, and I am greatly heartened to know that those of us who are opposing this latest paternalistic proposal are to have the valuable assistance of the able Senator from Maryland [Mr. Bruce].

Every Member of Congress knows—or, at least, ought to know—that there has not been a time during the last 5 years when the coal operators of the country were not able and anxious to furnish millions of tons of bituminous coal in excess of all demands at bargain-counter prices.

That is not RUSH HOLT speaking. That is MANSFIELD NEELY speaking about the bill which he is now sponsoring before the Senate.

Even during the recent anthracite strike the operators of West Virginia alone offered an unlimited supply of run-of-mine high-volatile coal, delivered on railroad cars at the mouth of the mine, at an average price of less than $1.60 a ton. There never has been, and there is not now, a single reason, or a shadow of a reason, for governmental interference with the coal industry of the United States.

That is the floor leader of the present bill. Here is what he said when that bill was up, and again I say, when the United Mine Workers did not have many votes in West Virginia. Here is what he said:

Even during the recent anthracite strike the operators of West Virginia alone offered an unlimited supply of run-of-mine high-volatile coal, delivered on railroad cars at the mouth of the mine, at an evarage price of less than $1.60 a ton. There never has been, and there is not now, a single reason, or a shadow of a reason, for governmental interference with the coal industry of the United States.

I did not make that statement. That was my colleague. I want you all to understand that. That was my colleague, who is so strongly in favor of this bill. He said:

There never has been, and there is not now, a single reason, or a shadow of a reason, for governmental interference with the coal industry of the United States.

Again I say that was when the United Mine Workers were not well organized.

Let me very respectfully warn a number of my colleagues who have apparently determined to support the always industrious, persistent, and able Senator from New York [Mr. COPELAND] in his effort to pass the communistic coal bill, with which he has for months been bedeviling the Senate, that before this measure reaches a final vote a vigorous effort will have been made to amend it by providing for Federal supervision of the textile industry of New England; the manufacturing business of the East; the gold, silver, lead, and copper mining of the Northwest; and the agricultural and stock-raising industries of the rest of the country.

My colleague said he was afraid that if the Senate passed the bill to regulate the coal industry, what would be the result of it? Let me again quote from my colleague, who speaks so strongly for this bill. Here is what he said:

Let me very respectfully warn a number of my colleagues who have apparently determined to support the always industrious, persistent, and able Senator from New York [Mr. COPELAND] in his effort to pass the communistic coal bill, with which he has for months been bedeviling the Senate, that before this measure reaches a final vote a vigorous effort will have been made to amend it by providing for Federal supervision of the textile industry of New England; the manufacturing business of the East; the gold, silver, lead, and copper mining of the Northwest; and the agricultural and stock-raising industries of the rest of the country.

If Federal supervision of bituminous coal, which for many years has been the cheapest of all necessaries of life is a good thing, those of us who represent coal-producing States are not selfish enough to desire a monopoly of this governmental benefaction.

Again I quote from my colleague about bureaucracy controlling the coal industry:

If Federal supervision of bituminous coal, which for many years has been the cheapest of all necessaries of life, is a good thing, those of us who represent coal-producing States are not selfish enough to desire a monopoly of this governmental benefaction.

He was willing, if Congress was going to put the bureaucracy in West Virginia, to give it to all the rest of the country.

We are determined that the boon of Federal supervision shall be extended to every other article of commerce in the country at the

same time that it is forced upon those who are engaged in the production of coal.

Here is what my colleague said, I wish to repeat that again. My colleague, who has said that we should have Federal supervision then said:

We are determined that the boon of Federal supervision shall be extended to every other article of commerce in the country at the same time that it is forced upon those who are engaged in the production of coal.

I do not know how much longer I have to speak, because I do not think there is any particular limit on debate tonight. But I desire now to jump from the coal bill temporarily to the Works Progress Administration.

I desire to talk on the W. P. A. because I realize it was desired to keep Senators here to listen to what I say about the coal industry, so that they can take it back to West Virginia and distort it in such a way to try to mislead the people. That is why the Senate is in session.

(At this point Mr. HOLT yielded to Mr. GEORGE to report, as in executive session, the nomination of Marion J. Harron, which was confirmed.)

WORKS PROGRESS ADMINISTRATION

Mr. HOLT. Mr. President, now I shall discuss the Works Progress Administration, because it is said that it affects employment, and I am interested in employment.

In the first place, I should like to know from the Chair—and I do not want to lose the floor—what has become of the resolution to investigate the W. P. A.? Propounding that parliamentary inquiry will not cause me to lose the floor, will it?

The PRESIDENT pro tempore. It is not a parliamentary inquiry, because the Chair is not presumed to know what has happened to these matters.

Mr. HOLT. I am asking if it is on the desk at the present time.

The PRESIDENT pro tempore. It is not on the desk, so far as the Chair knows.

Mr. HOLT. Sometime ago a resolution was introduced to investigate the Works Progress Administration of the United States. I was very much in favor of investigating the W. P. A. I think I have talked about the W. P. A. on this floor, and I desire to talk some more about it tonight.

In West Virginia we have a W. P. A. which is supposed to be a part of the W. P. A. of the whole United States, and in charge of the W. P. A. in West Virginia is a man by the name of F. W. McCullough, who is the administrator in our State. Mr. McCullough at one time was on the State Board of Control of West Virginia, and due to some bad financial transactions relative to the Huntington State Hospital, Mr. McCullough was required to resign as a member of the State Board of Control. He was given a Federal job, and is on the Government pay roll at the present time drawing a $6,000 salary.

At the head of the W. P. A. in West Virginia is a State organization with a director, and under it there are six divisions of the W. P. A. There is one located in Fairmont, there is one located in Huntington, there is one located in Parkersburg, there is one located in Elkins, there is one located in Lewisburg, and there is one located in Charleston. There are six divisions of the W. P. A. in West Virginia.

A few days ago I wanted to find out who was on the W. P. A. pay roll in West Virginia. I had the information some time back, but I wanted to find out who was on the pay roll on the 1st day of May. It was said there was no need of investigating the W. P. A. It will be remembered it was said, "You have no need of investigating it, because if you write to the State office you can get all the information you want." I took that advice and wrote, and here is their reply to me:

DEAR SENATOR HOLT: In reply to your letter of May 27 requesting a list of administrative and supervisory employees, together with their respective salaries as of May 1, 1936.

Under existing rules and regulations we respectfully refer you to the Federal Administrator's office in the Walker-Johnson Building, 1734 New York Avenue NW., Washington, D. C.

Very truly yours,

DISTRICT DIRECTOR.

I just wanted to get a list of all those on the pay roll.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. HOLT. I will, with the understanding that I do not lose the floor.

Mr. MINTON. I am only going to ask the Senator a question.

Mr. HOLT. I shall be glad to yield for a question.

Mr. MINTON. I think the Senator is interested in what is going to happen in November. I was just wondering whether he is going to support President Roosevelt in November.

Mr. HOLT. I would like to say to the Senator from Indiana that if he will come around when the time comes I will be glad to tell him whom I will support.

Mr. MINTON. The Senator does not want to go on record. Will the Senator tell us now whether he expects to support the Democratic nominee for Senator in West Virginia?

Mr. HOLT. Does the Senator mean the Democratic nominee who is my colleague?

Mr. MINTON. Yes.

Mr. HOLT. Mr. President, if I should say what I thought of him I would be violating the rules of the Senate, because I am not allowed to talk about my colleagues in that way. Nevertheless, I shall be glad to ask the Senator from Indiana if he will discuss with me the fact that my colleague is running for office. He is not running for Governor; he may not be defeated for Governor, as the Senator's sponsored candidate was defeated in the State of Indiana in the last week or so. Nevertheless, I am now talking about the W. P. A. That is one of the alphabetical agencies known as the Works Progress Administration.

There are all kinds of alphabets here in Washington. I learned them when I was 3 years old, and I knew them all. There is the A. A. A., and there is the N. E. C. Then there is the P. W. A. and then the W. P. A. and then there is the S. E. C. There are so many alphabetical agencies in Washington I cannot think of all of them, but I do know of the W. P. A. I will have to tell Senators a story, because I know the Senate wants to hear it. Two weeks ago they had a picnic 5 miles from my home. They told all the W. P. A. employees to come to Jacksons Mill, which is the birthplace of Stonewall Jackson. They told them to come and have a great time. Their expenses were not to be paid, but they would be paid for 4 hours' work. In other words, they could come and have a picnic.

The first name of the head of W. P. A. was Witcher. So I decided to change the name of that organization to "Witcher's Picnic Association" as W. P. A. In other words, he wanted to have a picnic, and I was perfectly willing to have him have it; but at the same time he was having a picnic in the State of West Virginia, paying thousands of dollars, while there were thousands of my fellow citizens begging for an opportunity to get a job to feed their families, and they told them that they had no jobs because of lack of funds. There were thousands of others who were going to be thrown off because they have this tremendous overhead of the W. P. A. in the State of West Virginia.

First they have the State department. Then on top of that are all the district departments. Then on top of all the district departments are the area departments. On top of the area departments are the county departments. On top of the county departments are the project offices. Just think of that. We have a State W. P. A., we have a district W. P. A., we have an area W. P. A., we have a county W. P. A., and we have a project W. P. A., and all those men have offices. Every one of them gets a salary. In some way or other all those people on the W. P. A. have to be paid before the man down in the ditch gets anything.

As soon as they start cutting the pay roll on the W. P. A. they start at the bottom. They do not start at the top. They start tearing down here and throwing out of employment the hundreds and hundreds of fellows down at the bottom who are begging for a day's work.

Maybe those men were the "right boys" that they talked about in the affidavit I showed the Senate sometime back, and maybe they are O. K.'d by the right political advisers. I do not know about that. Nevertheless, I realize that the

W. P. A. in my State, as the same is true all over the United States, is the most wasteful and extravagant spender of public money that has ever been known. The W. P. A. has wasted more money, in my opinion, than all the administrations before the present. There is reckless extravagance under Harry Hopkins. Harry Hopkins is the head of the W. P. A. He says there is no politics in the W. P. A. He says there is no politics in the W. P. A., and if politics does get into the W. P. A. it is because of some dumb politician, or because there had been a slip up in his office through some other means that I do not know of.

That is the W. P. A. in the State of West Virginia. That W. P. A., as I say, has 55,000 employees, or did have that many. I do not think it has over 40,000 now. Of those 55,000 employees we find that the number was reduced day after day and day after day, and the high salaries of these people at the top kept on going and going and going on.

I shall refer again to the W. P. A. after awhile, but I promised the Senate that I would review some of Aesop's Fables. I desire to read certain of Aesop's Fables to the United States Senate, because they are all very important and have morals which the Senate could follow. Here is the story of the wolf and the shepherd:

A wolf followed a flock of sheep for a long time, and did not attempt to injure one of them. The shepherd at first stood on his guard against him, as against an enemy, and kept a strict watch over his movements. But when the wolf, day after day, kept in the company of the sheep and did not make the slightest effort to seize them, the shepherd began to look upon him as a guardian of his flock rather than as a plotter of evil against it; and when occasion called him one day into the city, he left the sheep entirely in his charge. The wolf, now that he had the opportunity, fell upon the sheep and destroyed the greater part of the flock. The shepherd on his return finding his flock destroyed, explained: "I have been rightly served; why did I trust my sheep to a wolf?"

The motto is:

Honest enemy cannot do the harm that false friends will do.

Here is another one the motto of which is: "Truth hurts whom it should."

The name of it is "The Elephant and the Assembly of Animals."

The wise elephant saw among the beasts many abuses which called loudly for reform. He therefore assembled them, and, with all due respect and humility, began a long harangue—

Like my own right now—

remarking all their vices, particularly their unworthy idleness, their rapacious selfishness, their wanton cruelty and frightful envy. To many of his auditors this speech appeared extremely delightful and judicious, and they listened with open-mouthed attention, especially the innocent dove, the faithful dog, the obedient camel, the harmless sheep, and even the little, industrious ant. Another part of the audience were extremely offended, and could scarcely endure so long an oration; the tiger, for instance, and the rapacious wolf were exceedingly tired—

I expect many Members of the Senate are tired—

while a murmur of disapprobation burst from the wasp, the drone, the hornet, and the fly. The grasshopper hopped disdainfully away from the assembly. The elephant concluded his discourse with these words: "My advice is addressed equally to all, but remember that those who feel hurt by any remarks of mine acknowledge their guilt. The innocent are unmoved."

The motto of that is "Truth hurts whom it should."

That is very interesting to John Lewis and Senator NEELY whose previous remarks I have read.

I am now going to read the fable of the dog, the cock, and the fox:

A dog and a cock, being great friends, agreed to travel together. At nightfall they took shelter in a thick wood. The cock, flying up, perched himself on the branches of a tree, while the dog found a bed beneath in the hollow trunk. When the morning dawned, the cock, as usual, crowed very loudly several times. A fox hearing the sound, and wishing to make a breakfast on him, came and stood under the branches, saying how earnestly he desired to make the acquaintance of the owner of so magnificent a voice. The cock, suspecting his civilities, said, "Sir, I wish you would do me the favor to go around to the hollow trunk below me and wake up my porter, that he may open the door and let you in." On the fox approaching the tree, the dog sprung out and caught him and tore him in pieces.

The motto of that fable is, "While setting one trap you may step into another."

I now read another one, and I think it is a very important one at this time. The name of it is "The North Wind and the Sun."

The North Wind and the Sun disputed which was the most powerful and agreed that he should be declared the victor who could first strip a wayfaring man of his clothes. The North Wind first tried his power and blew with all his might; but the keener became his blasts, the closer the traveler wrapped his cloak around him; till at last, resigning all hope of victory, he called upon the Sun to see what he could do. The Sun suddenly shone out with all his warmth. The traveler no sooner felt his genial rays than he took off one garment after another, and at last, fairly overcome with heat, undressed and bathed in a stream that lay in his path.

The motto of that is "Persuasion is better than force."

I say that to the Senator from Arkansas.

(At this point Mr. HOLT yielded to Mr. ROBINSON for the consideration of the final adjournment resolution.)

Mr. HOLT. Mr. President, I continue my reading. This is the fable of the eagle, the cat, and the wild sow, as follows:

An eagle had made her nest at the top of a lofty oak. A cat, having found a convenient hole, kittened in the middle of the trunk; and the wild sow, with her young, had taken shelter in a hollow at its foot. The cat climbed to the nest of the eagle and said, "Destruction is preparing for us. The wild sow wishes to uproot the oak, that she may on its fall seize our family as food." Having thus deprived the eagle of her senses through terror, she crept down to the cave of the sow, and said, "Your children are in great danger; for as soon as you shall go out to find food, the eagle is prepared to pounce upon one of your little pigs." Having instilled these fears into the sow, she pretended to hide herself in the hollow of the tree. When night came she obtained food for herself and her kittens. Meanwhile, the eagle, full of fear of the sow, sat still on the branches, and the sow did not dare to go out from her cave, and thus they each, with their families, perished from hunger, and afforded an ample provision to the cat and her kittens.

Here is another fable I want to read to the Senate at this time.

(At this point Mr. REYNOLDS requested consideration of a bill to which objection was made.)

Mr. HOLT. Mr. President, I desire to read a fable about the crow and the pitcher. The moral of it is, "Necessity is the mother of invention." The fable reads as follows:

A crow perishing with thirst saw a pitcher, and, hoping to find water, flew to it with great delight. When he reached it, he discovered to his grief that it contained so little water that he could not possibly get at it. He tried everything he could think of to reach the water, but all his efforts were in vain. At last he collected as many stones as he could carry, and dropped them one by one with his beak into the pitcher, until he brought the water within his reach, and thus saved his life.

The moral of that fable is "Necessity is the mother of invention."

Here is one about the wolf and the lamb. The moral is, "A tyrant will always find a pretext for his tyranny." The fable reads as follows:

A wolf meeting a lamb astray from the fold, resolved not to lay violent hands on him, but to find some plea, which should justify to the lamb himself his right to eat him. He thus addressed him: "Sirrah, last year you grossly insulted me." "Indeed," bleated the lamb in a mournful tone of voice, "I was not then born." Then said the wolf, "You feed in my pasture." "No, good sir," replied the lamb, "I have not yet tasted grass." Again said the wolf, "You drink of my well." "No," exclaimed the lamb, "I never yet drank water, for as yet my mother's milk is both food and drink to me." On which the wolf seized him and ate him up, saying, "Well, I won't remain supperless, even though you refute every one of my imputations."

The moral of that is "The tyrant will always find a pretext for his tyranny." Shades of John Lewis!

Here is another of Aesop's fables I want to read. The next one is entitled "The Bird Catcher, the Partridge, and the Cock", and reads:

A bird catcher was about to sit down to a dinner of herbs, when a friend unexpectedly came in. The bird trap was quite empty, as he had caught nothing. He proceeded to kill a pied partridge, which he obtained for a decoy. The partridge entreated thus earnestly for his life: "What would you do without me when next you spread your nets? Who would chirp you to sleep, or call for

you the covey of answering birds?" The bird catcher spared his life and determined to pick out a fine young cock just attaining to his comb. The cock thus expostulated in piteous tones from his perch: "If you kill me, who will announce to you the appearance of dawn? Who will wake you to your daily tasks or tell you when it is time to visit the bird trap in the morning?" The bird catcher replied, "What you say is true. You are a capital bird at telling the time of day. But I and the friend who has come in must have our dinners."

The moral of that is, "Necessity knows no law."

Here is a story about the ass that carried the image. The story of that is:

An ass once carried through the streets of a city a famous wooden image, to be placed in one of its temples. The crowd, as he passed along, made lowly prostration before the image. The ass, thinking that they bowed their heads in token of respect for himself, bristled up with pride and gave himself airs, and refused to move another step. The driver seeing him thus stop, laid his whip lustily about his shoulders, and said, "O you perverse bull-head! it is not yet come to this, that men pay worship to an ass."

(At this point Mr. HOLT yielded to Mr. LA FOLLETTE, and debate ensued.)

MESSAGE FROM THE HOUSE

During the delivery of Mr. HOLT's speech,

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 3107. An act to exempt publicly owned interstate highway bridges from State, municipal, and local taxation;

S. 3733. An act authorizing the issuance of a patent to certain lands in the State of Montana to Florence Kerr Facey;

S. 3808. An act for the relief of R. D. Stephens and Vera Stephens;

S. 3976. An act to amend the act approved February 27, 1931, known as the District of Columbia Traffic Act;

S. 4581. An act authorizing the payment of certain salaries and expenses of employees of the General Land Office;

S. 4670. An act to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough; and

S. 4684. An act for the relief of the First, Second, and Third National Steamship Cos.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 1146. An act for the relief of Michael Dalton;

S. 2268. An act for the relief of Bausch & Lomb Optical Co.;

S. 2953. An act to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia;

S. 3143. An act for the relief of the Passaic Valley Sewerage Commissioners;

S. 3879. An act for the relief of James W. Grist;

S. 4241. An act to provide for the sale of a certain isolated tract of the public domain in the State of Oregon;

S. 4432. An act authorizing and directing the Secretary of War to lease land on the Fort Moultrie (S. C.) Military Reservation to the owners of certain cottages thereon;

S. 4608. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of York County, Maine;

S. 4633. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

S. 4634. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

S. 4648. An act to promote safety at sea in the neighborhood of ice and derelicts, and for other purposes;

H. R. 2335. An act for the relief of Cora Akins;

H. R. 3777. An act for the relief of the Herald Publishing Co.;

H. R. 7736. An act to provide for the establishment of the Whitman National Monument;

H. R. 8107. An act to authorize the coinage of 50-cent pieces in connection with the celebration of the one hundredth anniversary of the opening of the tri-State Territory of east Texas, north Louisiana, and south Arkansas by Capt. Henry Miller Shreve, to be held in Shreveport, La., and surrounding territory, in 1935 and 1936;

H. R. 9191. An act for the relief of dependents of James B. Kiley;

H. R. 11688. An act providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union;

H. R. 12257. An act to extend the jurisdiction of the United States Court for China to offenses committed on the high seas;

H. R. 12324. An act to amend section 723 (a) of the Revenue Act of 1932, as amended;

H. R. 12410. An act to amend section 8 of the act entitled "An act to establish a National Archives of the United States Government, and for other purposes", approved June 19, 1934;

H. R. 12455. An act to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes;

H. R. 12876. An act to waive any exclusive jurisdiction over premises of resettlement or rural-rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes; and

S. J. Res. 177. Joint Resolution to define the term of certain contracts with Indian tribes.

MARION J. HARRON

During the delivery of Mr. HOLT's speech,

Mr. GEORGE. Mr. President, will the Senator yield to me, not for a question, but to ask unanimous consent that by yielding he will not lose the floor, and will not be considered as having spoken more than once on this matter?

Mr. HOLT. Mr. President, with the understanding that I do not yield the floor, with the understanding that I will not be considered as having spoken more than once on the amendment I am to offer—I am not speaking on the bill; I intend to offer an amendment to the bill, with that understanding, I will yield to the Senator from Georgia.

The PRESIDENT pro tempore. It may be done by unanimous consent.

Mr. GEORGE. Mr. President, I ask that the Senator who now occupies the floor may yield for the purpose of permitting a report from the Finance Committee and the consideration of the report, and I ask that by so yielding he will not be considered as having lost the floor, but may resume his one continuous speech after the report shall be acted on.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

Mr. GEORGE. Mr. President, I am directed by the Committee on Finance to report favorably the nomination of Marian J. Harron, of California, to be a member of the Board of Tax Appeals for a term of 12 years from June 2, 1936, vice Annabel Matthews, whose term has expired.

As in executive session, I ask unanimous consent that the nomination be confirmed, and the President notified.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed, and the President will be notified.

DISTRICT COURT, EASTERN DISTRICT, NORTH CAROLINA

During the delivery of Mr. HOLT's speech,

Mr. REYNOLDS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from West Virginia yield to the Senator from North Carolina?

Mr. HOLT. I yield, with the understanding that I do not lose the floor.

The PRESIDENT pro tempore. The Senator can yield for a question, and for nothing else, without unanimous consent.

Mr. REYNOLDS. Mr. President, I should like to state my position. I have before me——

Mr. HOLT. I am perfectly willing to yield to the Senator, but I do not want to lose the floor.

Mr. REYNOLDS. I should like to make a statement.

Mr. HOLT. If I yielded, would I lose the floor?

The PRESIDENT pro tempore. The Senator can yield only for a question, except by unanimous consent. The Senator may yield for the purpose of having unanimous consent requested, and if the Senator from North Carolina will state his unanimous-consent request, then the Chair can determine whether it will be granted or not.

Mr. HOLT. Then I will not lose the floor?

The PRESIDENT pro tempore. The Senator will not while the Senator from North Carolina is asking unanimous consent.

Mr. HOLT. Then I will yield with that understanding.

Mr. REYNOLDS. I should like to ask unanimous consent for the passage of House bill 12796. The only interest I have in the measure is that it has passed the House; relates to the holding of court in the eastern Federal district of North Carolina, and I have been requested by those interested in the court to bring about the passage of the bill giving to New Hanover County 1 week less of the Federal court.

The PRESIDENT pro tempore. The Senator from North Carolina asks unanimous consent that the Senator from West Virginia may yield for the purpose of having the measure to which he has referred taken up and acted upon, and he asks that by so yielding he shall not lose the floor or be considered as having spoken more than once. Is there objection? The Chair hears none.

Mr. REYNOLDS. I ask unanimous consent for the present consideration of the bill to which I have referred.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill (H. R. 12796) to amend the act entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina", approved May 10, 1928, as amended (U. S. C., 1934 ed., title 28, sec. 179; U. S. C., Supp. I, title 28, sec. 179), was considered, ordered to a third reading, read the third time, and passed.

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (H. R. 11960) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Rulo, Nebr., reported it without amendment and submitted a report (No. 2456) thereon.

Mr. DIETERICH, from the Committee on the Judiciary, to which was referred the bill (H. R. 12557) to provide for a term of court at Benton, Ill., reported it without amendment.

FINAL ADJOURNMENT RESOLUTION

During the delivery of Mr. HOLT's speech,

Mr. ROBINSON. Mr. President——

Mr. HOLT. I am not yielding now.

The PRESIDENT pro tempore. Does the Senator from West Virginia yield to the Senator from Arkansas?

Mr. HOLT. For what purpose? If I do so, do I lose the floor?

Mr. ROBINSON. I wish to ask the Senator a question.

Mr. HOLT. I will yield with the understanding that I do not lose the floor.

Mr. ROBINSON. Certainly.

Mr. HOLT. All right.

Mr. ROBINSON. Is it the Senator's intention to continue his address?

Mr. HOLT. I have a great many of Æsop's Fables to read.

Mr. ROBINSON. The Senator would not be willing to yield for a vote on the bill?

Mr. HOLT. Oh, I would have to read all these fables. I desire to read them.

Mr. ROBINSON. Very well. Will the Senator yield so that I may ask the Chair to lay down a concurrent resolution?

Mr. HOLT. Mr. President, if the motion should fail, would I then lose the floor?

Mr. ROBINSON. No.

Mr. HOLT. I will yield with the understanding that if the motion for adjournment fails I do not lose the floor.

The PRESIDENT pro tempore. Is that agreeable and acceptable to the Senator from Arkansas?

Mr. ROBINSON. It is.

Mr. GUFFEY. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield to the Senator from Pennsylvania.

Mr. GUFFEY. I understand we are now about to take up the concurrent resolution for adjournment. I should like my colleagues to know that I am opposed to that resolution. We have worked long and hard here to try to enact this conservation coal bill. I think it is unfortunate to adjourn without getting some action on it. I know the hardships that will be entailed on two and one-half million people, the 500,000 miners and their dependents, as well as those engaged in the operating side of the industry. I desire to go on record as saying that I will vote against the resolution, and in that statement I am joined by the senior Senator from West Virginia [Mr. NEELY].

Mr. CLARK. Mr. President, will the Senator yield to me for one moment?

Mr. HOLT. If I do not lose the floor. Does the Senator desire to make a motion?

Mr. CLARK. Will the Senator yield to me?

The PRESIDENT pro tempore. It is understood that if the unanimous-consent request for adoption of the resolution shall not be agreed to the Senator from West Virginia will retain the floor.

Mr. ROBINSON. Mr. President, will the Senator from West Virginia yield to me with the understanding that he shall not lose the floor?

Mr. HOLT. Very well; I yield with that understanding.

Mr. ROBINSON. Mr. President, I ask the Chair to lay before the Senate the concurrent resolution of the House providing for final adjournment of the session.

The PRESIDENT pro tempore. The concurrent resolution will be read.

The legislative clerk read the concurrent resolution (H. Con. Res. 63), as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Saturday, the 20th day of June 1936, and that when they adjourn on said day they stand adjourned sine die.

Mr. ROBINSON. I move the adoption of the concurrent resolution.

The PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

GRIER LOWRANCE CONSTRUCTION CO.

During the delivery of Mr. HOLT's speech,

Mr. REYNOLDS. Mr. President, will the Senator yield if he does not lose the floor?

Mr. HOLT. I yield only with the understanding that I do not lose the floor under any circumstances.

The PRESIDENT pro tempore. The Senator cannot yield for any purpose except a question unless by unanimous consent.

Mr. REYNOLDS. My colleague and I are interested in a measure on the calendar, a bill (H. R. 12522) for the relief of Grier Lowrance Construction Co., Inc. This is a North Carolina corporation. The bill does not carry or involve an appropriation, but merely gives the company the right to try their case in court.

Mr. McNARY. Mr. President, I shall have to object.

Mr. REYNOLDS. Will not my friend withdraw the objection?

Mr. McNARY. No, Mr. President, I insist upon the objection.

Mr. KING. I call for the regular order.

The PRESIDENT pro tempore. The Senator from West Virginia has the floor.

CONTRACTS WITH THE GOVERNMENT

Mr. CLARK. Mr. President, I ask unanimous consent that the Senator from West Virginia [Mr. HOLT] be permitted to yield to me, without losing the floor, for the purpose of entering a motion to reconsider.

The PRESIDENT pro tempore. The Senator from Missouri asks unanimous consent that the Senator from West Virginia may yield to him, without losing the floor, for the purpose of enabling the Senator from Missouri to enter a motion, and that the Senator from West Virginia shall be considered as having made but one speech. Is there objection?

Mr. CLARK. I desire to enter a motion to reconsider the vote by which the Senate concurred in the amendment of the House to Senate bill 3055.

Mr. ROBINSON. Mr. President, may I inquire of the Senator from Missouri whether the author of the bill has been notified of this motion?

Mr. CLARK. He has not. I was not notified the bill was to be taken up. It was taken up during my temporary absence from the Senate. Let me say to the Senator from Arkansas that I am not undertaking to call up the motion. I am simply entering the motion to reconsider.

Mr. ROBINSON. The entry of the motion would have the effect of tying up the bill. The Senator from Massachusetts [Mr. WALSH] is absent. In that view of the matter I move to reconsider the vote by which the Senate concurred in the amendment of the House and to lay that motion on the table.

Mr. CLARK. On that I ask for the yeas and nays, but I first suggest the absence of a quorum.

Mr. ROBINSON. I ask the Senator to withhold his motion until the author of the bill may arrive on the floor.

Mr. CLARK. I have no desire to take advantage of the absence of the Senator from Massachusetts. I simply desire to preserve my rights in the matter.

Mr. ROBINSON. I ask unanimous consent that proceedings on the motion of the Senator from Missouri be suspended for the present.

Mr. CLARK. I am entirely agreeable.

Mr. GUFFEY. Mr. President, will the Senator yield for a moment?

Mr. HOLT. I do not desire to yield to the Senator from Pennsylvania.

Mr. GUFFEY. I merely desire to be recorded in opposition to the motion.

Mr. HOLT resumed his speech. After speaking for some minutes——

Mr. LA FOLLETTE. Mr. President, I desire to ascertain whether or not unanimous consent was given for entering a motion to reconsider the Walsh bill.

The PRESIDENT pro tempore. The Senator is referring now to the request made by the Senator from Missouri [Mr. CLARK]?

Mr. LA FOLLETTE. I am.

The PRESIDENT pro tempore. It is the opinion of the Chair that the request was made, and that the Senator from Arkansas interrupted at that time, and then——

Mr. HOLT. Mr. President, I am not losing the floor, am I?

The PRESIDENT pro tempore. No; not at all.

Mr. CLARK. Mr. President, I call the attention of the Chair to the fact that I asked unanimous consent that I be permitted to take the floor for the purpose of making a motion to reconsider without the Senator from West Virginia losing the floor; that that unanimous consent was granted——

The PRESIDENT pro tempore. That is the question.

Mr. CLARK. And that after I had entered the motion to reconsider, the Senator from Arkansas asked unanimous consent that the matter be suspended.

The PRESIDENT pro tempore. The Chair will state that the Chair is in doubt; and he has therefore requested the Official Reporter to state what took place, as to whether or not the Chair said there was no objection before the Senator from Arkansas took the floor and made his statement. The Chair is uncertain.

Mr. LA FOLLETTE. I ask for a reading of the reporter's notes.

Mr. CLARK. Mr. President, may I say this: Not only had the Chair said there was no objection, but I had entered my motion to reconsider, and was about to take my seat, before the Senator from Arkansas rose and asked on what subject the motion to reconsider had been offered.

The PRESIDENT pro tempore. The Chair is in doubt, and has already sent for the notes of the Official Reporter, so that the doubt may be absolutely resolved.

Will the reporter read that portion, to see what was said?

The Official Reporter read as follows:

Mr. CLARK, Mr. President, I ask unanimous consent that the Senator from West Virginia [Mr. HOLT] be permitted to yield to me, without losing the floor, for the purpose of entering a motion to reconsider.

The PRESIDENT pro tempore. The Senator from Missouri asks unanimous consent that the Senator from West Virginia may yield to him, without losing the floor, for the purpose of enabling the Senator from Missouri to enter a motion, and that the Senator from West Virginia shall be considered as having made but one speech. Is there objection?

Mr. CLARK. I desire to enter a motion to reconsider the vote by which the Senate concurred in the amendment of the House to Senate bill 3055.

Mr. ROBINSON. Mr. President, may I inquire of the Senator from Missouri whether the author of the bill has been notified of this motion?

Mr. CLARK. He was not. I was not notified the bill was to be taken up. It was taken up during my temporary absence from the Senate. Let me say to the Senator from Arkansas that I am not undertaking to call up the motion. I am simply entering the motion to reconsider.

Mr. ROBINSON. The entry of the motion would have the effect of tying up the bill. The Senator from Massachusetts [Mr. WALSH] is absent. In that view of the matter I move to reconsider the vote by which the Senate concurred in the amendment of the House, and to lay that motion on the table.

Mr. CLARK. On that I ask for the yeas and nays, but I first suggest the absence of a quorum.

Mr. ROBINSON. I ask the Senator to withhold his motion until the author of the bill may arrive on the floor.

Mr. CLARK. I have no desire to take advantage of the absence of the Senator from Massachusetts. I simply desire to preserve my rights in the matter.

Mr. ROBINSON. I ask unanimous consent that proceedings on the motion of the Senator from Missouri be suspended for the present.

Mr. CLARK. I am entirely agreeable.

Mr. CLARK. Mr. President, I insist that the unanimous-consent request of the Senator from Arkansas to suspend action on the motion to reconsider which I had entered simply amounted to a suspension, and did not involve any denial of my right to make the motion to reconsider.

Mr. LA FOLLETTE. Mr. President, I point out that the unanimous-consent request submitted by the Senator from Arkansas was that the proceedings be suspended; and I ask for a ruling of the Chair on whether or not the motion of the Senator from Missouri has been entered.

The PRESIDENT pro tempore. It is the opinion of the Chair that the Chair did not pass on the question as to whether there was an objection, because the RECORD shows that the Chair made no statement as to that. The Chair had asked if there was objection. At that time the Senator from Missouri interrupted, and, as the Chair thought, was explaining what he wished to do. Further action by the Senate or the Chair on the request was prevented by a motion to reconsider the vote by which the bill was passed and a second motion to table the motion to reconsider. It was then, in that confused parliamentary state, that the Senator from Arkansas asked unanimous consent that the matter remain in status quo until the Senator from Massachusetts could be informed.

Mr. CLARK. May I be heard for just a moment on that subject?

I cannot believe that when a request for unanimous consent is made and not objected to, and then a motion to reconsider is entered, the present occupant of the chair is now going to take the position that because he did not

express any opinion on the merits of the motion the matter is still in suspension.

Mr. President, I asked unanimous consent that the Senator from West Virginia yield to me for the purpose of entering a motion to reconsider a particular bill. There was no objection. I then entered the motion to reconsider; and as I was about to take my seat, after entering the motion to reconsider, the Senator from Arkansas rose and asked me what the bill was; and when I explained it to him, he said that he would like to wait until the Senator from Massachusetts returned, with which I was in entire agreement. I do not believe the present occupant of the Chair, with his high sense of honor and his long service in this body, could possibly make such a ruling as to say——

The PRESIDENT pro tempore. The Chair has some rights.

Mr. CLARK. Well, Mr. President, I have some rights as a Senator, too.

The PRESIDENT pro tempore. The Chair is rather at a disadvantage, of course, being the Presiding Officer and not permitted to debate. In this case the RECORD has been read. There is no doubt that the Chair would have ruled that consent was given except for the interruption of the Senator from Missouri, who did not wait for a ruling, but started to explain what he wished to do. The Chair so understood, that he was explaining, so as to have no objection made.

The Chair has no interest at all in the matter. He is construing the RECORD; but the Chair does not desire to be in the position in which the Senator from Missouri attempts to place him. He will be very glad to escape a ruling; but the evidence is here.

The Chair submits to the Senate the question as to whether or not consent was given. The Chair will be very pleased to have the Senate decide the question.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. KING. When a request is made to enter a motion to reconsider a given bill, and that is followed by "I do enter the motion to reconsider", is any duty resting upon the Chair to give consent or not consent?

The PRESIDENT pro tempore. The Chair has nothing to do with that. He only decides whether consent is given.

Mr. KING. Of course not.

The PRESIDENT pro tempore. The question involved is that the Senator from West Virginia [Mr. HOLT] had the floor, and unless he yielded the floor the request could not be made by the Senator from Missouri or the motion entered. The question was on the request for unanimous consent, as to whether or not there was objection. That was not ruled on, as the RECORD proves.

Mr. CLARK. Mr. President, may I make one suggestion to the Chair?

The PRESIDENT pro tempore. Yes.

Mr. CLARK. It seems to me conclusive as to whether or not unanimous consent had been given that the distinguished and able majority leader regarded unanimous consent as having been given, and regarded the motion as having been entered, by himself making the motion to reconsider, and moving to lay that motion on the table.

The PRESIDENT pro tempore. The Chair does not know what was in the mind of any Senator. That question is now immaterial, as the Senator from Arkansas has moved to reconsider, and that is what the Senator from Missouri sought. He has not ruled on the question. The Chair now asks the question, Is there objection now?

Mr. CLARK. Well, Mr. President——

Mr. LA FOLLETTE. I object.

Mr. CLARK. Mr. President, I insist that it is too late to make an objection at this time.

The PRESIDENT pro tempore. Will the Senator allow the Chair, then, to do this: The Chair has had the RECORD read, in which he made no ruling. What the intention was is another thing. There was no ruling that consent was given. The RECORD shows that. However, so that the Chair may have the opinion of the Senate, the Chair asks the Senate as to whether or not, in their opinion, consent was given by what took place.

Mr. CLARK. Before that question is put, I desire to call attention again to the fact that the Senator from Arkansas himself made a motion to reconsider, and moved to lay that motion on the table.

Mr. ROBINSON. I ask that we vote on the motion to lay on the table.

The PRESIDENT pro tempore. That, of course, is the pending question. All in favor——

Mr. CLARK. I suggest the absence of a quorum.

Mr. ROBINSON. Does the Senator from West Virginia yield for that purpose? I made the motion to reconsider.

The PRESIDENT pro tempore. And then the Senator moved to table the motion.

Mr. ROBINSON. Yes; and I ask that the Senate vote on that motion.

The PRESIDENT pro tempore. Then the Senator from Missouri suggested the absence of a quorum.

Mr. CLARK. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

Mr. HOLT. Mr. President, I will not lose the floor?

The PRESIDENT pro tempore. The Senator will not lose the floor, of course. It will all have to come under this arrangement.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Carey	King	Pope
Ashurst	Clark	La Follette	Radcliffe
Bachman	Connally	Lewis	Reynolds
Bailey	Copeland	Lonergan	Robinson
Barkley	Davis	McGill	Russell
Benson	Dieterich	McKellar	Schwellenbach
Bilbo	Duffy	McNary	Sheppard
Black	Frazier	Maloney	Steiwer
Bone	George	Metcalf	Thomas, Okla.
Borah	Gerry	Minton	Thomas, Utah
Brown	Gibson	Moore	Truman
Bulow	Guffey	Murphy	Van Nuys
Burke	Hale	Murray	Wagner
Byrd	Hastings	Neely	Walsh
Byrnes	Hatch	Norris	Wheeler
Capper	Hayden	O'Mahoney	
Caraway	Holt	Pittman	

The PRESIDENT pro tempore. Sixty-six Senators having answered to their names, a quorum is present.

The question is on the motion of the Senator from Arkansas [Mr. ROBINSON] to lay on the table the motion to reconsider.

Mr. CLARK. On that I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. CLARK. I ask for a division.

On a division the motion was agreed to.

Mr. CLARK. Mr. President, let me renew my request for the yeas and nays. I think that on a matter of this importance the Senate is entitled to have every Senator go on record.

Mr. LA FOLLETTE. I make the point of order that the Senator's request comes too late, that the decision of the Chair has been announced.

Mr. CLARK. May I say that I have often heard the distinguished Senator from Wisconsin, when he has been defeated on a division, make a personal appeal to the Senate for a record vote, and I am now making a personal appeal to the Senate not to fail to go on record.

Mr. ROBINSON. I make the point of order that the Senator from Missouri is not in order.

The PRESIDENT pro tempore. The point of order is well taken, the decision having been announced.

The Senator from West Virginia has the floor.

Mr. ROBINSON. Mr. President, if the Senator having the floor will yield for that purpose, I will submit a privileged motion.

The PRESIDENT pro tempore. Does the Senator from West Virginia yield under that consideration?

Mr. HOLT. With what understanding?

The PRESIDENT pro tempore. With the understanding that the Senator will not lose the floor.

Mr. ROBINSON. The Senator will have no use for the floor after I make this privileged motion. [Laughter.]

GREETINGS FROM THE PRESIDENT

The PRESIDENT pro tempore. The Chair desires, before the Senator makes his motion, to submit to the Senate a communication he has just received from the President of the United States, which the clerk will read.

The legislative clerk read as follows:

THE WHITE HOUSE,
Washington, June 20, 1936.

MY DEAR MR. VICE PRESIDENT: As the Seventy-fourth Congress comes to a close, will you not accept for yourself and extend to the Members of the Senate my greetings and cordial good wishes?

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

The honorable the VICE PRESIDENT.

ADDITIONAL ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 20, 1936, that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 1146. An act for the relief of Michael Dalton;

S. 1567. An act to amend section 5 of the act of March 2, 1919, generally known as the War Minerals Relief Act;

S. 1793. An act to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602);

S. 2268. An act for the relief of Bausch & Lomb Optical Co.;

S. 2460. An act to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916", as amended, and for other purposes;

S. 2647. An act authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors, materialmen, and laborers for material and labor furnished in the construction of a post-office building at Hempstead, N. Y.;

S. 3143. An act for the relief of the Passaic Valley Sewerage Commissioners;

S. 3405. An act for the relief of Capt. James W. Darr;

S. 3843. An act to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes;

S. 3879. An act for the relief of James W. Grist;

S. 4020. An act to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon;

S. 4719. An act for the relief of the Bridgeport irrigation district;

S. 4727. An act to quiet title and possession with respect to certain lands in Lawrence County, Ala.;

S. 4780. An act to extend the laws governing inspection of vessels, and for other purposes; and

S. J. Res. 115. Joint resolution designating the last Sunday in September as "Gold Star Mother's Day", and for other purposes.

ADJOURNMENT SINE DIE

Mr. ROBINSON. I move, in accordance with the terms of Concurrent Resolution 63, that the Senate do now adjourn sine die.

The motion was agreed to; and (at 11 o'clock and 55 minutes p. m.) the Senate adjourned sine die.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The Vice President, under the authority of House Concurrent Resolution 54, signed the following enrolled bills and joint resolutions which had been previously signed by the Speaker of the House of Representatives;

S. 1790. An act for the relief of Margaret Murphy;

S. 3055. An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes;

S. 3107. An act to exempt publicly owned interstate highway bridges from State, municipal, and local taxation;

S. 3175. An act for the relief of Jesse Ashby;

S. 3505. An act for the improvement and protection of the beaches along the shores of the United States;

S. 3733. An act authorizing the issuance of a patent to certain lands in the State of Montana to Florence Kerr Facey;

S. 3808. An act for the relief of R. D. Stephens and Vera Stephens;

S. 3976. An act to amend the act approved February 27, 1931, known as the District of Columbia Traffic Act;

S. 4152. An act validating certain conveyances by Kickapoo Indians of Oklahoma made prior to February 17, 1933, providing for actions in partition in certain cases;

S. 4457. An act authorizing the appointment of an additional circuit judge for the third circuit;

S. 4490. An act for the relief of F. W. Elmer;

S. 4581. An act authorizing the payment of certain salaries and expenses of employees of the General Land Office;

S. 4670. An act to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough;

S. 4684. An act for the relief of the First, Second, and Third National Steamship Companies;

S. 4773. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels;

H. R. 6773. An act to provide for an investigation to determine whether the water rights of the United States have been violated in the Clear Lake watershed, California, and for other purposes;

H. R. 8555. To further the development and maintenance of an adequate and well-balanced American merchant marine, to promote the commerce of the United States, to aid in the national defense, to repeal certain former legislation, and for other purposes;

H. R. 8875. An act to clarify section 104 of the Revised Statutes (U. S. C., title II, sec. 194);

H. R. 10094. An act to amend section 1 of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269);

H. R. 12458. An act authorizing a preliminary examination of the Intracoastal Waterway throughout Broward County, Fla.;

H. R. 12796. An act to amend the act entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina", approved May 10, 1928, as amended (U. S. C., 1934 edition, title 28, sec. 179; U. S. C., Supp. I, title 28, sec. 179);

S. J. Res. 38. Joint resolution to provide for an inquiry by the Court of Claims with respect to losses sustained by cooperative marketing associations in connection with stabilization activities in grain;

S. J. Res. 196. Joint resolution to correct errors in the enrollment of Private Act No. 349, Seventy-fourth Congress, approved August 29, 1935, and to clarify the duties of the Comptroller General in connection with said act;

S. J. Res. 255. Joint resolution to provide for the participation of the United States in the commemoration of the seventy-fifth anniversary of the Battle of Antietam; and

H. J. Res. 642. Joint resolution to enable the Secretary of Agriculture to apply such methods of control of grasshoppers as in his judgment may be necessary.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The following enrolled bills and joint resolutions, heretofore duly signed by the Presiding Officers of the two Houses, were presented to the President of the United States by the Committee on Enrolled Bills:

On June 22, 1936:

S. 2953. An act to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia;

S. 4241. An act to provide for the sale of a certain isolated tract of the public domain in the State of Washington;

S. 4432. An act authorizing and directing the Secretary of War to lease land on the Fort Moultrie (S. C.) Military Reservation to the owners of certain cottages thereon;

S. 4608. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of York County, Maine;

S. 4633. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

S. 4634. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

S. 4648. An act to promote safety at sea in the neighborhood of ice and derelicts, and for other purposes; and

S. J. Res. 177. Joint resolution to define the term of certain contracts with Indian tribes.

On June 23, 1936:

S. 1790. An act for the relief of Margaret Murphy;

S. 3055. An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes;

S. 3107. An act to exempt publicly owned interstate highway bridges from State, municipal, and local taxation;

S. 3175. An act for the relief of Jesse Ashby;

S. 3505. An act for the improvement and protection of the beaches along the shores of the United States;

S. 3733. An act authorizing the issuance of a patent to certain lands in the State of Montana to Florence Kerr Facey;

S. 3808. An act for the relief of R. D. Stephens and Vera Stephens;

S. 3976. An act to amend the act approved February 27, 1931, known as the District of Columbia Traffic Act;

S. 4152. An act validating certain conveyances by Kickapoo Indians of Oklahoma made prior to February 17, 1933, providing for actions in partition in certain cases;

S. 4457. An act authorizing the appointment of an additional circuit judge for the third circuit;

S. 4490. An act for the relief of F. W. Elmer;

S. 4581. An act authorizing the payment of certain salaries and expenses of employees of the General Land Office;

S. 4670. An act to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough;

S. 4684. An act for the relief of the First, Second, and Third National Steamship Companies;

S. 4773. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels;

S. J. Res. 38. Joint resolution to provide for an inquiry by the Court of Claims with respect to losses sustained by cooperative marketing associations in connection with stabilization activities in grain;

S. J. Res. 196. Joint resolution to correct errors in the enrollment of Private Act No. 349, Seventy-fourth Congress, approved August 29, 1935, and to clarify the duties of the Comptroller General in connection with said act; and

S. J. Res. 255. Joint resolution to provide for the participation of the United States in the commemoration of the seventy-fifth anniversary of the Battle of Antietam.

PRESIDENTIAL APPROVALS

The President of the United States, subsequent to the final adjournment of the second session of the Seventy-fourth Congress, notified the Secretary of the Senate that he had approved acts and joint resolutions, as follows:

On June 19, 1936:

S. 1795. An act to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925;

S. 3371. An act for the relief of John Walker;

S. 4461. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.;

S. 4462. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 4463. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near the cities of South Sioux City, Nebr., and Sioux City, Iowa;

S. 4618. An act granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a free or toll highway bridge, or a railway bridge in combination with a free or toll highway bridge, and approaches thereto, across the Mississippi River at or near Baton Rouge, La.;

S. 4680. An act authorizing the State of Wisconsin to construct, maintain, and operate a free highway bridge across the Mississippi River at or near La Crosse, La Crosse County, Wis.;

S. 4709. An act authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa.;

S. 4710. An act authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the West Branch of the Delaware River between a point in the vicinity of the village of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa.; and

S. J. Res. 278. Joint resolution to modify and extend the act entitled "An act to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, as amended, and for other purposes.

On June 20, 1936:

S. 1794. An act to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925;

S. 1976. An act to amend the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926, so as to equalize the allowances for quarters and subsistence of enlisted men of the Army, Navy, and Marine Corps;

S. 2127. An act to amend section 4471 of the Revised Statutes of the United States, as amended;

S. 3440. An act to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof;

S. 3784. An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes;

S. 3956. An act for the relief of Jacob Kaiser;

S. 3997. An act to authorize the Secretary of War to lend War Department equipment for use at the Eighteenth National Convention of the American Legion at Cleveland, Ohio, during the month of September 1936;

S. 4132. An act to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army;

S. 4252. An act to provide for the modification of the contract of lease entered into on June 12, 1922, between the United States and the Board of Commissioners of the Port of New Orleans;

S. 4568. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia;

S. 4584. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), to extend and adapt its provisions to the convention between the United States and the

United Mexican States for the protection of migratory birds and game mammals concluded at the city of Mexico February 7, 1936, and for other purposes;

S. 4622. An act to amend section 2 of the act entitled "An act granting the consent of Congress to the Alabama State Bridge Corporation to construct, maintain, and operate bridges across the Tennessee, Tombigbee, Warrior, Alabama, and Coosa Rivers, within the State of Alabama", approved May 26, 1928;

S. 4667. An act to prohibit the commercial use of the coat of arms of the Swiss Confederation pursuant to the obligation of the Government of the United States under article 28 of the Red Cross Convention signed at Geneva July 27, 1929;

S. 4737. An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes;

S. J. Res. 187. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1936, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski;

S. J. Res. 235. Joint resolution authorizing the Secretary of Agriculture to expend funds of the Agricultural Adjustment Administration for participation by the United States in the 1936 Sixth World's Poultry Congress;

S. J. Res. 241. Joint resolution to declare December 26, 1936, a legal holiday in the District of Columbia;

S. J. Res. 243. Joint resolution authorizing distribution to the Indians of the Blackfeet Indian Reservation, Mont., of the judgment rendered by the Court of Claims in their favor;

S. J. Res. 245. Joint resolution authorizing distribution to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., of the judgment rendered by the Court of Claims in their favor; and

S. J. Res. 280. Joint resolution to ratify and confirm the appointment of Isaac Gans as a member of the Alcoholic Beverage Control Board of the District of Columbia.

On June 22, 1936:

S. 1318. An act to authorize the Secretary of the Interior to investigate and adjust irrigation charges on irrigation lands within projects on Indian reservations, and for other purposes;

S. 2075. An act to provide for the appointment of additional district judges for the eastern and western districts of Missouri;

S. 2137. An act to provide for the appointment of one additional district judge for the eastern, northern, and western districts of Oklahoma;

S. 2456. An act to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia;

S. 3344. An act to appoint one additional judge of the district court of the United States for the eastern and western districts of Kentucky;

S. 3488. An act to provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and the Animas River and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama and Rio Grande;

S. 3805. An act to authorize the Secretary of the Interior to reserve certain lands on the public domain in Nevada for addition to the Walker River Indian Reservation;

S. 4524. An act to provide a civil government for the Virgin Islands of the United States;

S. 4784. An act to permit mining within the Glacier Bay National Monument;

S. J. Res. 272. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937;

S. J. Res. 273. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes; and

S. J. Res. 286. Joint resolution fixing the date of meeting of the Seventy-fifth Congress.

On June 23, 1936:

S. 4268. An act to authorize the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.;

S. 4552. An act to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Bureau of Investigation;

S. 4780. An act to extend the laws governing the inspection of vessels, and for other purposes; and

S. J. Res. 115. Joint resolution designating the last Sunday in September as "Gold Star Mother's Day", and for other purposes.

On June 24, 1936:

S. 81. An act to provide for the collection and publication of statistics of peanuts by the Department of Agriculture;

S. 283. An act for the relief of Beatrice I. Manges;

S. 1896. An act to provide for interest payments on American Embassy drafts;

S. 2039. An act making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies;

S. 3879. An act for the relief of James W. Grist;

S. 3907. An act for the relief of the State of Nevada;

S. 3976. An act to amend the act approved February 27, 1931, known as the District of Columbia Traffic Act;

S. 4020. An act to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station, and to authorize the construction and installation of a naval air station thereon;

S. 2460. An act to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes";

S. 4390. An act to amend the National Defense Act relating to the Medical Administrative Corps;

S. 4432. An act authorizing and directing the Secretary of War to lease land on the Fort Moultrie (S. C.) Military Reservation to the owners of certain cottages thereon;

S. 4457. An act authorizing the appointment of an additional circuit judge for the third circuit;

S. 4512. An Act to amend section 641 of the Code of Laws for the District of Columbia;

S. 4719. An act for the relief of the Bridgeport Irrigation District;

S. J. Res. 251. Joint resolution granting the consent of Congress to the city and county of San Francisco to construct a causeway and highways on Yerba Buena Island, in San Francisco Bay, and for other purposes;

S. J. Res. 255. Joint resolution to provide for the participation of the United States in the commemoration of the seventy-fifth anniversary of the Battle of Antietam;

S. J. Res. 277. Joint resolution to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery; and

S. J. Res. 291. Joint resolution amending section 11 of the Soil Conservation and Domestic Allotment Act.

On June 25, 1936:

S. 2912. An act to repatriate native-born women who have heretofore lost their citizenship by marriage to an alien, and for other purposes;

S. 2953. An act to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia;

S. 3843. An act to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes;

S. 4038. An act to amend an act of Congress approved March 3, 1863, entitled "An act to reorganize the courts in the District of Columbia, and for other purposes";

S. 4105. An act authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission, of Maryland, for park, parkway, and playground purposes;

S. 4567. An act to authorize the Secretary of Agriculture to extend and renew for the term of 10 years a lease to the Chicago, Milwaukee & St. Paul Railway Co. of a tract of land in the United States Department of Agriculture range livestock experiment station in the State of Montana, and for a right-of-way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 9, 1926;

S. 4648. An act to promote safety at sea in the neighborhood of ice and derelicts, and for other purposes;

S. 4654. An act to amend an act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes", approved January 12, 1923;

S. 4727. An act to quiet title and possession with respect to certain lands in Lawrence County, Ala.; and

S. 4786. An act to authorize the Secretary of Agriculture to make such adjustments and revisions found to be due on contracts entered into by the Government with crop producers under the Agricultural Adjustment Act.

On June 26, 1936:

S. 1146. An act for the relief of Michael Dalton;

S. 2047. An act to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes;

S. 2268. An act for the relief of Bausch & Lomb Optical Co.;

S. 2712. An act to amend section 23 of the Independent Offices Appropriation Act, 1935;

S. 3505. An act for the improvement and protection of the beaches along the shores of the United States;

S. 3808. An act for the relief of R. D. Stephens and Vera Stephens;

S. 3841. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

S. 4241. An act to provide for the sale of a certain isolated tract of the public domain in the State of Oregon;

S. 4581. An act authorizing the payment of certain salaries and expenses of employees of the General Land Office;

S. 4464. An act to authorize the coinage of 50-cent pieces in celebration of the opening of the San Francisco-Oakland Bay Bridge;

S. 4490. An act for the relief of F. W. Elmer;

S. 4608. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of York County, Maine;

S. 4670. An act to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough;

S. 4699. An act to provide a commissioned strength for the Corps of Engineers, United States Army, for the efficient performance of military and other statutory duties assigned to that corps;

S. J. Res. 38. Joint resolution to provide for an inquiry by the Court of Claims with respect to losses sustained by cooperative marketing associations in connection with stabilization activities in grain; and

S. J. Res. 177. Joint resolution to define the term of certain contracts with Indian tribes.

On June 29, 1936:

S. 2119. An act for the relief of Amos D. Carver, S. E. Turner, Clifford M. Carver, Scott Blanchard, P. S. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard, and/or the widows of such of them as may be deceased;

S. 2293. An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States;

S. 3247. An act to waive any exclusive jurisdiction over premises of Public Works Administration slum-clearance and low-cost-housing projects, to authorize payments to States and political subdivisions in lieu of taxes on such premises, and for other purposes;

S. 3733. An act authorizing the issuance of a patent to certain lands in the State of Montana to Florence Kerr Facey;

S. 4152. An act validating certain conveyances by Kickapoo Indians of Oklahoma made prior to February 17, 1933, providing for actions in partition in certain cases;

S. 4633. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

S. 4773. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels; and

S. J. Res. 196. Joint resolution to correct errors in the enrollment of Private Act No. 349, Seventy-fourth Congress, approved August 29, 1935, and to clarify the duties of the Comptroller General in connection with said act.

On June 30, 1936:

S. 1567. An act to amend section 5 of the act of March 2, 1919, generally known as the War Minerals Relief Act; and

S. 3055. An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes.

PRESIDENTIAL DISAPPROVALS

The President of the United States, subsequent to the final adjournment of the second session of the Seventy-fourth Congress, transmitted to the Secretary of the Senate lists of bills disapproved by him, with his reasons for such action, as follows:

JUNE 22, 1936.

S. 1464. An act for the relief of Frank P. Hoyt.

"I have withheld my approval of S. 1464, entitled 'An act for the relief of Frank P. Hoyt.'

"The bill provides that in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers Frank P. Hoyt, who was a member of Troop D, Eighth United States Cavalry, shall hereafter be held and considered to have served for more than 90 days during the Philippine Insurrection and to have been honorably discharged June 1, 1900, and that the rights, privileges, and benefits conferred upon Frank P. Hoyt by reason of this enactment shall be limited to admission to a soldiers' home under the regulations governing such admissions.

"The official record reveals that Mr. Hoyt enlisted December 28, 1898, and was discharged without honor on March 22, 1899, as a private, Company A, Seventeenth United States Infantry, by reason of disability on account of misconduct; that he again enlisted September 9, 1899, stating he had no prior service, and was honorably discharged February 24, 1900, as a private, Company E, Forty-sixth United States Volunteer Infantry, his active service having been broken by 9 days' absence without leave and 60 days in the hospital because of his misconduct disability; and that he again enlisted April 10, 1900, stating that he had served in Company E, Forty-sixth United States Volunteer Infantry, but alleged no other service, and was dishonorably discharged on June 1, 1900, as a private, Troop D, Eighth United States Cavalry, following conviction and sentence by general court martial for fraudulent enlistment, in deliberately and wilfully concealing from the recruiting officer the fact of his previous discharge without honor on March 22, 1899.

"Enactment of this legislation would place the beneficiary thereof on a par with all those receiving honorable discharges, but the residual benefits accruing thereby are 'limited to admission to a soldiers' home under the regulations governing such admission.' An offense, similar to the one for which this man was dishonorably discharged, if committed in the Army now, still subjects the offender to trial and punishment. The inconsistency of granting a legislative pardon in this case and partially restoring certain residual privileges by special act, while at the same time continuing to punish men for such offenses against the law and regulations, is readily apparent. Nothing appears in the record of this man to indicate that any injustice has been done him or to justify the relief which this bill proposes to grant.

"Both the Secretary of War and the Administrator of Veterans' Affairs recommend that this bill be not favorably considered, and close scrutiny of the facts in this case constrains me to concur in their findings."

S. 1769. An act for the relief of Percy C. Wright.

"I have withheld my approval of Senate bill No. 1769, entitled 'An act for the relief of Percy C. Wright.'

"The bill, in effect, would place former First Lieutenant Wright, Air Corps Reserve, on the retired list of the Regular Army for disability from injuries received while on an active-duty status as a Reserve officer.

"The laws providing for retirement for physical disability relate only to officers of the Regular Army. It appears that Lieutenant Wright had had no service as an officer of the Regular Army, nor was he, at the time he was injured, eligible for appointment as an officer in the Regular Army, since he had passed the statutory age limit for such an appointment.

"Relief in cases of Reserve officers of the Army is provided for under laws administered by the Veterans' Administration, and I am advised that Lieutenant Wright is now receiving benefits available to him from that agency totaling $100.57 per month. In this connection it may be noted that, on July 24, 1935, I returned to the Congress, without my approval, H. R. 2566, an act for the relief of Lieutenant Wright. That act would have provided for Lieutenant Wright a rate of pension different from the rate provided for other persons in his class similarly disabled. In the absence of very exceptional or unusual circumstances, such action could not have been justified.

"The bill now before me similarly would provide for Lieutenant Wright benefits not provided other Army Reserve officers disabled while on active duty.

"It is a regular practice of the War Department to place Reserve officers on active duty. These officers habitually are attached to units of the Regular Army for duty, and the circumstances in Lieutenant Wright's case are not exceptional in this regard.

"As I have pointed out in other veto messages, the retirement system of the Regular Army was provided for the two-fold purpose of attracting desirable permanent personnel to the service and of vitalizing the active list. Its maintenance for such purpose is vital to the national defense and should not be jeopardized by utilizing it as a means of relief or for placing upon the regular retired list persons other than the permanent personnel of the military service.

"In withholding my approval of this measure I have not overlooked the fact, referred to by the Senate Committee on Military Affairs in its report no. 2153, that on June 14, 1934, I approved a similar bill for the relief of a Naval Reserve officer, Ensign Warren Burke, the effect of which was to place him upon the Regular Navy retired list. My action in that case followed the recommendation of the Navy Department that the bill be approved, which recommendation reflected the views of that Department contained in a report of the Acting Secretary of the Navy on the bill while it was under consideration in Congress, to the effect that the status of Ensign Burke at the time of his injury was materially different from that usually occupied by Reserves. If this bill were before me now, I would withold approval of it. I have satisfied myself that the cases of Ensign Burke and Lieutenant Wright are identical in that both were Reserve officers and were injured while on extended duty, rather than for training, but I do not feel justified, for the reasons which I have outlined, in giving my approval to the bill for the relief of Lieutenant Wright merely because I approved a similar bill for the relief of Ensign Burke."

S. 3992. An act for the relief of Capt. Laurence V. Houston, retired.

"I have withheld my approval of S. 3992, authorizing me to transfer Capt. Laurence V. Houston from the retired to the active list of the United States Army, and to place him on the promotion list in the position he would have occupied had he not been involuntarily transferred to the retired list on December 9, 1929. This measure further provides that no back pay or allowances shall accrue to this officer by reason of this transfer.

"From the facts in this case of record in the War Department it appears that this officer, who was born September 10, 1891, accepted a commission as provisional second lieutenant, Field Artillery, March 23, 1917, continued on active duty until December 9, 1929, when he was retired from active service under the provisions of section 24b of the act of June 4, 1920. Proper authority having determined that his separation was not due to his neglect, misconduct, or avoidable habits, he receives compensation from the United States Government at the rate of $900 per annum.

"Briefly stated, the ultimate purpose of this measure is to completely restore this officer to the active list of the Army and thus, by special legislation, reverse the findings of legally constituted courts and boards and other administrative agencies of the War Department.

"Before reaching the decision to withhold my approval of this act, a thorough and complete investigation was ordered to determine if this officer had been unfairly treated or if his record of accomplishment in the United States Army indicated that he is of the caliber and has the capacity to be restored to active duty in the higher rank which this measure provides.

"After mature consideration of the facts presented, I can find no evidence of injustice or error in the proceedings of the War Department. It is also clear and unquestionable that this officer does not measure up to the standard required of officers of the Regular Army today. Therefore, I can see no reason why this individual should be singled out and placed in a position of seniority in the Army which today is even more exacting than before in its demands upon the skill and capacity of its personnel."

S. 4444. An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States.

"I have withheld my approval of S. 4444, Seventy-fourth Congress, entitled 'An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States.'

"The bill proposes to direct the Court of Claims of the United States to reopen six cases decided by it in 1920, 1921, and 1922, involving claims for just compensation for the taking of property by the Government in the vicinity of Norfolk, Va., in 1917 and 1918. It further proposes to direct the court to make an award to the plaintiffs in those cases for interest at 6 percent upon the value of the property heretofore found and paid to the plaintiffs, such interest to run from the date of the taking of the property until March 5, 1925. It has been computed that such additional interest would amount to approximately $308,000.

"Prior to 1923 the rule invoked in proceedings to ascertain just compensation for property taken by the Government for public use was that interest on the value thereof should not be included in the award. Sometime subsequent to the entry of the judgments in the cases involved in this legislation the Supreme Court, on March 5, 1923, in the case of *Seaboard Air Line Railway Co.* v. *United States* (261 U. S. 299), changed the rule of law theretofore prevailing and enunciated the principle that interest on the value of the property from the date of taking to the date of judgment should constitute a part of just compensation.

"The judgments heretofore rendered in favor of these plaintiffs awarded just compensation to them in accordance with the rule prevailing at the time. The fact that at a later date the Supreme Court adopted a principle that is more liberal to property owners than had been in force theretofore does not seem to require as a matter of justice a reopening of all of the cases previously decided and the award of additional compensation in such instances. Moreover, no reason appears why preferential treatment should be extended to six of the numerous property owners whose claims had been adjudicated prior to the decision of the Supreme Court in the Seaboard Air Line case.

"For the foregoing reasons I have felt constrained to withhold my approval of this measure."

S. 4734. An act to provide for hurricane patrol in the Gulf of Mexico and environs during the hurricane season.

"I have withheld my approval from S. 4734, an act to provide for hurricane patrol in the Gulf of Mexico and environs during the hurricane season. The bill provides that to the extent the vessels of the Coast Guard will permit, and within the limits of such appropriations as may be made for that purpose, the Secretary of the Treasury, when the Coast Guard is under the Treasury Department, and the Secretary of the Navy, when the Coast Guard is a part of the Navy, are requested to patrol the Gulf of Mexico and environs for the purpose of cooperating with the Secretary of Agriculture in furnishing the Weather Bureau data to enable such Bureau to forecast with greater accuracy and speed the size and course of tropical hurricanes. For the past few years the question of the feasibility of establishing a hurricane patrol by Coast Guard vessels in the Gulf of Mexico has been the subject of consideration and discussion. A joint board of Coast Guard and Weather Bureau officers made a careful study of the proposal and reached the conclusion that although in some instances valuable reports might be secured, the practicability of the project was decidedly questionable and its cost would be totally disproportionate to the value of the reports which might be anticipated. The assignment of several vessels exclusively to the patrol during the hurricane season would require additional ships of the largest and most expensive type of Coast Guard cutters since only vessels of this character could be expected to withstand the force of a tropical hurricane. This would involve large operating costs, since the hurricane season lasts for 5 or 6 months and such a patrol would therefore necessitate assigning large ships with a personnel of several hundred officers and men to do exclusively weather patrol work for almost half of each year. These boats would be available for no other duty during that period.

"Coast Guard vessels already regularly patrol the Gulf of Mexico in connection with their duties of saving life and property at sea and preventing smuggling. Incident to their regular duties, these boats collect weather information from merchant boats of all nationalities in the Gulf in addition to making their own personal observations. This information is radioed to shore every few hours and in times of storm even more often. These boats will obtain a great deal of weather information in the regular course of their duties, but to change their principal objective from saving life and property at sea to the collection of weather data would mean that in many instances when they were needed for life-saving work they would be unavailable for that purpose by reason of the fact that their weather information collecting duties had led them into other parts of the Gulf. Past experience has shown that weather reports may be expected to be received from over 60 vessels during the course of a hurricane and up to distances of 500 miles away. To assign three Coast Guard vessels exclusively to hurricane patrol work (which is the plan envisaged by the proponents of the bill) would be merely to add three more reporting stations at a very large cost.

"The Coast Guard has in the past, and will continue in the future, to cooperate very closely with the Weather Bureau and the Department of Agriculture in securing information with which that Bureau can forecast, as accurately as it is humanly possible to do, the points on the coast and the times at which approaching hurricanes will strike. During the past 3 years this system of cooperation has become steadily more effective, as a result of the arrangements made between the Coast Guard and Weather Bureau to obtain an ever-increasing number of ship weather reports during the course of hurricanes. In addition, a Weather Bureau forecaster is now stationed on the Gulf during the hurricane season. This is quite a recent innovation and has materially increased the speed and efficiency of forecasts. Previously, all weather information was relayed to Washington, and the forecasts were made from there.

"As originally introduced, legislation contemplating hurricane patrols of the Gulf was mandatory in character making it the duty of the Coast Guard to furnish such patrol. The present bill is permissive in the sense that it merely requests that the Coast Guard patrol the Gulf for the purpose of collecting hurricane data, instead of making it the duty of the Service to do so. As indicated by the report of the House Committee on Merchant Marine and Fisheries on H. R. 10313, the Treasury Department, the Department of Agriculture, and the Navy Department were all opposed to the enactment of that bill which as introduced was in the mandatory form described above. That bill was, therefore, reported out in amended form so as to be merely permissive in character, and as reported out is identical with the present bill. The change from mandatory to permissive form does not alter my belief that the legislation is unnecessary, unsound, and impracticable. Existing statutory authority is entirely sufficient to authorize such measures as are desirable and practicable, and I cannot, therefore, approve the enactment of further legislation in this regard."

H. R. 2213. An act for the relief of Charles P. Shipley Saddlery & Mercantile Co.

"I have withheld my approval of H. R. 2213, entitled 'An act for the relief of Charles P. Shipley Saddlery & Mercantile Co.'

"This act authorizes and directs the Secretary of the Treasury to pay to the Charles P. Shipley Saddlery & Mercantile Co. the sum of $11,902.15 in full settlement of all claims of that company arising out of cancelation of its lease, dated October 19, 1917, for a site on the zone of camp activities and amusements at Camp Funston, Kans.

"The claim which this act seeks to settle and pay grows out of the following facts:

"In order to preserve the health and morale of the troops during the World War the camp commander of Camp Funston, Kans., established there a 'zone of camp activities and amusements' and acting under authority of the War Department, granted concessions and permission to erect buildings on the reservation under leases for terms of 5 years, revocable at the will of the Secretary of War on 10 days' notice to the lessees, under which claimant, whose principal store and home office were in Kansas City, Mo., erected a store and sales room and operated the same until on the abandonment of Camp Funston the lease of the claimant, in accordance with similar action in the cases of all other leases, was revoked on December 11, 1919.

"Subsequently, Congress decided to permit a measure of relief for the hardships suffered by a number of the lessees and passed the act of February 26, 1923 (42 Stat. 1774), authorizing the Secretary of War to make such settlement as he thought just and proper for the actual losses sustained by lessees on account of the cancelation of their leases before the expiration dates. It is clear that the relief bill limited reimbursement to those losses, if any, due directly to the expense of erecting buildings under leases canceled before the expiration dates and did not include operating losses or loss of profits. It was so interpreted by the Secretary of War in the consideration and settlement of numerous other claims submitted under the authority of the act.

"On April 10, 1923, the Secretary of War convened a board of officers which examined into and reported on 24 claims, including that of claimant, submitted under the act, and failure at that time to take final action on the present claim was due entirely to the delay by claimant's duly constituted representatives from Octber 16, 1923, to May 5, 1924, a period of over 6½ months, in furnishing material and necessary information requested by the board.

"The figures finally submitted and subsequently considered on numerous occasions by the War Department show that merchandise costing $55,305.17 was delivered to and sold at the Camp Funston concession for $84,973.08, from which was properly deducted expenditures incurred at Camp Funston amounting to $19,576.25, leaving a net operating profit of $10,091.66. In an effort to convert the apparent profit into a loss the claimant lists as losses the net cost of the building and proportionate share of the heating plant, together amounting to $14,485.92, less rentals received of $4,100, or a net loss of $10,385.92, loss on equip-

ment at $1,516.23, a total claimed actual loss of $11,902.15, and the following deductions as operating charges—

(a) 10 percent handling charge	$5,383.86
(b) Salary of purchasing agent	4,800.00
(c) Proportionate share of overhead, home office	5,492.72
Total	15,676.58

"amounting in all to $27,578.73 and leaving a claimed net loss, after deducting operating profits of $10,091.66, of $17,487.07.

"These figures have been carefully examined and analyzed on numerous occasions by the War Department and the operating expenses under (a), (b), and (c) were rejected as unjustified by the facts. Likewise, it is pointed out that, although the store building was actually occupied for at least 20 of the 60 months the lease was to run, no allowance was made for the use and enjoyment of the premises during that period nor any corresponding deduction made from the expense item of $14,485.92, the cost of the building and proportionate share of heating plant. According to the method and principles adopted in settling other similar claims, a deduction of at least one-third of such cost; that is to say, $4,828.64; should have been made from the amount claimed as loss on that account.

"It cannot be denied that the Government under the terms of the leases had the right to cancel all or any of them at will after 10 days' notice, or that the claimants were charged with full notice that the camp would be abandoned and all concessions canceled at or shortly after the termination of the war. There is, therefore, no legal basis for the present claim and the only ground for any remedial action is that of providing a measure of relief for hardships suffered under such circumstances by the lessees. Certainly the present claimant is entitled to no greater relief than that afforded to other similar claimants under the provisions of the act of Congress referred to, and applying the same principles and methods employed in the administration of that act in the cases of other claimants; conceding the position apparently taken by the Congress that the stores of the claimant at Kansas City and at Camp Funston were operated as a joint enterprise; and without attempting to repeat the careful analysis of the claimant's figures previously made by the War Department, contained in The Assistant Secretary of War's letter, dated January 23, 1932, as exhibit A in the report on the bill, I have come to the conclusion that the claimant has incurred no losses and suffered no hardships entitling it to the relief provided for in the present bill.

"For these reasons I am impelled to withhold my approval of the act for the relief of the Charles P. Shipley Saddlery & Mercantile Co."

H. R. 3694. An act for the relief of Florence Byvank.

"I have withheld my approval from H. R. 3694, an act for the relief of Florence Byvank. I do so on the report and recommendation of the Acting Director of the Budget.

"This measure would authorize and direct the Administrator of Veterans' Affairs to pay the amount of insurance under the Government life-insurance policy (numbered K–720604) of Clarence A. Byvank to Florence Byvank, his widow and designated beneficiary, in accordance with the terms of such policy beginning with the first calendar month following the month during which this measure is enacted, notwithstanding the lapse of such policy in December 1931. The amount of the policy is $10,000.

"The records of the Veterans' Administration disclose that the insurance policy lapsed for nonpayment of premiums and that the reinstatement requirements were not met. The United States Government Life Insurance Fund, from which the payments authorized by this bill would be paid, is a trust fund and must be administered by the Government in accordance with the law and regulations for the benefit of the policyholders. The enactment of special bills requiring the disbursement of funds from this trust fund for the relief of beneficiaries of policyholders who have not complied with the provisions of the law and regulations applicable in equal measure to all persons coming under the provisions cannot, in my judgment, be justified.

"A review of the facts indicates that this is not an unusual case and I can see no reason for singling it out for preferential treatment.

"For these reasons I am withholding my approval of this bill."

H. R. 12329. An act to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges.

"I have withheld my approval of H. R. 12329, Seventy-fourth Congress, entitled 'An act to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges.'

"The bill proposes to reenact section 259 of the Judicial Code, which allowed United States judges their necessary expenses of travel, and reasonable expenses not to exceed $10 per day actually incurred for maintenance, consequent upon their attending court or transacting other official business in pursuance of law at any place other than their official place of residence, said expenses to be paid upon the written certificate of the judge.

"Section 207 of the act entitled 'An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes', approved June 30, 1932, provides that civilian officers and employees of the departments and establishments, while traveling on official business and away from their designated posts of duty, shall be allowed in lieu of their actual expenses for subsistence a per diem not to exceed the rate of $5 within the limits of continental United States and not to exceed an average of $6 beyond the limits of continental United States, which the Comptroller General held in a decision to the Attorney General dated August 5, 1932 (12 Comp. Gen. 190) applied to the subsistence expenses of judges.

"I am withholding my approval of this measure because I feel that the proposed allowance to United States judges for actual subsistence expenses of not to exceed $10 per day is too high when compared with subsistence allowances to personnel in other branches of the Federal service."

JUNE 23, 1936.

S. 4026. An act to amend the National Defense Act of June 3, 1916, as amended.

"I have withheld my approval of Senate bill 4026, entitled 'An act to amend the National Defense Act of June 3, 1916, as amended.'

"The bill in its original form, as passed in the Senate on March 26, 1936, and as reported out by the committee of the House of Representatives on June 12, 1936, would have restored those pension benefits to members of the Officers' Reserve Corps and the Enlisted Reserve Corps which were withdrawn from them by the act of June 15, 1933 (48 Stat. 161). Thus, it provided appropriate benefits to a deserving group of the Federal military forces at a nominal expense to the Government.

"The National Guard, except when called or ordered into the active service of the United States in case of emergency, is essentially a State force.

"As amended on the floor of the House of Representatives and passed by the Congress, the bill would have the effect of placing the National Guard in an active Federal duty status while undergoing training in State service. It would thus place upon the Federal pension roll persons not in the Federal service at the incidence of their incapacity. This would constitute such a radical innovation in the policy which has been generally followed since the beginning of our Government that I must withhold my approval of the bill. In my opinion, no such legislation should be enacted until it has received an extended study in respect of its administration, expense, and possible far-reaching effect."

H. R. 796. An act for the relief of A. E. Clark.

"I have withheld my approval from H. R. 796, an act for the relief of A. E. Clark, the reasons for such disapproval being stated in letter of the Acting Director of the Budget under date of June 20, 1936.

* * * * * * *

"This bill would authorize and direct the Secretary of the Treasury to pay to A. E. Clark the sum of $566.09 in full settlement of all claims against the Government on account of money expended by him between March 1, 1930, and July 10, 1930, while employed by the Government as an assistant supervisor of census in the State of Washington.

"I have requested the views of the Department of Commerce on this bill, and I am transmitting herewith a letter from Assistant Secretary Draper in which he states the Department perceives no objection to approval of the bill.

"The papers in this case and the records of the Census Bureau show that Mr. Clark was a temporary employee of the Government from February 7, 1930, to July 10, 1930, and from August 15, 1930, to September 15, 1930, in connection with the taking of the 1930 census. The period here involved is March 1, 1930, to July 10, 1930, both dates inclusive, while Mr. Clark was serving as assistant supervisor of census of the Sixth District of Washington. During this period Mr. Clark's official station was the district headquarters at Longview, Wash., and his home was about 50 miles away at Camas, Wash. This bill proposes to reimburse Mr. Clark for expenditures made by him in the period March 1, 1930, to July 10, 1930, for subsistence while at his station in Longview and for travel from and to his home in Camas, notwithstanding that such allowances are not authorized by official travel regulations.

"It is said Mr. Clark before and after his appointment had pointed out to the district supervisor at Longview that it would be difficult for him to make a satisfactory return if he were required to pay board, room, and operation of his car out of the salary offered him while on duty in Longview, and the two men discussed fully the necessity of Clark's moving to Longview during the census period. However, no authorization was or could have been issued which would legally have provided for payment of a subsistence allowance to Mr. Clark while in Longview or for travel by him between Longview and his home at Camas.

"Instead, on March 13, 1930, Mr. Clark was issued an authorization to visit such points as might be necessary in the State of Washington, and during his necessary absence from Longview he was to receive the usual travel expenses, including a per diem in lieu of subsistence while engaged pursuant to the authorization. A copy of the official travel regulations accompanied this authorization. Mr. Clark was duly paid travel and subsistence when absent from Longview on official business.

"Following receipt by Mr. Clark of this authorization former Congressman Albert Johnson is said to have contacted by telephone Assistant Director of the Census Hill, in the absence of Director Stuart, and Mr. Hill, apparently under the impression that Longview was Mr. Clark's home, is said to have assured Mr. Johnson that Clark would receive a subsistence allowance of $6 per diem and travel expenses when away from his home.

"Notwithstanding Mr. Hill's verbal assurance, Mr. Clark should have been aware that he could not be given a subsistence allowance while in Longview, as indicated in the travel authorization sent him on March 13, 1930, and as set forth in the official travel regulations which accompanied it, yet the greater part of the period, March 1, 1930, to July 10, 1930, to which his claim for allowances pertains, is subsequent to March 13, 1930.

"The payment contemplated by this bill would be a discrimination against the many other temporary employees engaged in the taking of the 1930 census who served in status similar to that of Mr. Clark, none of whom received travel and subsistence allowance for service in like conditions.

"I recommend that the above-mentioned bill, which is hereby returned, be not approved."

JUNE 25, 1936.

H. R. 8055. An act to provide for economic studies of the fishery industry, market news service, and orderly marketing of fishery products, and for other purposes.

"I have withheld approval of H. R. 8055, an act to provide for economic studies of the fishery industry, market news service, and orderly marketing of fishery products, and for other purposes, for the following reasons:

"The appropriations of the Department of Agriculture now specifically provide authority for part of the services contemplated in this bill. The provisions of the bill would vest in the Department of Commerce authority for the performance of similar functions, and thereby establish duplicate authority for the prosecution of like duties in different departments of the Government. Considerable work of the character of other services specifically authorized by the bill is now carried on by the Bureau of Fisheries, and such further enlargement of this work as may be satisfactorily justified can be accomplished under general authorization of existing law."

JUNE 26, 1936.

S. 3143. An act for the relief of the Passaic Valley Sewerage Commissioners.

"I have withheld approval of S. 3143, an act for the relief of the Passaic Valley Sewerage Commissioners, for the following reasons:

"The damage to the sewer, for which this bill authorizes and directs payment of $109,088.03, was caused by an accident that cannot in any respect be charged to negligence on the part of the Federal Government or its agents, and the payment contemplated would be in the nature of a gratuity for which there appears to be no justification."

S. 3257. An act to amend the World War Adjusted Compensation Act.

"I have withheld approval of S. 3257, an act to amend the World War Adjusted Compensation Act, for the following reasons:

"This bill would amend section 202 (b) of the World War Adjusted Compensation Act, as amended, so as to include for adjusted-compensation benefits provisional, probationary, or temporary officers of the military or naval forces under the grade of major or lieutenant commander honorably separated from the military or naval service prior to January 1, 1922, with a limitation that applications under the act must be made within 1 year from the date of enactment.

"Section 202 of the World War Adjusted Compensation Act, as amended, provides for the exclusion from entitlement to adjusted-service credit of nine different types of service, among which is service as a provisional or temporary officer, to wit:

"'(b) Any individual holding a *permanent* or *provisional commission* or *permanent or acting warrant* in any branch of the military or naval forces, or (while holding such commission or warrant) *serving under a temporary commission in a higher grade*—in each case for the period of service under such commission or warrant or in such higher grade after the accrual of the right to pay thereunder. This subdivision shall not apply to any noncommissioned officers'. (Italics supplied.)

"The legislative history of the World War Adjusted Compensation Act, as amended, indicates that in the framing of the original measure in 1924 the Congress gave careful consideration to this particular subsection of the act, provisional and temporary officers being considered precisely the same as Regular Army or Navy officers from the standpoint of enjoying the privileges and emoluments of the regular commissioned service and therefore not entitled to be beneficiaries of adjusted-service credit. The view which the Congress apparently took in this connection was that persons who held commissions in the Regular Army, Navy, or Marine Corps, as was the case with provisional and temporary officers, may be said to have adopted service in the Regular Establishment as their life work, that being an officer of the Regular Establishment they would not return to a civil vocation at the conclusion of the war, and that therefore there was no reason for paying them adjusted compensation, the purpose of which was, in large part, to compensate civilians serving for the duration of the war for the loss they suffered during the period of military or naval service, which, in fact, was an interruption to their ordinary vocation in private life.

"Of the nine groups excluded under the present law, the provisional-officer group would be the first to be brought in should this bill become law. Moreover, each adjusted-service

compensation proposal submitted to date for Executive approval has been vetoed both by myself and by my predecessors in office. It would, therefore, not be consistent now to extend approval to this liberalizing amendment."

S. 3405. An act for the relief of Capt. James W. Darr.

"I have withheld my approval of S. 3405, an act for the relief of James W. Darr.

"This bill authorizes me to appoint James W. Darr as a captain of Infantry, United States Army, and to place him upon the retired list of the Army with the retired pay of that grade.

"From the facts in this case of record in the War Department, it appears that James W. Darr served in the Army for more than 21 years, including nearly 5 years as an enlisted man and the remainder as a commissioned officer. He was dismissed from the service October 1, 1934, for violation of the ninety-third, ninety-fifth, ninety-sixth, and sixty-first articles of war, pursuant to General Court-Martial Order No. 13, War Department, September 29, 1934.

"Captain Darr was tried by general court martial at Fort Snelling, Minn., during November and December 1933, on charges involving embezzlement; removal of a letter addressed to his commanding officer from the official mail with intent to conceal the contents from his commanding officer; making a false official report to his commanding officer; wrongful misappropriation of an automobile by trading it in as part payment for a new automobile; and absence without leave. He was convicted and sentenced to be confined at hard labor at such place as the reviewing authority might direct for 1 year. The sentence was approved by the convening authority and the case considered by the board of review and the Judge Advocate General, as a result of which it was found that the record warranted confirmation of the sentence. The Secretary of War concurred in these views, and after mature consideration the sentence was confirmed by me and accordingly carried into effect. In view of the length of time required for this case, his sentence of confinement expired October 10, 1934, and he remained at Fort Snelling for the short remaining period.

"It has been brought to my attention that former Captain Darr has been confined in the State Hospital at St. Peter, Minn., since April 1935. In this connection, the question of whether or not the existence of mental defects or derangement was an issue in the case was taken up at the trial, and after deliberation the court announced that the question of sanity of the accused had not become an issue. After Captain Darr's trial he was examined by two neuropsychiatrists of the Veterans' Administration at Fort Snelling, and before the board of review completed its study of the case Captain Darr was sent to Walter Reed General Hospital, where, after 3 months' observation from the point of view of mental disease, the board found him fit for duty and stated that a study of all evidence as well as his conduct while in the hospital did not reveal the existence of a psychosis at any time. Upon reviewing this board, the Surgeon General expressed the following views: '* * * This officer is regarded as being responsible for his acts and statements and as having the normal ability to distinguish between right and wrong and the normal ability to control himself from wrongful actions.'

"From the facts in this case as disclosed by the records of the War Department, it appears that this former officer's dismissal from the military service was strictly in conformity with the law and that the question of his mental condition was carefully considered before final action was taken in connection with the sentence of court martial.

"In view of the foregoing, I am unable to approve this measure."

S. 3441. An act for the relief of C. T. Hird.

"I have withheld my approval of S. 3441, an act for the relief of C. T. Hird, for the following reasons:

"This bill authorizes and directs the Secretary of the Treasury to pay, out of any money in the Treasury not otherwise appropriated, to C. T. Hird, of Dubuque, Iowa, the sum of $839.22 in full satisfaction of his claim against the United States for a refund of an overpayment of income taxes erroneously assessed against him for the year 1920. The bill would authorize and direct the refund notwithstanding the fact that the taxpayer failed to institute suit for the recovery of such taxes, thus neglecting to avail himself of the remedy provided by law, and the period within which suit might be filed has long since expired.

"On several occasions there have been submitted to me other bills which proposed to except certain taxpayers from the operation of the statutes of limitations pertaining to the revenue laws by extending the time for the recovery of amounts paid by such taxpayers. On those occasions I expressed my accord with the enacted policy of Congress that it is sound to include in all revenue acts statutes of limitations, by the operation of which, after a fixed period of time, it becomes impossible for the Government to collect additional taxes or for the taxpayer to recover an overpayment of taxes. I pointed out in each instance that such legislation selects a small class of taxpayers for special treatment by excepting them from that policy, thus discriminating against the whole body of Federal taxpayers and establishing a precedent which would open the door to relief in all cases in which the statute operates to the prejudice of a particular taxpayer, while leaving the door closed to the Government in those cases in which the statute operates to the disadvantage of the Government.

"In this regard the instant measure, S. 3441, does not differ in principle from the bills which were under consideration on those prior occasions. There appears to be no valid reason why the claimant in this case should not be bound by the provisions of the law, as are other taxpayers and the Government. I know of no circumstance which would justify the exception made by S. 3441 to the long-continued policy of Congress. Again I must express my belief that the field of special legislation should not be opened to relieve special classes of taxpayers from the consequences of their failure to invoke, within the prescribed period, the remedies provided by the law."

H. R. 2259. An act for the relief of Addie I. Tryon and Lorin H. Tryon.

"I am withholding my approval of H. R. 2259, an act for the relief of Addie I. Tryon and Lorin H. Tryon, for the following reasons:

"This bill would confer jurisdiction on the District Court of the United States for the Southern Division of the Northern District of California over the claim of Addie I. Tryon and Lorin H. Tryon for the recovery and repayment of the sum of $23,149.63 paid to the United States on or about April 24, 1923, as excess profits on certain contracts for the sale of wool to the Government. The bill further proposes to waive the defenses that the payment was voluntarily made, that there had been a settlement res adjudicata, and the statute of limitations.

"In 1918 the Quartermaster Corps of the Army entered into a series of contracts with wool dealers for the purchase of the entire domestic wool clip of that year for military purposes. The contracts were subject to the regulations promulgated by the War Industries Board. The regulations contained a provision that all profits realized by the contractors over a certain specified percentage should be disposed of as the Government might decide. The claimants named in the bill under consideration are the heirs of E. H. Tryon, who was one of the dealers that entered into a contract to sell and deliver wool to the Government on the foregoing terms. After an audit of his transactions by the Government, the administrator of his estate, on April 30, 1923, paid to the United States the sum of $23,149.63 as profits in excess of the percentages specified in the contract. The purpose of the bill under consideration is to permit his heirs to sue the Government for a return of the money so paid, it apparently being their theory that the Government had no authority to impose on the contractors any limitation as to their profits, even though they had agreed to sell wool to the Government on such terms.

"It is not disputed, however, that the contractor was not under any compulsion to sell the wool to the Government and voluntarily agreed to the terms imposed by it. Similarly the payment of the excess profits was also made voluntarily. No reason appears why the contractor's heirs should

be permitted to sue the Government for a refund of the money.

"Moreover, even if the contractor were to be granted his day in court, no reason appears why the Government should waive substantive defenses directed to the merits of the claim.

"In view of the foregoing, I do not feel justified in giving my approval to this measure."

H. R. 3952. An act for the relief of Mr. and Mrs. Bruce Lee.

"I have withheld my approval of H. R. 3952, Seventy-fourth Congress, second session, entitled 'An act for the relief of Mr. and Mrs. Bruce Lee', for the following reasons:

"This bill would authorize and direct the Secretary of the Treasury to pay out of any moneys in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, the sum of $2,500 to Mr. and Mrs. Bruce Lee, parents of an 11-year-old boy who was killed January 14, 1934, by a Government-owned truck negligently driven by an enrollee of the Civilian Conservation Corps, who, without authority, was using the truck for a personal trip. This bill authorizes and directs payment notwithstanding the fact that the truck was not being operated on business of the United States Government but, on the contrary, was being used without authority on a purely personal trip.

"Acceptance of responsibility for this accident would place upon the Federal Government a responsibility that does not attach to the mere ownership of a vehicle operated without authority of the owner.

"Although appreciating the strong sympathetic appeal, it is my judgment that the Government should not be called upon to pay for losses or damages that might result from the unlawful use of its equipment for personal purposes. For the reasons herein set forth I do not feel that approval of this legislation is justified."

H. R. 7463. An act for the relief of Lawrence R. Lennon.

"I have withheld approval of H. R. 7463, an act for the relief of Lawrence R. Lennon, for the following reason:

"The provisions of this bill are discriminatory in that it would single out one individual and confer upon him benefits not accorded to other students injured while in training at similar citizens' military training camps."

JUNE 27, 1936.

S. 4684. An act for the relief of the First, Second, and Third National Steamship Companies.

"I am withholding approval of S. 4684 for the following reasons:

"This bill confers jurisdiction on the Court of Claims to hear and determine in any suits instituted in said court, jointly or severally, by the First, Second, and Third National Steamship Companies, corporations organized and existing under the laws of the State of New Jersey, the claims of such companies on account of (1) certain sums deposited by the said companies with the United States Shipping Board in 1920; (2) certain disbursements made by the companies for and on behalf of the United States in 1920 for other than physical operation costs in connection with the vessels *Independence, Hoxie,* and *Scottsburg,* owned by the Government; and (3) certain permanent improvements and equipment placed aboard the vessels and not removed therefrom when they were returned to the custody of the United States; and to enter such decrees or judgments against the United States as will provide full reimbursement and just compensation to such companies on the said claims, notwithstanding the bars or defenses of res judicata or of any alleged settlement or adjustment heretofore made or any release heretofore given by the said companies, their agents or attorneys to the United States and notwithstanding any statute of limitations.

"In the spring of 1920 H. O. Schundler, of Madison, N. J., who financed the First, Second, and Third Steamship Companies and has controlled them since their organization, entered into an informal agreement with the United States Shipping Board whereby he took over the custody and management of three of the Shipping Board's vessels, viz, the *Independence,* the *Hoxie,* and the *Scottsburg,* and deposited certain sums of money as security for the fulfillment of his agreement to hold the Shipping Board harmless from the expense of physical operation.

"The terms of the agreements under which these vessels were delivered and the deposits made later became a subject of dispute, and the vessels were then retaken by the Shipping Board, whereupon the companies demanded the return of the deposits, but this demand was refused, and in 1925 suits were instituted by the companies in the Court of Claims. In 1935 court proceedings were suspended, and as the result of negotiations between the parties a compromise agreement was reached by the terms of which the Government paid to the companies the sum of $250,000 in full settlement of all claims arising out of these transactions. On October 7, 1935, Mr. Schundler, on behalf of the companies, formally released the United States from any and all claims, demands, and causes of action, at law or in equity, pertaining to or arising out of any and all transactions, the subject of suits pending in the Court of Claims, and on November 4, 1935, the suits in the Court of Claims and the Government's counterclaims were dismissed.

"In view of the fact that the claimants have had every opportunity to prove their cases in the Court of Claims, that they have entered into a firm and binding agreement of settlement, and that under the terms of the bill the United States would be deprived of the defenses of res judicata and the statute of limitations, I am constrained to withhold my approval of this measure."

JUNE 29, 1936.

H. R. 1362. An act conferring jurisdiction upon the United States District Court for the Western District of Texas to hear, determine, and render judgment upon the claim of R. A. Ramey, doing business as Ramey Bros.

"I am withholding approval of H. R. 1362 for the following reasons:

"The bill authorizes the payment of $8,432.22 in settlement of a claim against the United States arising in connection with contract no. T2sa–2930 for reconditioning the water-pipe line at the Fort Stanton (N. Mex.) Marine Hospital.

"The claim was not allowed by the Treasury Department but was referred to the Comptroller General on October 17, 1932, in connection with direct settlement of the contract by that officer. On December 20, 1932, the Comptroller General issued settlement certificate no. 0292610 (claim no. 0366636), certifying the balance due the contractor under the contract and denying the claim of $8,432.22 for the reason that the claim was one for damages for delay, for the payment of which the appropriation was not available. The position of the Comptroller General was further amplified in a letter dated April 7, 1933 (A–48271), addressed to the Honorable R. E. Thomason, House of Representatives.

"The Treasury Department's advertised specification for the work in question dated August 7, 1931, stated, at paragraph 31, that about 2 miles of line had frozen during the previous winter and fixed the time for completion at not later than November 1, 1931. This contractor was found to be low bidder at the time of opening bids, September 1, 1931. On September 3 the bidder wired requesting advice as to whether he had been awarded the contract. The contract was awarded on September 11, 1931. On September 16 the contractor wired that it would be impossible to complete the work by November 1 and requested an extension of 15 days. The Department replied on September 17 instructing the contractor to proceed and stating that the matter of delay would be considered at final settlement. No claim for additional compensation was made at this time. About November 16, 1931, a freeze occurred. At that time the work was not, as stated in the contractor's claim of June 8, 1932, and at page 2 of House Report 1455, completed except for back filling. At that time about three-quarters of a mile of line remained to be reconditioned, no valve boxes were in place, no clamps had been affixed, and many timber bridges over various arroyos had not been completed.

"Work was completed in April 1932, and on June 8, 1932, the claim covered by the present bill was filed. Liquidated

damages for delay were waived by the Government on October 14, 1932, when final settlement was authorized.

"Under date of March 14, 1935, the Treasury Department advised the chairman, Committee on Claims, House of Representatives, that passage of the present bill was not recommended. It is the position of the Department that, assuming the delay in accepting the contractor's bid to have been unreasonable, the contractor might have declined to proceed, but that having elected to proceed, he was not excused from performance at the contract price by the occurrence of extraordinary difficulties due to bad weather conditions. Since none of the work had been accepted at the time the freezing occurred there is no ground for holding that the risk of loss had shifted to the Government.

"The Treasury Department also advised the House committee that the statement of expenditure was considered insufficiently supported by proper evidence connecting the items with the bad weather conditions and further pointed out that the contractor's statement of expenditure was not accompanied by supporting vouchers of any kind. The fact that the degree of completion alleged had not in fact been reached at the time of the freezing raises a question as to whether the contractor's statement of expenditures includes any items for uncompleted work which he was required to perform in any event. Doubts as to proof of loss are not removed by the general allegations contained in the affidavits of the contractor's foremen set forth in House Report No. 1455.

"The question of the ordering of a test by the Government representative was not mentioned in the contractor's claim of June 8, 1932, filed with the Treasury Department but was raised for the first time by the affidavits set forth in House Report No. 1455. Investigation has been made of the statements appearing in those affidavits to the effect that the line was frozen solid about November 16, 1931, and that this was due to the fact that the Government representative ordered a test of the line. The damage to the pipe line was not caused by a single freezing but by various declines in temperature damaging different parts of the line at different times, not connected with any test at that date. Testing of the line was required by the contract and had to be done before backfilling. The contract did not specify whether the procedure to be followed was to recondition the entire line, test, and then backfill, or to recondition, test, and backfill the line in sections, and the Government representative did not enter into any agreement with the contractor as to the method to be pursued. It is my opinion that when the contractor realized that the work could not be completed by November 1, due regard for the possibility of hazardous weather conditions, of which he had notice, indicated the advisability of adopting the second method. If that had been done, far less damage to the line would have occurred because of the protection of the backfill. The second method would have been more expensive because it would have required the contractor to hold his cleaners idle while the tests were being made. It appears that the contractor adopted the second method at the beginning of the work but soon abandoned it in favor of the cheaper method, and I feel that he must bear the consequences of his election."

H. R. 2435. An act for the relief of the Citizens State Bank of Marianna, Fla.

"I am withholding approval of H. R. 2435 for the following reasons:

"This bill proposes to relieve the Citizens State Bank of Marianna, Fla., from all liability to the United States as endorser of the following five checks, amounting in all to $692.09, and all negotiated on forged endorsements of the respective payees:

Check	Date	Amount	Symbol	Payee
No. 35862	Apr. 30, 1930	$97.91	79-004	Jack Wynn.
No. 37109	May 2, 1930	97.93	79-004	J. W. Freeman.
No. 41815	May 13, 1930	98.08	79-004	George Calhoun.
No. 5829	Mar. 6, 1931	48.17	70-004	B. W. Washington.
No. 28808	Apr. 1, 1931	350.00	70-004	James McNeally.

"There is no dispute as to the forgeries. The first three checks were issued on applications for seed loans which were fraudulently prepared by one Sam Rountree, county agent for Jackson County, Fla. Two of the payees were nonexistent. The third payee was an actual person but has no connection with the transaction whatever. The parcels of land on which the loans were made were owned by various persons not connected in any way with Rountree, who converted the proceeds of the three checks to his own use. Rountree was indicted, pleaded guilty, and was sentenced to pay a $200 fine and to serve 14 months in the penitentiary at Atlanta.

"The fourth check represented an actual seed loan to B. W. Washington, but investigation discloses that the check was received, endorsed, and negotiated by Rountree. He was indicted and sentenced for these offenses at the same time as in the previous cases.

"The fifth check also represented an actual seed loan, but was received, endorsed, and negotiated by Rountree.

"The approval of this bill would create a dangerous precedent. There appears to be no question of the legal liability of the Citizens State Bank of Marianna, since the endorsements were in all cases actually forged. It is well established that the Government is not liable for unauthorized acts of its agents, and to approve this bill would set a precedent and encourage the presentation of similar claims for which there is no legal basis."

H. R. 4059. An act for the relief of Ella B. Kimball, daughter and only heir of Jeremiah Simonson.

"I am withholding approval of H. R. 4059 for the following reasons:

"The bill provides for the payment to Ella B. Kimball, daughter and only heir of Jeremiah Simonson, the sum of $16,441.81, being the amount found due by the Court of Claims, as reported to Congress in Senate Document No. 320, Fifty-ninth Congress, second session, and also contained in Court of Claims Congressional Cases, volume 16, page 703.

"On September 9, 1862, Jeremiah Simonson entered into a contract with the Navy Department to construct a wooden hull for the U. S. S. *Chenango* for $75,000 within a period of 126 days from the date of contract, said contract price to include equipments and outfits. Upon completion of the vessel in 1863 the contractor was paid the full contract price of $75,000 for the vessel and equipments, and also the sum of $3,528.17 for extra work on the hull of the vessel.

"By virtue of a resolution of the United States Senate adopted March 9, 1865, the Secretary of the Navy appointed a board of naval officers, known as the Selfridge Board, to inquire into the cost of the vessel and machinery to the contractor, and the board reported that the cost was $16,441.81 in excess of the contract price, not including the $3,528.17 allowed for extra work.

"The case was referred to the Court of Claims on June 23, 1902, by a resolution of the United States Senate dated June 17, 1902, under the Tucker Act of March 3, 1887, with accompanying Senate bill no. 4104. The amount claimed was $16,441.81 for work and material furnished in the construction of the U. S. S. *Chenango*. On February 11, 1907, the court filed its findings of fact, and on February 13, 1907, the findings were certified to the President of the United States Senate.

"In its findings the court stated that without any fault on the part of the Government the vessel was not completed until 65 days after the date fixed therefor in the contract; that during the progress of the work on the vessel the price of labor and materials greatly increased, and the contractor was paid the full contract price for said vessel and equipments and also the sum of $3,528.17 for extra work on the hull of said vessel; that the items of expenditure were submitted to the board of naval officers, afterward known as the Selfridge Board, and the cost of the *Chenango* was shown to that board (according to their report) to be $16,441.81 in excess of the contract price and allowance for extra work; and that no evidence had been offered by the Government to disprove the findings of the Selfridge Board, nor had any

sufficient competent evidence been offered by the claimant to affirm or approve the findings of said Selfridge Board.

"It also appears that subsequent to the report of the Selfridge Board the Secretary of the Navy convened another board, known as the Marchand Board, to investigate the cost of certain war vessels built between 1862 and 1865 and that this board made a report (which was not offered in evidence before the Court of Claims) in which it affirmatively found that Mr. Simonson did not incur any increased cost as the result of any delay or action on the part of the Government.

"As it is not conclusively shown that the increased cost to the contractor was due to any fault on the part of the Government, and in view of the conflicting reports of the two naval boards which investigated the case, I am constrained to withhold my approval of this measure."

H. R. 5635. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the mayor and aldermen of Jersey City, Hudson County, N. J., a municipal corporation.

"I am withholding approval of H. R. 5635 for the following reasons:

"If approved, this bill, which would have the effect of waiving a statute of limitation, would constitute a precedent for similar bills for relief in connection with a large number of claims against the Railroad Administration which have been denied because suits were not filed within the period prescribed by law. Moreover, due to the lapse of time since the termination of Federal control of the railroads, and the loss or legal destruction of records, the Government would be at a distinct disadvantage in endeavoring to prevent excessive allowances."

H. R. 5368. An act to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes.

"I am withholding approval of H. R. 5368 for the following reasons:

"This bill is not in keeping with the well-established policy, which has been departed from in but very few instances, that land for national monuments shall be acquired without cost to the Federal Government. The existing monument comprises 17 acres, and I believe that an addition thereto of so large a tract as 250 acres, at a cost of $275,000, cannot be sufficiently justified to warrant this proposed departure from the established policy."

H. R. 8220. An act for the relief of Helen Mahar Johnson.

"I have withheld approval of H. R. 8220, Seventy-fourth Congress, second session, entitled 'A bill for the relief of Helen Mahar Johnson', which reads as follows:

" 'That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Helen Mahar Johnson, of Gilboa, New York, the remarried widow of James P. Mahar, the sum of $5,000 in full satisfaction of any and all claims of the estate of James P. Mahar for United States Government life-insurance benefits under policy numbered K-812772.'

"The yearly renewable term insurance in the amount of $10,000 lapsed for nonpayment of premium in 1919. On July 1, 1927, the veteran applied for reinstatement and conversion of $5,000 insurance. His application was approved and the policy was issued in September 1927. The policy lapsed for nonpayment of premium for the month of September 1927. The veteran died on December 24, 1927. Claim for insurance was disallowed because it was in a state of lapse at the time of the veteran's death and it was held that permanent and total disability did not exist while the insurance was in force. Suit for the insurance was filed by the administrator of the veteran's estate. The decisions of the circuit court of appeals and the Supreme Court of the United States held that the Government was without liability. It does not appear that the judgments were based upon purely technical grounds and there exist no sufficiently extenuating circumstances which would warrant the enactment of special legislation for relief in this case. Had the insurance been payable the veteran's estate would have been the beneficiary of the insurance while the proposed bill is otherwise. It appears that the veteran left surviving him, in addition to the remarried widow, three children for whom no provision is made in the bill.

"I do not believe this case is unusual with reference to the outstanding facts involved, and that to make an exception in this case would establish an unwise precedent."

H. R. 10504. An act for the relief of Booth & Co., Inc., a Delaware corporation.

"I am withholding my approval of H. R. 10504, for the relief of Booth & Co., Inc., for the following reasons:

"During the World War Booth & Co., Inc., was a lessee of certain premises at Bush Terminal, N. Y. The premises were requisitioned by the War Department on December 31, 1917. The United States retained possession of the premises until April 30, 1919. The Government was not able to reach an agreement with Booth & Co., Inc., as to the amount of just compensation which the latter should receive, and accordingly, Booth & Co., Inc., brought suit in the Court of Claims. Judgment was rendered for the plaintiff in March 1926 for the sum of $88,735.10 (*Booth & Co.* v. *United States*, 61 C. Cls. 805).

"The plaintiff requested the court to award interest on the authority of the decision of the Supreme Court in *Seaboard Air Line Co.* v. *United States* (261 U. S. 299), which held that interest was an item of just compensation. The Court of Claims held that the ruling of the Supreme Court did not apply in view of the fact that the suit brought by Booth & Co., Inc., was on an implied contract, and not to recover just compensation for the taking of property by eminent domain. The plaintiff made no effort to secure a review by the Supreme Court, but acquiesced in the decision and received and accepted payment of the judgment.

"Subsequently, in another similar case instituted by the lessee of another portion of Bush Terminal, whose premises had been requisitioned in the same manner, the Supreme Court held that interest was recoverable (*Phelps* v. *United States*, 274 U. S. 328).

"The bill under consideration proposes to provide for the payment of the interest amounting to $42,856.10, which it is contended Booth & Co., Inc., would have recovered had it appealed to the Supreme Court from the judgment of the Court of Claims, in view of the fact that the situation presented in this case is the same as that involved in the Phelps case.

"The claimant was accorded a judicial remedy, which it failed to exhaust. It acquiesced in the decision of compensation awarded by the Court of Claims, and accepted payment of the amount awarded. No reason appears for granting preferential consideration to this claimant by legislative action. In view of the foregoing circumstances, it does not seem that the matter should be reopened for the purpose of awarding interest."

H. R. 12062. An act to authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona in exchange for certain other lands, and for other purposes.

"I am withholding approval of H. R. 12062, which would authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona in exchange for certain other lands, for the reason that its enactment would leave the law authorizing land exchanges in Arizona between the State and Federal Government in a state of doubt, due to the fact that section 3 of H. R. 10094, which I approved on June 26, 1936, provides a broader exchange authority than is permitted under H. R. 12062."

JUNE 30, 1936.

S. 1790. An act for the relief of Margaret Murphy.

"I have withheld approval of S. 1790, an act for the relief of Margaret Murphy, for the following reasons:

"Both the Employees' Compensation Act and the Civil Service Retirement Act provide generally for relief in all cases of this character.

"This bill is discriminatory in that it grants special privileges with respect to this particular individual not accorded by general legislation to other employees of the Government under similar conditions.

"Mrs. Murphy is now receiving a salary of $1,260 per annum and an additional $120 per annum from the Employees' Compensation Commission."

S. 1793. An act to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602).

"I am withholding approval of S. 1793 for the following reasons:

"The bill authorizes the Indians of California to bring suit in the Court of Claims for compensation for lands in that State of which they were dispossessed by the United States, and directs the court to compute the value of said lands at $1.25 per acre and to render judgment therefor.

"It appears from the report of the Senate Committee on Indian Affairs relative to this bill (S. Rept. 709, 74th Cong., 1st sess.) that the total area for which an award might probably be made under the terms of this legislation would be not less than 90,000,000 acres. Thus the bill involves a liability of at least $100,000,000.

"In addition to having the effect of imposing a very heavy financial burden on the Government, the bill would create a dangerous and undesirable precedent for similar endeavors on the part of the present descendants of other aborigines to secure payment for lands occupied by their ancestors at the time of the original settlements in the United States or the acquisition of territory by this country. Not only would such a course of action result in an incalculable financial burden to the government, but justice to the Indians of today does not seem to require this type of reparation."

S. 2647. An act authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors, materialmen, and laborers for material and labor furnished in the construction of a post-office building at Hempstead, N. Y.

"I am withholding approval of S. 2647 for the following reasons:

"This bill, if approved, would operate to deprive the United States of its right to priority and set-off in this case, and would thus be regarded as a precedent for like surrender in similar cases. Also, it might operate to deprive the other creditors of the surety company of their just right to a pro-rata share in the distribution of the surety's assets."

S. 3107. An act to exempt publicly owned interstate highway bridges from State, municipal, and local taxation.

"I am withholding my approval of S. 3107, to exempt publicly owned interstate highway bridges from State, municipal, and local taxation, for the following reasons:

"The effect of this bill would be that, by declaring publicly owned interstate highway bridges to be Federal instrumentalities, such bridges would thereby be exempt from all State and local taxation. I cannot give my approval to this bill, first, because I can find no compelling reason for making publicly owned interstate highway bridges Federal instrumentalities, and secondly, because relieving such bridges of all State and local taxation would, in the majority of cases, result in loss of revenue by States and their political subdivisions, necessitating material curtailment of necessary activities, or the imposition of increased tax burdens upon other taxpayers to make up the deficit."

S. 3175. An act for the relief of Jesse Ashby.

"I am withholding approval of S. 3175 for the following reasons:

"The bill confers upon the United States Court of Claims jurisdiction to hear and adjudicate a claim of Mr. Ashby growing out of losses suffered under his contract dated April 28, 1931, for painting plaster walls in the Department of Commerce Building, Washington, D. C. The claim is related to four separate proposals, each dated April 9, 1932, covering the following items of alleged additional work:

(1) For additional labor and material supplied because certain of the ceilings and walls became porous and chalky	$11,154.96
(2) For repainting surfaces where cracks were replastered	1,983.80
(3) For refinishing walls and ceilings where partition changes were made	1,675.20
(4) For expenses incurred in the substitution of Wall Hide for the size coat specified	665.00

"These claims were never brought to the attention of the Treasury Department until after the work had been entirely completed. As a result of this failure on the part of the contractor to abide by contract provisions requiring that extra work be authorized in advance by the contracting officer, no record of the contractor's alleged additional expenses was ever kept by the Government representatives supervising the work, and the Department has failed, after thorough investigation, to find any evidence which may be used to check the correctness of such alleged additional expenses. For these reasons there would not be a fair opportunity to see to the protection of the Government's interests in proceedings before the Court of Claims.

"The Treasury Department advanced the above objection in its unfavorable report to the Committee on Claims of the House of Representatives under date of March 28, 1935. The committee report concluded with the following statement:

" 'Your committee is of the opinion that the claimant cannot be charged with the Government's failure to keep an account of the additional cost to which he was put, and inasmuch as the bill merely proposes that the matter be referred to the Court of Claims with jurisdiction to hear and adjudicate the claim upon the basis of the loss and damages suffered, in which court said losses and damages will be subject to proof, passage of it is recommended.'

"While this view is not without force, the Treasury Department's objection to the bill is more fundamental than the committee appears to have appreciated. It was pointed out in the report of March 28, 1935, that the Department regards it as extremely important that claims for additional work under Government contracts be made prior to the time when the work is done, and the Department felt an undesirable precedent would be created if the bill received favorable action. Government contracts are carefully drawn with a view to obviating the exact situation now presented, provisions being included therein as to the procedure to be followed in ordering changes and extra work, and to the effect that no charge for any extra work or material will be allowed unless so ordered. While there may be cases of extreme hardship in which it would be appropriate to disregard these provisions, I do not feel that this is such a case, since the claim is clearly the result of afterthought, and the Government would be at a distinct disadvantage in endeavoring to prevent an excessive allowance."

S. 4658. An act to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes.

"I am withholding my approval of S. 4658, an act to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes, for the following reasons:

"This bill provides that if any State which, subsequent to March 3, 1927, constructed toll bridges on the Federal-aid highway system, will, prior to July 1, 1938, make such bridges free bridges, the Secretary of Agriculture would be authorized to pay to such State, from Federal-aid road funds apportioned thereto, not to exceed 50 percent of such sum as the Secretary may approve as being the reasonable construction cost of any such toll bridge.

"The effect of this bill would be to divert funds appropriated for carrying forward our system of Federal-aid highways through the construction of new roads and new bridges to the payment of one-half of the construction cost of bridges already built. The bridges in question were constructed by the States as toll bridges and were to be operated as such until the revenue from their tolls should liquidate the cost of construction, when they were to become free bridges. This is the general theory upon which public toll bridges are constructed, and I can find no justification for diverting Federal road funds for the purpose of making such toll bridges free bridges at an earlier date."

H. R. 237. An act for the relief of the Rowesville Oil Co.

"I am withholding approval of H. R. 237 for the following reasons:

"This bill authorizes and directs the Secretary of the Treasury to pay to the Rowesville Oil Co., of Rowesville,

S. C., out of any money in the Treasury not otherwise appropriated, the sum of $4,991.74 in full settlement of all claims against the Government for the balance due and unpaid on 300 bales of linters purchased under contract by the United States Government through its agents on or about September 28, 1918.

"During the World War several hundred contracts were made with cotton mills by the Ordnance Department of the Army for the sale and delivery to it of cotton linters, and the claimant named in this bill was one of the contractors. Subsequent to the armistice all the contracts were canceled, and on December 30, 1918, a settlement of the claims of the various contractors was reached between representatives of the Ordnance Department and a committee representing the claimants. As the basis of settlement agreed upon was less favorable to the contractors than that provided in the cancelation clause of the contracts, the contractors brought suit for the balances claimed to be due them on the theory that their assent to the settlement had been procured by duress, and the contentions of the claimants in this regard were upheld by the Court of Claims and the Supreme Court in test cases, so that all that remained to be done in the cases pending in the Court of Claims was the ascertainment of the amount of damages due.

"As the bill singles out this company for preferential treatment, whereas other companies engaged in the production of cotton linters during the World War have sought their remedy in the Court of Claims, where they have been required to prove the amount of damages and the Government has had opportunity to present its evidence in defense, I am constrained to withhold my approval of this measure."

H. R. 254. An act for the relief of the Farmers' Storage & Fertilizer Co., of Aiken, S. C.

"I am withholding approval of H. R. 254 for the following reasons:

"This bill authorizes and directs the Secretary of the Treasury to pay to the Farmers' Storage & Fertilizer Co., of Aiken, S. C., out of any money in the Treasury not otherwise appropriated, the sum of $3,725.98, in full settlement of all claims against the Government for the balance due and unpaid on 123 bales of linters purchased under contract by the United States Government through its agents on December 31, 1918.

"During the World War several hundred contracts were made with cotton mills by the Ordnance Department of the Army for the sale and delivery to it of cotton linters, and the claimant named in this bill was one of the contractors. Subsequent to the armistice all the contracts were canceled, and on December 30, 1918, a settlement of the claims of the various contractors was reached between representatives of the Ordnance Department and a committee representing the claimants. As the basis of settlement agreed upon was less favorable to the contractors than that provided in the cancelation clause of the contracts, the contractors brought suit for the balances claimed to be due them on the theory that their assent to the settlement had been procured by duress, and the contentions of the claimants in this regard were upheld by the Court of Claims and the Supreme Court in test cases, so that all that remained to be done in the cases pending in the Court of Claims was the ascertainment of the amount of damages due.

"As the bill singles out this company for preferential treatment, whereas other companies engaged in the production of cotton linters during the World War have sought their remedy in the Court of Claims, where they have been required to prove the amount of damages and the Government has had opportunity to present its evidence in defense, I am constrained to withhold my approval of this measure."

H. R. 2932. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of the International-Great Northern Railroad Co. against the United States.

"I am withholding approval of H. R. 2932 for the following reasons:

"The bill proposes to confer upon the United States Court of Claims jurisdiction to hear and determine the question of whether the International-Great Northern Railroad Co. has a legal claim against the United States for all or any portion of the several items referred to in the bill. It also proposes to waive the running of the statute of limitations against the right of the railroad company to prosecute its claim through the United States Court of Claims for a period of 1 year from the date of the enactment of the bill. An examination of the items composing the total claim, $43,187.54, indicates that two such are of interest to the Treasury Department, namely, customs inspection, $18,600.63, and Health Department (U. S. Public Health Service), $3,515.74, and one of interest to the Department of Labor, $3,541.13. The remainder of the amount claimed, namely, $17,603.04, is for services rendered to the State of Texas (Department of Agriculture) and does not concern the Federal Government.

"The major portion of the customs inspection item consists of overtime compensation paid customs inspectors in connection with examination of passengers' baggage. In view of the fact that this overtime compensation was in strict accordance with the provisions of section 5 of the act approved February 13, 1911, as amended by the act of February 7, 1925 (19 U. S. C. 267), and section 451 of the Tariff Act of 1930, it would seem that the railroad has no legal claim for the refund of any moneys paid to the United States Government for those services. In this connection attention is invited to the case of *Mellon* v. *Minneapolis, St. P. & S. S. M. Ry. Co.* (11 Fed. (2d) 332; certiorari denied, 46 Sup. Ct. 630), which holds that under the above sections, railroads crossing international boundaries are liable for the payment of extra compensation for overtime service of customs inspectors.

"Six thousand three hundred dollars of the item of $18,600.63 referred to in the bill as 'customs inspections, $18,600.63', paid during the period from September 1929 to June 30, 1932, covers the salaries of customs officers who were assigned outside of their official stations at the request of the railroad company to examine passengers' baggage arriving in the United States from Mexico, and the item referred to in the bill as 'Health Department, $3,515.74', was allegedly paid to employees of the United States Public Health Service in connection with the arrival of the Sunshine Special from Mexico. This latter item appears to represent the alleged total amount paid Public Health Service inspectors for the performance of special services at the request of the railroad company. The services were performed by the Public Health Service employees at hours and places other than those prescribed by the quarantine laws and regulations for such inspections.

"Inasmuch as the services in question were performed at the special request of the railroad company and took the officers and employees away from their official stations, it would seem that the Government was fully justified in requiring reimbursement of the company for extra expense incurred in customs inspection including the officers' salaries and in requiring the company to reimburse the cost of or furnish in kind the necessary travel and transportation expenses incurred by Public Health Service employees. It further appears that the claimant company prior to such arrangement specifically agreed to such reimbursement and should not be allowed to repudiate that agreement.

"With reference to the item United States Department of Labor, $3,541.13, it appears that that sum of money was paid by the claimant company for overtime services rendered it by immigrant inspectors under the provisions of the act of March 2, 1931 (46 Stat. 1467).

"The question of the liability of the claimant company to pay for the overtime services rendered by immigrant inspectors under similar circumstances was passed upon by the United States District Court for the District of Vermont in *United States* v. *Central Vermont Railway, Inc.* (at law No. 961). In that case the court decided that the Government was legally entitled to compensation for the services rendered by immigrant inspectors and entered judgment in favor of the United States."

NOMINATIONS

Executive nominations received by the Senate June 20 (legislative day of June 15), 1936

POSTMASTERS

CALIFORNIA

Louis H. Hoskins to be postmaster at Anaheim, Calif., in place of J. H. Whitaker, deceased.

IDAHO

Ralph Waldo Cope to be postmaster at Harrison, Idaho, in place of J. E. McBurney, deceased.

ILLINOIS

George N. Taylor to be postmaster at Evanston, Ill., in place of W. J. Hamilton. Incumbent's commission expired December 18, 1933.

IOWA

Forest Davis to be postmaster at Moulton, Iowa, in place of J. M. Garrett. Incumbent's commission expired February 19, 1936.

Hazel F. Patterson to be postmaster at Minden, Iowa, in place of B. A. Thies. Incumbent's commission expired February 24, 1936.

LOUISIANA

Hugh J. Stodghill to be postmaster at Rayville, La., in place of C. C. Heinemann. Incumbent's commission expired April 27, 1936.

Nannie H. Rogillio to be postmaster at Water Proof, La., in place of N. H. Rogillio. Incumbent's commission expired April 27, 1936.

MARYLAND

Elizabeth Fyle Provost to be postmaster at Aberdeen Proving Ground, Md., in place of H. E. Pyle. Incumbent's commission expired March 17, 1936.

MASSACHUSETTS

John W. Lynch to be postmaster at Medfield, Mass., in place of T. R. Bailey. Incumbent's commission expired January 27, 1936.

William W. Dooling to be postmaster at North Adams, Mass., in place of J. T. Potter. Incumbent's commission expired January 27, 1936.

NEW YORK

William H. Lozone to be postmaster at Helmuth, N. Y., in place of G. V. Lawson, resigned.

PENNSYLVANIA

Ramsey P. Williamson to be postmaster at Liverpool, Pa., in place of M. A. Grubb. Incumbent's commission expired March 17, 1936.

Benjamin Shaute to be postmaster at Peckville, Pa., in place of N. L. Pickering. Incumbent's commission expired February 24, 1936.

Alexander Alexander to be postmaster at Sellersville, Pa., in place of E. D. Smith. Incumbent's commission expired February 10, 1936 (removed w. o. p.).

Florence J. McMahon to be postmaster at Wesleyville, Pa., in place of H. L. Chaffee, deceased.

TEXAS

Llanos M. Laird to be postmaster at Lorenzo, Tex., in place of M. W. Hoople. Incumbent's commission expired February 19, 1936.

UTAH

Hyrum A. White to be postmaster at Beaver, Utah, in place of W. S. Joseph. Incumbent's commission expired March 31, 1936.

VERMONT

Charles F. Mann to be postmaster at Brattlebore, Vt., in place of S. A. Daniels. Incumbent's commission expired March 22, 1936.

WISCONSIN

Henry John O'Brien to be postmaster at Montfort, Wis., in place of William Frankland. Incumbent's commission expired May 19, 1936.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 20 (legislative day of June 15), 1936

UNITED STATES DISTRICT JUDGES

John W. Clancy, to be United States district judge, southern district of New York.

Samuel Mandelbaum, to be United States district judge, southern district of New York.

Albert Branson Maris, to be United States district judge, eastern district of Pennsylvania.

BOARD OF TAX APPEALS

Richard L. Disney, to be a member of the Board of Tax Appeals.

Marian J. Harron, to be a member of the Board of Tax Appeals.

PROMOTIONS IN THE NAVY

Harry B. Hird, to be captain.
James H. McKay, to be lieutenant commander.
Alfred J. Benz, to be lieutenant.
Robert H. Solier, to be lieutenant (junior grade).
Paul L. Stahl, to be lieutenant (junior grade).
Ward F. Hardman, to be lieutenant (junior grade).
Norman W. Gambling, to be lieutenant (junior grade).
Willard R. Laughon, to be lieutenant (junior grade).
John A. Tyree, Jr., to be lieutenant (junior grade).
Roy M. Davenport, to be lieutenant (junior grade).
Martin A. Shellabarger, to be lieutenant (junior grade).
Thomas H. Ward, to be lieutenant (junior grade).
Merrill K. Clementson, to be lieutenant (junior grade).
Charles C. Morgan to be lieutenant (junior grade).
Richard G. Copeland to be lieutenant (junior grade).
Ralph E. Styles to be lieuenant (junior grade).
Everett E. Seagroves to be lieutenant (junior grade).
William V. Pratt, 2d, to be lieutenant (junior grade).

MARINE CORPS

David M. Randall to be colonel.
Graves B. Erskine to be lieutenant colonel.
Joseph H. Fellows to be major.
Louis G. DeHaven to be major.
Lester A. Dessez to be major.
Lionel C. Goudeau to be captain.
Alfred R. Pefley to be captain.
John H. Stillman to be captain.
Hawley C. Waterman to be captain.
James O. Brauer to be captain.
Thomas C. Green to be captain.
Andrew J. Mathiesen to be captain.
Joseph C. Burger to be captain.
Calvin R. Freeman to be captain.
Verne J. McCaul to be captain.
Leslie F. Narum to be captain.
Sidney S. Wade to be first lieutenant.
Guy M. Morrow to be first lieutenant.
Paul E. Wallace to be first lieutenant.
James F. Climie to be first lieutenant.
Edward E. Authier to be first lieutenant.
David S. McDougal to be first lieutenant.
Nixon L. Ballard to be first lieutenant.
Marshall A. Tyler to be first lieutenant.
Theodore C. Turnage, Jr., to be first lieutenant.
James M. Masters, Jr., to be first lieutenant.
William A. Kengla to be first lieutenant.
Wilbur J. McNenny to be first lieutenant.
Robert O. Bowen to be first lieutenant.
James L. Beam to be first lieutenant.
James Rockwell to be first lieutenant.
Joslyn R. Bailey to be first lieutenant.
Ethridge C. Best to be first lieutenant.

POSTMASTERS

ALABAMA

William H. Gandy, Fairfield.
James C. Jones, Sweet Water.
Gladys W. Deramus, Verbena.

ARIZONA

Minnie V. Van Deren, Tombstone.
Ruth L. Streett, Warren.

ARKANSAS

Lewis F. Strickland, Trumann.

CALIFORNIA

Louis H. Hoskins, Anaheim.
Walter I. Ricketts, Biggs.
Fred J. Darby, Lemoncove.

CONNECTICUT

George E. Barton, Salisbury.
Cornelius P. McGuinness, Stamford.
Wallace M. Hart, West Cornwall.

FLORIDA

Esther M. Stewart, Graceville.
Otis Padgett, Marianna.
William T. Murrell, Miami Springs.

IDAHO

Ralph Waldo Cope, Harrison.

ILLINOIS

Clinton S. Warrick, Donovan.
George N. Taylor, Evanston.

INDIANA

James L. Kennedy, Mishawaka.
Bernard J. McCaffery, South Bend.
Gordon N. Stockdale, Wingate.

IOWA

William A. Greenwood, Farley.
Henry Dahl, Hull.
Walter J. Leslie, Lakota.
Hazel F. Patterson, Minden.
Forest Davis, Moulton.
James P. Dorothy, Ute.

KANSAS

Edward Grauerholz, Esbon.
Jessie M. Grimes, Eudora.
George F. Colwell, Glasco.
Mary Marceline Gallagher, Jewell.
Loraine Champlin, Long Island.
Walter E. Moore, Manhattan.
Ernest F. Gerber, Meriden.

LOUISIANA

William L. Galloway, Arcadia.
Robert B. Matthews, Castor.
Henry E. Knight, Ferriday.

MAINE

Blanche W. Brown, Dover-Foxcroft.
Marguerite Cahill, Easton.
Oscar A. Kelley, Jonesport.
George L. Murray, Newport.

MARYLAND

Elizabeth Fyle Provost, Aberdeen Proving Ground.
Margaret R. Greene, Fort Hoyle.
Grace V. Thompson, Hurlock.
John T. Barrow, Perryville.

MASSACHUSETTS

John L. Markham, Ayer.
H. Francis Kiernan, Collinsville.
Arthur F. Cahoon, Harwich.
Clarkson P. Bearse, Harwich Port.
William P. O'Grady, Holliston.
John W. Lynch, Medfield.
John Woods Kelley, Newburyport.
William W. Dooling, North Adams.
Timothy J. Sullivan, Palmer.
Osgood L. Small, Sagamore.

MICHIGAN

Frank E. Browning, Battle Creek.
Livingstone Latham, Clinton.
Joseph W. Winkel, Lenox.
Henry Matthews, Lexington.
Norman C. Reindel, Roseville.
Charles S. Clark, Jr., St. Johns.
Georgia I. Holdship, Ubly.

MINNESOTA

Lloyd W. Ohman, Deer Creek.
Henry L. Peters, Glencoe.
Henry Hillesheim, Madelia.
Mary M. McGinty, Murdock.
Harry C. Mertz, Shakopee.
George W. Strand, Taylors Falls.

MISSOURI

Walter Bartlett, Bethany.
Watkin Jones, Bevier.
Frank F. Ross, Carthage.
Lettie H. Turner, Chilhowee.
William S. Miller, Drexel.
James T. Glass, Jr., Holden.
Zola B. Reynolds, Humansville.
John G. May, Jasper.
P. Gilbert Utley, Knobnoster.
Francese M. Lauer, Manchester.
Anna Watson, Marceline.
Price M. Christian, Monroe City.
Edward T. Rousselot, Noel.
Lawrence P. Brennan, Pacific.
Leo E. Ruscha, Pierce City.
Hugh I. Holmes, St. Charles.
Raymond Carrick, Seymour.
Shelby Feely, Shelbyville.
Jessie L. Gates, Urich.
Walter J. Paschal, Verona.

MONTANA

Richard B. Vickers, Virginia City.

NEBRASKA

Ralph A. Gillham, Blue Springs.
Emma G. Grabenstein, Eustis.

NEW JERSEY

William S. Nevins, Bergenfield.
John J. Sanders, Allentown.
Edwin N. Perkins, Beverly.
Christian J. Hansen, Bloomingdale.
Sarah E. Bellis, Bloomsbury.
James P. Carey, Boonton.
George S. McCandless, Cedarville.
Raymond P. Jones, Fair Haven.
Elizabeth B. Egan, Lyons.
Joseph Louis Kennedy, Montclair.
Walter McCracken, Newton.
Elah Collins, Pequannock.
Anna Willins, River Edge.
Eleanor Earling, Roebling.
Berkeley W. Moore, Somerville.
Libert A. Martinelli, Williamstown.

NEW MEXICO

Hazel F. Patton, Maxwell.

NEW YORK

Estell R. Harrington, Alexander.
Ward C. Wells, Barneveld.
Sidney A. Herzig, Beaver Falls.
Henry E. Benedict, Broadalbin.
Milton B. Empie, Brownville.
Ronald S. Kingston, Canaseraga.
Ray C. Kilmer, Castleton on Hudson.
Timothy B. Ryan, Chateaugay.
John K. Oakes, Cherry Valley.
Bertha Sagendorph, Claverack.
Purdy A. Kinkaid, Cohocton.
Melvin C. Bundy, Cooperstown.
Henry J. Rourke, Gansevoort.
Anna C. Allen, Groveland.
Ethel M. Martin, Hamlin.
John F. Richards, Hammondsport.

William H. Lozone, Helmuth.
George J. Petith, Hillsdale.
William H. Toohey, Hurleyville.
Earl A. Guertin, Lakewood.
James Case, Little Valley.
Michael E. Murphy, Livonia.
Robert McHale, Marcellus.
Edward D. Connelly, Maybrook.
Oliver L. Sause, Mineola.
Ralph S. Washington, Monticello.
William E. Mensing, Nassau.
Peter J. Blake, New Hartford.
Hannah Pearce, Ocean Beach.
Harriett H. Rundle, Odessa.
Bret T. Hammersmith, Orchard Park.
J. Frederick Collins, Oriskany Falls.
Anna W. Cohan, Palmer.
Katherine S. Wolosik, Peconic.
Eugene B. Gormley, Phoenicia.
James Earle Molyneux, Ransomville.
Maurice H. Fanning, Roxbury.
Timothy V. Sullivan, St. James.
Myra A. Barber, Sanborn.
Edward V. McGrath, Seaford.
Alice A. Sherman, Shelter Island.
Cecile G. Taylor, Sloatsburg.
Charles A. Gagen, Southold.
Milly L. Hendershot, Sparrow Bush.
Monte Yost, Springville.
Frederick N. Brown, Jr., Stephentown.
Edith C. Jones, Tappan.
Patrick H. McCarthy, Jr., Tupper Lake.
Francis J. McCarthy, Watertown.
Frances Pardy, Wawayanda.
James E. Murphy, Wyoming.

NORTH CAROLINA

Bethany Campen, Bayboro.
Grover C. Haynes, Clyde.
Thomas L. Rich, Garland.
Arthur G. Walton, Jacksonville.
James C. McPhail, Red Springs.
Grace S. Lambertson, Rich Square.
Murphy Lee Carr, Rosehill.
Janie C. Norfleet, Roxobel.
Harry E. Smith, Vanceboro.
Alexander Elmo Powell, Whiteville.

NORTH DAKOTA

Claude L. Arildson, Alexander.
Chris Bertsch, Bismarck.
Arthur C. Pagenkopf, Dickinson.
Arthur E. Bean, Donnybrook.
Joseph M. Moen, Galesburg.
Mary T. Ness, Grand Forks.
Ethel J. Hinschberger, Sanborn.
Alice Russell, Thompson.
Anna F. Jones, Verona.
Mae Scollard, Watford City.

OHIO

Ray A. Whipple, Ashley.
Leroy B. Griffith, Newton Falls.
George L. Gableman, Portsmouth.

OKLAHOMA

Marcus L. Jarvis, Arapaho.
Frank R. Hendrickson, Quinton.
Anna Wilcox, Seiling.

OREGON

Harold M. Byram, Canyon City.
Cecil G. Colby, Gervais.
Myrtle E. Jackson, Haines.
Rodrick A. Chisholm, Monroe.
Andrew L. Boe, Parkdale.
Frank O. Young, Sutherlin.
Joseph R. DeJardin, Taft.
Howard E. Barr, The Dalles.

PENNSYLVANIA

Mary K. Roach, Bala-Cynwyd.
Israel J. Rohrbaugh, Beech Creek.
John G. Lefever, Boyertown.
Herschel C. Cowen, California.
Frame Shontz, Conneaut Lake.
James A. Modey, Creighton.
Charles H. Schloss, Erie.
Cletus L. Goodling, Farm School.
Edwin N. Dickey, Fredericktown.
Harvey P. Hartman, Fullerton.
John J. Sheridan, Hawley.
Laura M. Peacock, Houston.
Ramsey P. Williamson, Liverpool.
J. Seibert Barclay, Loysville.
Daniel F. Guinan, Jr., Mahanoy City.
Ellis Walter, New Enterprise.
Henry Oscar Broadbelt, Newtown Square.
Layton A. Wallace, Nicholson.
Benjamin Shaute, Peckville.
Clinton H. Hoffman, Pennsburg.
Ralph E. Smith, Pittsburgh.
Maurice E. Sassaman, Sr., Pottstown.
Walter A. Ringler, Reading.
Paul W. Marshall, Rochester.
Alexander Alexander, Sellersville.
Marlin W. Workman, Six Mile Run.
Michael F. Doran, Spangler.
Mable L. Lake, Springville.
Emma S. Happel, Tatamy.
Guy L. Titman, Tunkhannock.
Charles F. Mowry, Ulster.
Florence J. McMahon, Wesleyville.
Claire C. Davis, West Alexander.

RHODE ISLAND

Peter L. Creighton, Harrisville.
Arthur E. Osborne, Saunderstown.
Charles E. Cornell, Shannock.
Samuel H. Pascoe. Wallum Lake.
George A. Dolan, Westerly.

SOUTH CAROLINA

David D. Eison, Chesnee.
Waddy J. Hill, Fountain Inn.
Inez S. Littlejohn, Jonesville.
James H. Fox, Lexington.
William E. Law, Moncks Corner.
John W. Wilbanks, Union.

SOUTH DAKOTA

Myron J. Cannon, Hermosa.
Mary E. Rounds, Interior.
Rose Cole Hoyer, Wagner.

TENNESSEE

Ruth G. McCollum, Greenback.
John W. Simpson, Loudon.

TEXAS

Walter E. McRee, Eagle Lake.
Llanos M. Laird, Lorenzo.
James M. Noble, Jr., O'Donnell.

UTAH

Hyrum A. White, Beaver.
James W. Nielsen, Castlegate.
Gilbert L. Janson, Cedar City.
William E. Woodbury, Hurricane.
Kenneth H. Sheffield, Kaysville.
Marvin P. Draper, Moroni.
Alice M. Todd, Myton.
Vernal Twede, Payson.
Frank D. Atwood, Pleasant Grove.
Fletcher R. Peterson, Salina.
John Emmett Bird, Springville.

VERMONT

Charles F. Mann, Brattleboro.
Maria B. Depatie, Enosburg Falls.

Charles J. Smith, Newbury.
Healey J. Bashaw, Stowe.

VIRGINIA

Mae R. Bostick, Burkeville.
Garland W. Spratley, Dendron.
Henry H. Elswick, Jewell Ridge.
Abbott D. Gerberich, Pearisburg.
Lillian C. Ruff, Vienna.

WASHINGTON

Elmer J. Braendlein, Bremerton.
Howard C. Roberts, Rosalia.
Alf Christian Willard, Stanwood.

WEST VIRGINIA

Cicero C. Hurley, Anawalt.
Nancy Bethel Martin, Belle.
Oscar R. Conaway, Barrackville.
Rupert B. Mapel, Farmington.
Carroll Miller, Gauley Bridge.
Ernest L. Head, Jenkinjones.
Asa T. Miller, Madison.
Lucien Edward Felty, Rowlesburg.
Fred F. Robey, Shinnston.
Delpha C. Stemple, Thomas.
Jock L. Henderson, Williamstown.

WISCONSIN

Harry L. Williams, Hazel Green.
John J. Hanley, Hudson.
Henry John O'Brien, Montfort.

WYOMING

Mark N. Hanna, Lingle.
Althea E. Rollins, Lyman.
Nellie P. Hopkins, Rawlins.

HOUSE OF REPRESENTATIVES

SATURDAY, JUNE 20, 1936

(Legislative day of Friday, June 19, 1936)

The recess having expired, the House was called to order by the Speaker at 10:30 a. m.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 3943. An act for the relief of D. E. Wooldridge;

H. R. 10504. An act for the relief of Booth & Co., Inc., a Delaware corporation;

H. R. 11331. An act to authorize the sale and conveyance by the Department of the Interior to the State of Minnesota of the SW¼NW¼ sec. 3, T. 159 N., R. 35 W., fifth principal meridian, in the State of Minnesota;

H. R. 12971. An act to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.;

H. J. Res. 388. Joint resolution to authorize the issuance of a reentry permit to Tomio Mori Moto and his readmission upon application while such permit remains valid;

H. J. Res. 608. Joint resolution extending for 2 years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1938, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter; and

H. J. Res. 641. Joint resolution making appropriations for the payment of expenses incurred in an election contest for a seat in the House of Representatives from the Twentieth Congressional District of the State of New York.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 81. An act to provide for the collection and publication of statistics of peanuts by the Department of Agriculture; and

S. 4020. An act to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3247) entitled "An act to waive any exclusive jurisdiction over premises of Public Works Administration slum-clearance and low-cost-housing projects, to authorize payments to State and political subdivisions in lieu of taxes on such premises, and for other purposes."

PORTRAIT OF THE LATE SPEAKER RAINEY

The SPEAKER. Under the special order the Chair recognizes the gentleman from Illinois [Mr. LUCAS] for 12 minutes.

Mr. LUCAS. Mr. Speaker and Members of the House, I rise in these closing moments of the Seventy-fourth Congress to bring to your attention a matter involving the selection of the portrait of the late Henry T. Rainey, who was my Representative in this historic Hall for a period of 30 years. It is with some reluctance that I am compelled to discuss the subject matter at hand because it involves my colleague from Illinois [Mr. KELLER]. However, I should be recreant to a sacred impulse if I did not at this particular time enter a protest to what I feel has been inexcusable and unexplainable delay in the selection of an appropriate portrait of the late Speaker Rainey.

On July 8, 1935, there was enacted into law under the item, "Contingent expenses of the House", an appropriation which reads as follows:

> For the purchase of a portrait of Hon. Henry T. Rainey, late Speaker of the House of Representatives, $2,500, to be immediately available and to be expended under the direction of the Committee on the Library.

The chairman of the Committee on the Library is the gentleman from Illinois [Mr. KELLER]. Obviously, the responsibility for making effective the spirit and letter of such a law rests upon his shoulders. No one should underestimate the importance of the duties succinctly set forth in the appropriation measure, and under no circumstances should they be considered lightly or frivolously by any member of the committee.

After the power was vested in this committee by law, artists were invited to paint the portrait of the late Speaker, and I am advised that nine portraits are hanging in the committee room today for examination and inspection. I am further informed that most of them have been there since January 1 of this year.

Mr. Speaker, I am in no way interested in the portrait to be selected. That is the function of the committee. However, I am interested, and have been for months, in stirring the committee to action in order that a portrait might hang in the Speaker's lobby before the adjournment of the Seventy-fourth Congress.

On April 28 I wrote a letter to the distinguished gentleman from Illinois in which I said, among other things, the following:

> The Honorable Henry T. Rainey departed this life in August 1934. When the Seventy-fourth Congress convened, a resolution was adopted charging your committee with the duty of selecting a proper painting of the late Speaker, the same to be hung in the Speaker's lobby, along with portraits of other former Speakers of the House.
>
> I am again calling your attention to the advisability of an early selection of one of the many paintings that you have of Mr. Rainey. I have discussed this matter with some members of the Library Committee, and they advise me that no meeting has ever been called by you for the purpose of determining this very important matter.
>
> The widow of the late Speaker and some of my other constituents are very much interested in having the selection made immediately. I join with them in that request. Certainly, the por-

trait of Henry T. Rainey should be selected and hung in the Speaker's lobby before the Seventy-fourth Congress adjourns. The Members of this Congress are entitled to view that portrait.

Unless a selection is made at once from the various paintings which are now in your office, I shall be compelled to call up this matter on the floor of the House.

On April 29 I received a reply to my letter of the previous day which is as follows:

I have your letter of yesterday. We expect to make the selection of the painting of the late Speaker before the close of this session. It is the plan to invite in three or four of the best art critics in the country to give their judgment to the committee and the selection will be made soon after their visit.

Certain members of the committee advise me that art critics mentioned in the letter have been discussed at various times by the chairman, but their identity and their activities remain unknown. The so-called artists have failed to give to certain members of the committee the benefit of their artistic judgment in passing upon the selection of a proper portrait. I am further advised by members that the question of calling the committee together for making a final decision has been discussed at various times, but today the RECORD discloses that the chairman remains adamant and refuses to do anything about it.

I ask, in all sincerity, why all the uncertainty, the vacillation, and the indecision? Will the gentleman from Illinois please explain such dilatory tactics and the mystery surrounding this selection? Why all of this supine indolence? Why has the chairman loitered upon this important matter as the precious days of the Seventy-fourth Congress passed by? Why should the chairman through such artistic quibbling cause the widow of the late Speaker to become, as she wrote me recently, "weary and heartsick over it"? Why has not the selection been made so that Members of the Seventy-fourth Congress might have had the privilege of viewing the portrait? Even the late Speaker Byrns expressed such a desire. The gentleman from Illinois has been notified by leaders and Members of this House that his duties in this regard should be performed; and yet, like the Rock of Ages, he moveth not. Can it be that the gentleman from Illinois dislikes to give up his private art gallery, or is there some other mysterious reason which only the gentleman can explain?

Ladies and gentlemen of the House, I absolve the remaining members of this committee for this delay. Various Members have advised me that they have been ready and willing for weeks to select one of the many portraits in the committee room, but for some unexplainable reason the chairman just cannot find time to do it. I can well appreciate from reading the press that he is an unusually busy man, but no duty during his entire service in Congress has carried with it such an exacting and sacred tie; and if the distinguished gentleman from Illinois wants to do the decent and honorable and proper thing he will call the committee together immediately and without equivocation make a selection. With the utmost sincerity and with some feeling, I say that the delay in hanging the portrait of Speaker Rainey, who in life was a great and good man, is a shame and a disgrace. Yes; it is an insult to his precious memory.

In conclusion, I express the hope that when the appropriation is made for the portrait of the late Speaker, the Honorable Joe Byrns, that we may profit by this dilatory experience by placing a limitation of time as to when the committee work may be finished, or that a special committee be appointed with a chairman who will have a sympathetic interest in the wishes and desires of those who are near and dear to the deceased. [Applause.]

EXTENSION OF REMARKS

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address made by Capt. E. H. Walter, assistant district engineer of the War Department, delivered before the Propeller Club of Buffalo on June 3.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RICH. Mr. Speaker, I object.

THE SUPPRESSION OF MOB VIOLENCE

Mr. MITCHELL of Illinois. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a telegram which I sent to the Governor of Texas and his reply thereto.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MITCHELL of Illinois. Mr. Speaker, this administration has accomplished wonders for the advancement of the people along many lines. As important and far reaching as has been its work in saving millions of good citizens from starvation and providing employment for the unemployed, it is my opinion that the work of the Department of Justice in stamping out crime, and especially organized gangs of criminals, takes first rank among the outstanding achievements.

While lawless gangs of robbers and murderers have been chased down, brought into court, and convicted, or driven into inactivity, there still remain the Black Legion and mobs of lynchers who commit murder and destroy the peace of our country.

It is my fondest hope and expectation that the horrible crime of lynching will receive the attention of our highest lawmaking body and that this crime, like that of kidnaping, will soon disappear from the records of our country. I am especially interested in the passage and enforcement of a law that will punish the perpetrators of this crime, because the Negro citizens of this country are the victims who suffer most and are largely helpless in our State courts.

However, I am conscious of the fact that there is an awakening in this country against this crime, which is expressing itself more and more. Some time ago President Roosevelt spoke of lynching as being collective murder. Since I have been in Congress I have had occasion to communicate with various Governors when mob violence was threatened or after mobs had done their bloody and shameful work. Some of these officials have been outspoken in favor of law and order. Only yesterday, when it was reported through the Associated Press of the country that 10 colored men in the State of Texas were in danger of being lynched, I sent the following telegram to Governor Allred of Texas and received a most encouraging reply from him:

JUNE 18, 1936.

GOV. JAMES ALLRED,
Executive Mansion, Austin, Tex.:

From press reports we learn that the lives of 10 colored citizens of your State are in grave danger of being snuffed out by a mob. In conversation on the floor of the House a few moments ago with a colleague from Texas, I learn that the temper and passion of the mob is such that the only possible manner in which the lives of these men can be saved is through immediate action of the Governor. Will you not please act at once to give these prisoners such protection as will safeguard their lives against a mob and insure a fair trial in the courts to which all citizens are entitled?

ARTHUR W. MITCHELL,
Member of Congress, First Illinois District.

AUSTIN, TEX., *June 19, 1936.*

HON. ARTHUR W. MITCHELL,
Member of Congress:

Answering your wire statement that the only possible manner in which the lives of Negro citizens of this State charged with crime could be saved was through immediate action on my part was incorrect. Am happy to report to you that Sheriff Koehl and other local officers of Wharton County had already acted in very timely fashion and none of these men were in danger. Two State Rangers have been assigned the sheriff. The sheriff advises me there has been no real danger at any time, since there was only natural resentment on part of some of our citizens at brutal murder of one of our officers. You may be assured these men will be given every protection, and if any of them are charged with crime of murder they will certainly be given a fair trial under the constitution and laws of this State.

JAMES V. ALLRED,
Governor of Texas.

I wish to take this occasion, first, of commending Sheriff Koehl, of Wharton County, and his deputies for the exercise of judgment and courage in safeguarding the lives of these prisoners; second, I want to commend Governor Allred

for not only doing his duty by informing himself of the serious situation and keeping in touch with the law-enforcement officers of Wharton County, but for the assurance he gives the public that these prisoners, if charged with crime, will be given a fair trial under the laws of the State. It is my opinion that if this example was followed in all our States lynching, which is the blackest crime on our record today, would cease at once.

JOSEPH W. BYRNS

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include therein a resolution passed by the Young Democratic Club of Alexandria, Va., on the death of the late Speaker Byrns.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, under leave to extend my remarks, I desire to read the following resolution adopted by the Young Democratic Club of Alexandria, Va.:

Be it resolved, That the Young Democratic Club of Alexandria wishes to express its sorrow upon learning of the death of the beloved Speaker of the House of Representatives, Hon. JOSEPH BYRNS, and the club desires to extend to Mrs. Joseph Byrns and the colleagues of Speaker BYRNS its sincere sympathy in their great loss.

BRIDGEPORT IRRIGATION DISTRICT

Mr. COFFEE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4719) for the relief of the Bridgeport irrigation district.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the immediate consideration of the bill?

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman tell us what this bill covers? As I understand, it adds no expense to the Government.

Mr. COFFEE. It adds no expense to the Government and no appropriation is authorized. It is purely a local matter and provides a means of compromising a situation that exists as between the Bureau of Reclamation and the Bridgeport irrigation district. The Secretary of the Interior recommends the bill, as well as the Bureau of Reclamation.

The SPEAKER. Is there objection to the immediate consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to enter into a contract with the Bridgeport Irrigation District, North Platte reclamation project, by which (a) the United States, in consideration of $23,286 heretofore paid under the contract of June 14, 1915, between the United States and the district, shall grant to the district a permanent right to the use of water from the North Platte Federal reclamation project under the act of June 17, 1902 (32 Stat. 388), as amended and supplemented, which permanent water right shall entitle the district to divert from the North Platte River a quantity of water equal to three-tenths part of the quantity of water for which provision is made in article 1 of said contract of June 14, 1915, such total quantity of water for diversion by the district to be delivered by the United States under a schedule of delivery reduced in accordance with the provisions of this act; (b) the district shall agree to pay the United States the amount of $5,628.55; the operation and maintenance charges delinquent under said contract of June 14, 1915, for the years 1926 to 1935, both inclusive, upon the execution of said contract herein authorized; (c) the Secretary shall agree, upon the execution of said contract and its confirmation by the State courts, to cancel the judgment entered on July 30, 1929, against the district and in favor of the United States; (d) the district shall agree to pay to the United States in advance of the delivery of water under said contract one one-hundredth part of such amounts as shall be fixed by the Secretary as operation and maintenance charges in connection with the irrigation works from which said water supply is made available by the United States, such charges to be payable for the year 1936 and thereafter with interest from the due date at the rate of 6 percent per annum if not paid when due; (e) the Secretary shall be authorized to refuse the delivery of water under said contract to the district at any time when any installment in whole or in part (including any interest due thereon) of operation and maintenance charges shall not have been paid at the date provided in subdivision (d) hereof and shall remain unpaid at the date delivery of water is requested under said contract; and (f) the contract of June 14, 1915, shall otherwise remain in full force and effect.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

Mr. McCORMACK. Mr. Speaker, I have a Senate joint resolution on the Speaker's table. May I inquire whether the Speaker is recognizing unanimous-consent requests to take such matters from the Speaker's desk.

The SPEAKER. Not at the present time.

AMENDMENT OF SECTION 76 OF THE JUDICIAL CODE WITH RESPECT TO TERMS OF FEDERAL DISTRICT COURT AT TALLAHASSEE, FLA.

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 11217), to amend section 76 of the Judicial Code, as amended, with respect to the terms of the Federal district court held at Tallahassee, Fla.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. SNELL. Mr. Speaker, reserving the right to object, as I understand the situation, this is purely a local matter with reference to the term of court in this one district?

Mr. WALTER. This permits the holding of court for 2 weeks during the year instead of 1 week as is provided under the present law.

Mr. RICH. The Judiciary Committee has approved this bill?

Mr. WALTER. It has been unanimously reported by that committee.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That section 76 of the Judicial Code, as amended, is amended by striking out, after the word "Tallahassee", the words "on the second Monday in January" and inserting in lieu thereof the words "on the second Monday in February and on the first Monday in September.

With the following committee amendment:

Strike out all of lines 3 to 7, page 1, and insert the following:

"That section 76 of the Judicial Code, as amended, is amended to read as follows:

" 'The State of Florida is divided into two districts, to be known as the northern and southern districts of Florida. The southern district shall include the territory embraced on the 1st day of July 1910 in the counties of Baker, Bradford, Brevard, Citrus, Clay, Columbia, Dade, De Soto, Duval, Hamilton, Hernando, Hillsboro, Lake, Lee, Madison, Manatee, Marion, Monroe, Nassau, Orange, Osceola, Palm Beach, Pasco, Polk, Putnam, St. John, Sumter, Suwanee, St. Lucie, and Volusia. Terms of the district court for the southern district shall be held at Ocala on the third Monday in January; at Tampa on the second Monday in February; at Key West on the first Mondays in May and November; at Jacksonville on the first Monday in December; at Fernandina on the first Monday in April; at Miami on the fourth Monday in April; and a term shall be held annually at Orlando, Fla., on the first Monday in October: *Provided*, That suitable rooms and accommodations for holding court at Orlando are furnished without expense to the United States. The district court for the southern district shall be open at all times for the purpose of hearing and deciding causes of admiralty and maritime jurisdiction. The northern district shall include the territory embraced on the 1st day of July 1910 in the counties of Alachua, Calhoun, Escambia, Franklin, Gadsden, Holmes, Jackson, Jefferson, Lafayette, Leon, Levy, Liberty, Santa Rosa, Taylor, Wakulla, Walton, and Washington. Terms of the district court for the northern district shall be held at Tallahassee on the second Monday in February and on the first Monday in September; at Pensacola on the first Mondays in May and November; at Marianna on the first Monday in April; and at Gainesville on the second Mondays in June and December.' "

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MERCHANT MARINE BILL

Mr. O'CONNOR, from the Committee on Rules, submitted the following privileged resolution, which was referred to the House Calendar and ordered printed:

House Resolution 557

Resolved, That immediately upon the adoption of this resolution the bill H. R. 8555, with the Senate amendments thereto, be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendment to the title of the bill be, and the

same is hereby, agreed to; and Senate amendment no. 1 be, and the same is hereby, agreed to with the following amendment: Strike out section 303 of title III of the said Senate amendment.

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 557 and ask for its immediate consideration.

Mr. RANSLEY. Mr. Speaker, I rise to call attention to the fact that a quorum is not present, and I make the point of order there is not a quorum present.

The SPEAKER. Evidently there is not a quorum present.

Mr. O'CONNOR. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 129]

Amlie	Doutrich	Kennedy, Md.	Reed, N. Y.
Andrews	Drewry	Kleberg	Richardson
Ayers	Duffey, Ohio	Kloeb	Robsion, Ky.
Bacharach	Duffy, N. Y.	Kniffin	Sadowski
Bacon	Dunn, Miss.	Kocialkowski	Sanders, La.
Barden	Eagle	Lanham	Sandlin
Berlin	Eaton	Larrabee	Sauthoff
Binderup	Englebright	Lee, Okla.	Schneider, Wis.
Bolton	Ferguson	Lemke	Schuetz
Brennan	Fernandez	Lesinski	Srugham
Brewster	Fiesinger	McClellan	Sears
Brown, Mich.	Fitzpatrick	McFarlane	Secrest
Buckley, N. Y.	Gasque	McGroarty	Sumners, Tex.
Bulwinkle	Gassaway	McLeod	Sweeney
Cannon, Wis.	Gifford	Mahon	Taylor, Colo.
Cary	Green	Maloney	Taylor, S. C.
Claiborne	Greenway	Martin, Mass.	Tobey
Clark, N. C.	Greenwood	Maverick	Tolan
Collins	Hamlin	Meeks	Turpin
Cooley	Hancock, N. Y.	Monaghan	Wearin
Cox	Hess	Montague	Weaver
Creal	Higgins, Mass.	Montet	Withrow
Crowther	Hill, Knute	Nelson	Wolfenden
Dear	Hobbs	Nichols	Wood
Deen	Hoeppel	Norton	Zioncheck
Dies	Hollister	O'Connell	
Dirksen	Imhoff	Parks	
Ditter	Kee	Pierce	

The SPEAKER. Three hundred and thirteen Members have answered to their names. A quorum is present.

On motion of Mr. O'CONNOR, further proceedings under the call were dispensed with.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. Speaker, this is a rule covering consideration of the bill H. R. 8555, the ship subsidy bill. The Rules Committee felt it was necessary to bring it in and have the matter considered in this way in order to expedite adjournment.

Mr. Speaker, I now yield 5 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Speaker, it is said that this is a ship-subsidy bill. It is not. It is a bill to provide employment for American people and American seamen.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. BLAND. Yes.

Mr. BIERMANN. Will the gentleman explain to us the difference between this bill and the ship-subsidy bill?

Mr. BLAND. Neither bill was strictly a ship-subsidy bill.

Mr. BIERMANN. If the gentleman will permit——

Mr. BLAND. I hope the gentleman will pardon me, as I have only 5 minutes.

A subsidy might be termed a gift. In every provision in the House bill and in every provision in the Senate bill there is only provision to take care of a differential between foreign construction and American construction and American cost of operation and foreign cost of operation. It is necessary to do this to have an American merchant marine for national defense and for the protection of commerce.

This is the greatest problem before the President of the United States today, and I am authorized by the Secretary of Commerce to say that he wants this bill. He wants the bill that has passed the Senate, with the resolution that we are presenting today, in order that we may get away from the ocean-mail contracts and bring the situation down strictly to the differential which carries employment to every State in the American Union.

The essential differences between the House bill and the Senate bill may be briefly analyzed as follows: We cannot go into a detailed analysis, but in the House bill the shipowner was required to make an initial payment of 25 percent of the foreign construction cost in building a new ship. The amended bill requires 25 percent initial payment based on the American construction cost.

The determination of the construction differential in the House bill was left to the discretion of the authority, while in the amended bill the amount of the construction differential is fixed at 33⅓ percent of the American cost, with the possibility of increasing it to 50 percent, if necessary, to take care of the differential between American and foreign construction.

In the House bill there were no limitations on profits placed upon the shipbuilder or shipowner and operator. In the amended bill there are provisions for the recapture of the shipbuilders' profits in excess of 10 percent net. Also in the case of the shipowner and operator profits may be recaptured in the operating subsidy.

The House bill did not provide for the Government building ships for its own account, while in the amended bill, if the plan and program that is determined upon by the maritime commission cannot be otherwise carried out, the Government may build such ships and operate them or offer them for sale or charter to private industry.

You complain of the ocean-mail contracts; I offer the only solution that will be presented for the preservation of an American merchant marine and will take it away from the evils and abuses that have been complained of in connection with ocean-mail contracts. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. BOYLAN. Mr. Speaker, will the gentleman yield for a question?

Mr. BLAND. Yes.

Mr. BOYLAN. Has the gentleman a copy of this bill?

Mr. BLAND. I have one copy here that was given me yesterday. I do not know whether there are copies available in the document room or not.

Mr. BOYLAN. I may inform the gentleman that they are not now available. I have sent for a copy of the bill, but could not obtain it.

Mr. BLAND. I wish I could give one to the gentleman. There is a gentleman present over there who has one and states he will lend it to the gentleman from New York.

All I can say is that the people charged with the responsibility, the people in authority, the Secretary of Commerce and the President, need this measure in order to work out the problems that are confronting the American merchant marine.

Mr. BOYLAN. Mr. Speaker, will the gentleman yield further?

Mr. BLAND. I yield.

Mr. BOYLAN. I supported the gentleman in keeping in the Post Office and Treasury Department bill the provision to pay the subsidy for these shipowners. I am in favor of a subsidy and I have not the least doubt that many Members in this House are also in favor of that, but here we are asked this morning, under a rule, to vote for a bill when we do not know what the provisions of the bill are. I have just received a copy now.

Mr. JOHNSON of Texas. The bill is available.

Mr. BLAND. I am advised that copies of the bill are now available.

Mr. BOYLAN. How can we intelligently vote on a matter of this kind when we have not even read the bill?

Mr. CUMMINGS. Here is a copy of the bill.

Mr. BLAND. The only answer is that the provisions and the general principles for the preservation and continuance of the American merchant marine are continued in this bill. A merchant marine commission is to be appointed.

Mr. LUDLOW. Mr. Speaker, will the gentleman yield?

Mr. BLAND. Yes.

Mr. LUDLOW. Will the gentleman give us some idea of how much this bill will cost the taxpayers of the country? What sort of a charge does it place on the taxpayers and

what demands are to be made? Give us some detailed information.

Mr. BLAND. The detailed information as to that will depend on the construction plan worked out by the commission, which will be submitted and considered; but let me say that the $22,000,000 that we are now paying for subsidies could be reduced $5,000,000 if we had modern ships upon the seas carrying our goods, because that excess $5,000,000 is every day going up through the smokestack because our ships are obsolete.

Mr. LUDLOW. Does not the gentleman think the House ought to have some information about how much this bill carries? The gentleman does not know. It might carry $100,000,000 per annum.

Mr. BLAND. It could not possibly carry that. It is only that which is necessary for the construction and operation of the ships.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. BLAND. Yes.

Mr. CONNERY. We must have a merchant marine for our national defense for a starter.

Mr. BLAND. Yes.

Mr. CONNERY. There is only one thing I want to make sure of, because I am in favor of this legislation. This takes care of these fraudulent mail contracts, where, for instance, 1 pound of mail costs $110,000 to carry, in that young Roosevelt proposition—a son of former President Theodore Roosevelt. We have not anything like that in this bill, have we?

Mr. BLAND. All of these plans are to be considered by the maritime commission and worked out. A new provision will be worked out based entirely upon the foreign differential and the American differential. American seamen today are walking the streets, and those that are now employed will be added to those that are walking the streets if we defeat this measure.

Mr. CONNERY. And the gentleman from Virginia has been a good friend of the American seamen, I will testify.

Mr. BLAND. I have tried to be.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. LEHLBACH. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Speaker, I do not live on the seaboard, but I am vigorously for an adequate merchant marine. In passing, may I state that I have been much impressed by the patriotic attitude of the gentleman from Maine [Mr. MORAN] and the gentleman from Iowa [Mr. WEARIN], who, in the first instance, seemed to be hostile to a proper subsidy bill. In the first session of this Congress this House passed a subsidy bill, for which I voted. A merchant marine is just as essential to the future of America and to its permanence as is agriculture and the continued existence of industry. That fact cannot be stressed too strongly, and, of course, I am unable to dilate on that at this time. The bill that originally passed the House was an unsatisfactory bill in one respect, as I stated at the time. It did not make adequate provision for the protection and development of personnel. Trained men are just as necessary as ships. This bill, which represents the best thought on this question, the most patriotic thought on the question, makes ample provision for the development and protection of an American personnel.

Mr. LEHLBACH. Mr. Speaker, will the gentleman yield?

Mr. CULKIN. In just a moment. This bill which is proposed here came over my desk about May 14, and on it came the imprimatur and approval of Senator COPELAND, a true friend of the merchant marine; also Senator GUFFEY, who, although inland, has shown an interest in the proposition, and Senator GIBSON, of Vermont. Senator GIBSON, of Vermont, always stressed the issue of personnel. This bill, I repeat, provides for personnel, and thus far under the existing auspices we have had nothing but confusion and confusion worse confounded, not only in the upbuilding of our merchant marine but in the upbuilding of a personnel. The creation of a maritime authority gets the whole matter out of the ruck in which it has been thus far in this administration as well as former administrations. We have spent several billions, and they have been wasted.

Mr. LEHLBACH. Mr. Speaker, will the gentleman yield?

Mr. CULKIN. In just a moment. There must be a subsidy if we are to have ships. Japan gives a liberal subsidy, England gives a liberal subsidy, more than is provided in this bill, as is instanced in the case of the *Queen Mary;* Italy gives a liberal subsidy. In fact, under stress of modern conditions, no nation can have a merchant marine on the seas without adequate government contribution. I yield to the gentleman from New Jersey.

Mr. LEHLBACH. Has the gentleman read the resolution that he is discussing? Because, if he has he will know——

Mr. CULKIN. I do not yield for an insult. I ask the gentleman to be mannerly, if he can be.

Mr. LEHLBACH. I call the gentleman's attention to the fact that the resolution provides that title III be stricken from the bill, and title III is the only thing that deals with personnel. It is obvious that the gentleman does not know what is in the bill.

Mr. CULKIN. The gentleman has made many flagrant misstatements with reference to this legislation, and his statement just now is the most flagrant misstatement of all. Section 3 of the bill is now law, and is stricken out for that reason. Is not that true, I ask the chairman of my committee, the gentleman from Virginia [Mr. BLAND]?

Mr. BLAND. That is correct.

Mr. CULKIN. Page after page of this bill—and I do not have time to discuss them now—makes provision for personnel and for the protection and development of a merchant marine.

Mr. BLAND. And it has minimum man and wage scales.

Mr. CULKIN. Every statutory protection, every protection for the advancement of the personnel both before the mast and on the quarter-deck is provided for in this bill, and that is why we find opposition to the bill from certain quarters. I have no quarrel with anyone who honestly favors a merchant marine by a different procedure, but I say to you that if America is to keep its place among the nations of the earth, if she is to provide adequate transportation for agricultural exports when the tide turns, as it is bound to turn, then we must have American bottoms, and this is the procedure which does it. It gets us out of the rut of officialdom, out of the incompetency and greed of certain groups who have not been patriotic, but who have gained great benefits from the Federal Treasury. These groups who have become accustomed to writing their own ticket are opposing this bill because it speaks emphatically in terms of America and calls the turn on disloyalty and privilege. It puts the whole situation in the hands of a maritime authority who, if they are selected with a view to their experience and background, augurs well and happily for the future of America's merchant marine. I wish I had time to discuss this bill in detail. I say that this bill is the best thought in America of men who believe in a merchant marine—not a merchant marine for the benefit of the operators, but a merchant marine for the benefit of America, for the development of personnel and for the purpose of restoring the American flag to the seas.

Today Japan is outstripping us. England is outstripping us. We have spent hundreds of millions of dollars and all we have now is obsolescence in ships and incompetency in personnel. This bill, if enacted into law, in my judgment, will call a halt upon that type of procedure. This bill, if enacted into law, will be a start to place the American merchant marine on the seas, highly developed as to personnel and highly developed as to ships.

Mr. MORAN. Mr. Speaker, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. MORAN. Will the gentleman point out that if the bill were passed we would have a 100-percent American merchant marine?

Mr. CULKIN. That is true. Of course, that fact has been overlooked. America has spent these hundreds of millions and our ships are in part manned by Chinamen in the

steward division, foreigners in other divisions. This Senate bill, administered by proper maritime authority, insures an American merchant marine, which will be available in times of stress or in the hour of national defense.

Mr. WEARIN. Mr. Speaker, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. WEARIN. It is also true, is it not, that a vote against this particular bill would not be a vote against subsidies which already exist, but the defeat of this measure would simply insure a continuation of what has been proved to be a worse system by far than that proposed here, which is an improvement and which we hope will get the results desired in building up a merchant marine.

Mr. CULKIN. I will say to the gentleman that under present auspices the result has been most unhappy. It is one of the blackest chapters in American history. I cannot discuss that in detail, but under this legislation a real American merchant marine will come into being and American personnel will have its place in the sun, respected and upstanding. [Applause.]

The SPEAKER pro tempore (Mr. PARSONS). The time of the gentleman from New York his expired.

Mr. O'CONNOR. Mr. Speaker, I yield 3 minutes to the gentleman from Maine [Mr. MORAN].

Mr. MORAN. Mr. Speaker, I am sure the Members of the House recall the controversy last year in regard to this type of legislation. My position is exactly the same as it has been ever since I have been interested in this legislation. I believe first in the absolute necessity of an adequate merchant marine. I think it is absolutely essential to handle our export business. I think it is absolutely essential in time of war. Without going into details at all, let me start with that fundamental basis, the necessity of an American merchant marine. I want to see the American flag all over the world carrying our exports. I want to see these American ships with American sailors, American seamen, and American officers. I want those seamen and officers to have decent working conditions. Those things are provided for in the unusual labor provisions in this particular bill.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. MORAN. I yield.

Mr. CONNERY. We had to pay Great Britain a pretty good sum of money for every American soldier that was transported to France during the war.

Mr. MORAN. I am sure the Members will remember that is entirely accurate, and in addition to that millions of dollars' worth of our goods were piled up at the docks on the seaboard and could not be transported overseas during the World War, except at a tremendous overcharge in their cost.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. MORAN. I yield.

Mr. SCOTT. Would not even those who are opposed to any subsidy do better to vote for this bill than to vote against it and maintain the present condition?

Mr. MORAN. Yes. I am opposed to the present situation. I voted against it, and I would vote against it today. I advocated certain amendments last year. Those amendments which I asked for are in this bill. Every important amendment which I fought for last year is in this bill now before the House. I do not mean for a moment that this bill is 100-percent satisfactory to everybody. It is not 100-percent satisfactory to me. I should like to make a few changes in it, but compromise in legislation is what we face at all times. I believe it is the best merchant-marine bill that has been presented to either House of Congress.

Mr. DUNN of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. MORAN. I yield.

Mr. DUNN of Pennsylvania. Will the sailors and other working people be benefited by this bill?

Mr. MORAN. Yes; they will. This bill provides an amendment which I presented on the floor of the House which provides for minimum wages and manning scales. No more will we have ships going out with about two able-bodied seamen, the rest to be picked up around the waterfront at starvation wages, who have no conception of the important work they are to perform.

The gentleman from New Jersey [Mr. LEHLBACH] criticizes this bill because, as he says, no one knows what is in it. He does himself an injustice, as I am sure he is fully acquainted with all the features of this bill and knows full well its many safeguarding features. Of course, I understand fully that certain shipping interests oppose this bill; I have seen their lobbyists running around here. I have so much confidence in the ability of the gentleman from New Jersey [Mr. LEHLBACH] that I am convinced that his real trouble is not that he does not know what is in the bill; instead, his trouble is that he does know.

We who are advocating this bill on the floor today have studied this proposition most carefully and are fully informed as to its provisions. Chairman BLAND is certainly as well informed on this subject as any man in either branch of Congress. The gentleman from Georgia [Mr. RAMSPECK], the gentleman from New York [Mr. SIROVICH], and the gentleman from New York [Mr. CULKIN] are all members of the House Committee on Merchant Marine and Fisheries; all three of these men are numbered among the ablest Members of the House. Certainly, I do not need to call attention to the marked ability of the gentleman from Iowa [Mr. WEARIN], another member of the Committee on Merchant Marine and Fisheries, who is not only an extremely able member but one who has always devoted his talents to fight for the public interest. Men like OTHA WEARIN renew our confidence in our system of government: Iowa will not only serve itself best but perform a signal service to the country by returning OTHA WEARIN to the next Congress.

In view of the fact that I am retiring from Congress, this is the last opportunity I will have to address my colleagues. I leave Congress with two thoughts uppermost. First, I will always remember the friendships I have made here; they are my priceless possession. There are no finer men and women on earth than there are in the Congress of the United States. I appreciate, far beyond my ability to express, the many kindnesses, the consideration, and the wise counsel I have received from such men as the late Speaker Byrns and Speaker BANKHEAD. Second, this merchant marine legislation has been my greater interest; as I see this bill passing today and realize that it contains every single principle for which I have fought for over 2 years, I feel that I have performed some slight service to my country and to the good people of Maine.

I also take this opportunity to thank the good people whom I have the honor to represent—the citizens of the Second Congressional District of Maine. I am proud of my native State and of its people. I am thinking today of the many Democrats in our party organization in Maine who have worked so generously and so unselfishly for my elections; to them I owe a great debt of gratitude. I am thinking, too, of the many Republicans and independents who placed their confidence in me and aided materially in my election campaigns; my appreciation is immeasurable. In return I have tried to merit that confidence; I have given my best in serving them. While my activity in Congress ends, my interest in public service continues. As I survey the many problems facing our people today, it is my hope that the vast majority of the people of Maine realize the need of honest, able, and patriotic men in the public service, and that Maine will elect to high public office only men who measure up to those standards, men who will look upon public office as a trust and as an opportunity to serve.

[Here the gavel fell.]

Mr. LEHLBACH. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, I understand that the personnel feature of this bill will be stricken out in that it is contained in another bill which was passed last August, the conference report on which was adopted the night before last.

I simply want to take this time to point out that in the personnel feature, now no longer in this bill but in other

legislation, there is contained a provision for continuous discharge books. In other words, every seaman who is to be employed in the American merchant marine must carry a continuous discharge book, which will contain a record of the manner in which he has conducted himself in the past. So that if a seaman goes out on strike——

Mr. BEITER. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore (Mr. PARSONS). The Chair will count. (After counting.) Two hundred and twenty Members are present, a quorum.

Mr. MARCANTONIO. Mr. Speaker, the real purpose behind these continuous discharge books is to establish an effective system of blacklisting of seamen who have exercised their rights as Americans by having gone out on strike for decent living conditions.

Mr. BLAND. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. BLAND. The discharge-book feature is not in this bill.

Mr. MARCANTONIO. That is exactly what I have said. However, it is contained in other legislation, and my only regret is that the parliamentary situation was such the other night that I could not oppose this antilabor feature.

Mr. BLAND. The manning and wage scales are in here, but the discharge legislation that we set up provides only for nationality, age, and record, but without a record as to character.

Mr. MARCANTONIO. It also provides for a record of his employment.

Mr. BLAND. His ships.

Mr. MARCANTONIO. Exactly.

Mr. BLAND. But his rating is able seamen, seamen, cook, steward, or in some other capacity.

Mr. MARCANTONIO. But under that rating and by a record of his ships you have made a striking seaman a marked man. On the basis of that, if a seaman has been out on strike he will be carrying with him a notice to every shipping company to the effect that he has been out on strike and the result is going to be that that seaman is going to be discriminated against when he applies for a job. I regret exceedingly that we cannot take up this issue at this time because this feature is eliminated from this bill.

However, the legislation passed last August and accepted the other night, contains this vicious feature. I have only this opportunity to voice my protest. Not only do I protest, but I warn my colleagues that the American seamen are not going to take this legalized blacklisting lying down. They are going to fight, and I pledge myself to help them in that fight.

As to the bill itself, I am going to vote for it. While it is not a perfect bill, while it is not a Government-owned and operated American merchant marine, it is better than the present condition which permits shipowners to receive the benefit of Government money and do with it as they please without any control or regulation and without regard to the passenger or worker. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, I have followed the development of this legislation with a great deal of interest since the first of the year. I favor many provisions in the bill. I think we have paid for enough merchant marines without having one. This bill charts a new course. I hope the bill will pass. I regret we have not more time in which to discuss it. However, this is probably the closing day of the Seventy-fourth Congress. Under such circumstances it is not the custom of this House to allow time of great length for the consideration of any bill, irrespective of its importance. For approximately 18 months the House and Senate have had time in which to consider a proper merchant marine bill. We know our Navy is virtually helpless if we must depend upon other countries for the auxiliary ships required to support a navy. We know that if our goods moving out and coming in must be carried in foreign bottoms that the interests of the American people must suffer in many ways. We know that our export plans cannot succeed without an adequate merchant marine. We know that too many of our ships flying our flag are now too nearly manned by foreign subjects not citizens of the United States and that just as soon as trouble develops between our country and other countries those very employees leave our ships like rats and go to the support of their own country's flag, leaving us helpless and without an adequate force to man such ships as we may have. We also know that under present laws it has been the custom and privilege for ship operators to exploit the funds of the United States Treasury, to launch ships unsafe for "safe travel", to sail ships with insufficient crews and untrained employees, to be unfair to their crews in the way of safety and pay. This bill moves in a direction to correct many of these evils. In the coming Congress the bill can be further perfected in the interest of the American people. I hope the bill will pass.

Mr. O'CONNOR. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Speaker, my sentiments in regard to this bill are identical with the sentiments so well expressed by my friend and colleague the gentleman from New York [Mr. BOYLAN]. As associates on the subcommittee which had charge of the Post Office and Treasury Department appropriation bill, we fought with all our vigor, energy, and resourcefulness to secure payment under the ocean-mail contracts, not that we believed in that law which hung a subsidy on the fiction of ocean mail but because we did have a high and ethical regard for the sanctity and the obligation of contracts, and we believed that the United States Government ought to be honorable enough to live up to its obligations. Having said this, I agree with my friend and colleague that this is a different proposition. I do not believe in buying a pig in a poke, and that is what we shall be doing if we pass this bill. No one in this House has a higher regard than I have for the able gentleman from Virginia [Mr. BLAND]. He certainly looks after his constituents with great fidelity and success; but even that gentleman, familiar as he is with the merchant marine, was utterly unable when I questioned him to give any details of this bill or to tell me even in the roughest terms as to the obligations it will impose on the Treasury. I do not think we should buy a pig in a poke. I think we ought to vote this bill down.

Mr. Speaker, I wish to call attention to the fact that if by our action here today we commit the Democratic Party to the principle of direct subsidy we will reverse all of the precedents of history.

Our Democratic policy on this subject was fixed when Thomas Jefferson, the founder of our party, wrote into the great Declaration the precious doctrine that "all men are created equal", and later when he enunciated the immortal principle of "equal rights to all, special privileges to none."

Others may answer to their own judgments and consciences, but I stand today where I always have stood, and that is on the Jefferson platform. I do not believe, and I never will believe, that it is just or right or in harmony with the philosophy on which the great Democratic Party was founded that we should pass laws imposing taxes on all of the people of the country to insure profits to a favored few, whether those favored few be shipowners or anybody else. Such a doctrine is utterly repugnant to my sense of justice.

The platforms of the Democratic Party for more than a hundred years—National, State, and local—have committed the Democratic Party in the most positive and emphatic way against subsidies of all kinds. Quadrennium after quadrennium our national conventions invoked all of the vigor of the English language in inveighing against subsidies. A Democratic platform without some sort of an antisubsidy declaration was considered unthinkable. Even our last national platform—the platform of 1932—wound up with a splendid finish by reiterating the Democratic philosophy as follows:

> In conclusion, to accomplish these purposes and to recover economic liberty we pledge the nominees of this convention the best efforts of a great party whose founder announced the doctrine which guides us now in the hour of our country's need—equal rights to all, special privileges to none.

When this subsidy bill is passed today it will be a historic event. The Democratic Party will junk one of its favorite tenets which has been a cardinal policy of the party for more than a hundred years and that is the policy that has heretofore kept it squarely on record in opposition to subsidies as being un-American and undemocratic. This will be the first time in all of its history, from Thomas Jefferson down to the present, that the party has been committed by legislative action to direct subsidies. It distresses me, and makes me feel very sad, indeed, to see the popular branch of Congress, to which I belong, abandon this just and cherished Democratic principle. I cannot believe that this surrender to favoritism and special privilege will be received with any satisfaction and joy by the masses of the people throughout the country, but on the contrary I believe they will be greatly saddened and disappointed by it.

Mr. LEHLBACH. Mr. Speaker, I yield to the gentleman from New York 4 minutes to use as he may wish.

Mr. O'CONNOR. Mr. Speaker, I yield 4 minutes to the gentleman from Georgia [Mr. RAMSPECK].

Mr. RAMSPECK. Mr. Speaker, I shall support this resolution because I think it will make the present situation better.

Mr. Speaker, I find that quite a number of Members are inclined to vote against this bill because they think that by voting "no" they are voting against a subsidy. The truth of the matter is that voting "no" is not voting against a subsidy, because a vote against this resolution is a vote to continue subsidy under the fiction of ocean-mail contracts. This bill provides for the cancelation of the ocean-mail contracts not later than June 30, 1937, and for negotiations of settlements; and if they do not agree, they go into the Court of Claims. So we shall get rid of that sore spot that has been so much criticized throughout this Nation by so many persons—the giving of thousands of dollars to carry a few ounces of mail a few hundred miles.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. CONNERY. And we have something in this bill which was never included in any other legislation. We have a provision that 90 percent of the crews must be American citizens, and this commission is to set a minimum wage, which we have never had for American seamen.

Mr. RAMSPECK. Yes; it is of advantage to American working people engaged in shipbuilding and in the operation of ships.

The bill has been so amended in the Senate as more nearly to safeguard the funds that are used by this commission. I think it is an improvement over the bill we passed last year, and it certainly will do away with this outrageous ocean-mail contract system, to which we are all opposed.

I hope the membership of the House will not be confused and vote "no", thinking they are voting against a subsidy, because that is not the effect of your vote.

Mr. CONNERY. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Massachusetts.

Mr. CONNERY. We have instances of men like John Holleran, who refuse to employ anybody except American citizens, and he is put in competition with other lines unless we pass this kind of a bill.

Mr. RAMSPECK. That is true. We cannot have a merchant marine in this country unless we have this or a similar plan. If we want to wipe our ships off the seas, we can do it by simply destroying this system. We cannot build up a merchant marine without some sort of subsidy, and I think it is much better to have an open and aboveboard plan, such as will be initiated under this bill, than to have this fiction which exists under the ocean-mail contracts by which we charge to the Post Office Department twenty-odd million dollars a year for a service which is not a mail service but simply a fiction and a subsidy.

Mr. LUDLOW. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Indiana.

Mr. LUDLOW. Why is it necessary to pass this bill in order to repeal the ocean-mail contracts? Why can we not repeal those contracts without inflicting the burden of a heavy subsidy on the people of this country? One is not dependent upon the other.

Mr. RAMSPECK. We could do that, but we would be subject to suit in the Court of Claims on those contracts, and the gentleman knows they could recover in the Court of Claims. We would not get anything. In this bill we are giving the Commission the right to negotiate adjustments and reach a voluntary settlement, which is better than canceling them and getting into a court fight.

Mr. LUDLOW. Of course, I do not advocate the repudiation of existing contracts.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. WEARIN].

Mr. WEARIN. Mr. Speaker, I think the gentleman from Georgia has made a most excellent statement with reference to this situation and has described it in an able manner. A few Members of the House perhaps are aware of the fact I have been consistently opposed to most subsidies and especially to the ship-subsidy bill which passed this House during the last session. I am in a position now of subscribing to this particular measure in view of the fact I think by so doing I am not necessarily supporting a subsidy as a permanent policy for the Democratic Party, which I would most certainly oppose, but as a preferable situation to the one that prevails under the 1928 act and the corrupt features and contracts we are faced with under the terms of that 1928 act.

Unfortunately, we have an unsatisfactory ship-subsidy law on our statutes. This administration has put up with it thus far despite the fact that we have proved it to be corrupt, at least in its application. Evidently it is going to continue in force over the consistent protest of the able gentleman from Maine [Mr. MORAN], who has proved himself an authority upon this subject, and myself, unless we pass the pending bill; and of the two, the latter is as much preferable as good weather to bad weather. I am frank to say that I think subsidies are dangerous, but honest systems of subsidy are certainly superior to dishonest systems of subsidy. I trust that neither will ever become a permanent principle of the party of the common people for reasons that I do not have the time to enumerate, not the least of which is the possibility of subsidy wars between nations which have not been discussed before the House, but which carry almost as great a load of dangerous consequences as tariff wars. In this connection it would be well for us to study some recent debates in the British House of Commons, where the possibility of such a situation has been discussed in considerable detail.

Frankly, if I thought it was possible to defeat the appropriation in the Post Office and Treasury appropriation bill—and I say this for the benefit of my distinguished friend from Indiana, whose sentiments I can understand—defeat the pending legislation, and at the same time place the American merchant marine on a self-sustaining basis without subsidy, I should prefer that above all things.

Mr. LUDLOW. Will the gentleman yield?

Mr. WEARIN. I yield to the gentleman from Indiana.

Mr. LUDLOW. The gentleman does not believe in the principle of subsidy, does he?

Mr. WEARIN. No; I certainly do not; and I do not think anyone who votes for this bill is necessarily voting for a subsidy. In my judgment, he is voting to put a stop to the present corrupt program of ship subsidies to which I have been and still am opposed. The pending bill safeguards the public interest better than has ever been done in any legislation of that character with which I am familiar.

[Here the gavel fell.]

Mr. LEHLBACH. Mr. Speaker, I will use the remainder of my time.

Mr. Speaker, in the long years I have been a Member of this House I have never seen the stage set for so humiliating and degrading a spectacle as we are about to witness. We

are told we must pass this bill without the opportunity of reading it. When the debate started, printed copies of the bill were not available. That the membership do not understand what is in the bill and what is not in this bill is evident from the fact that gentlemen have discussed features concerning seamen personnel, nationality of seamen on the ships, and so forth, not one word of which will be in this bill when it passes.

Those provisions were passed in this House sometime ago, and the bill containing them is now on the President's desk for his signature. With the exception of two or three Members of the House who have had an opportunity to read the provisions of this bill, partly in print, partly in lead pencil, and partly in typewriting, nobody knows anything about it. No one has had an opportunity to sit down and compare these provisions with the provisions of the bill which the House passed and study the effect of such provisions. We have to pass this bill because we are threatened.

Little children years ago were threatened by what the bogeyman would do "if you don't watch out." Since James Whitcomb Riley's time the bogeyman is now the official scorekeeper for the Government, and in his place the children have the "little Black man." So, as if we were immature, we are threatened by a mythical "little Black man", who is elsewhere than in this Chamber. We are told that unless we pass this bill he will close all the post offices of the country on the 1st of July. That is a threat that is worthy to make to little children, but not to Members of the House of Representatives.

Mr. LUCKEY. Will the gentleman yield for a brief question?

Mr. LEHLBACH. I yield to the gentleman from Nebraska.

Mr. LUCKEY. How much of a merchant marine have we today?

Mr. LEHLBACH. We have, I should say, 63 trade routes.

Mr. LUCKEY. Is it not a fact that since the so-called Shipping Board has been established this Government has paid over $2,000,000,000 in ship subsidies and we still have no merchant marine today?

Mr. LEHLBACH. I presume we have paid out over $2,000,000,000, taking it from the time that the Shipping Board was created, or since the Merchant Marine Act of 1920 was passed, but a lot of that money was not paid in subsidies. The bulk of that money was lost by Government operations.

We have lost a little money under private operation, but the bulk of the $2,000,000,000 was lost under Government operation, which is provided for in this bill as an alternative. It has never worked, and after years we have gotten away from it, and from $100,000,000 a year we have reduced the cost of supporting the merchant marine by the Government to $22,000,000 a year and we have a merchant marine carrying a substantial portion of our commerce.

Mr. LUCKEY. There is another provision in this proposed measure setting up a commission. How does this commission compare with the old Shipping Board?

Mr. LEHLBACH. It depends entirely upon the choice of personnel for the commission. A shipping board would be a good shipping board if it were composed of good men who understood their business. A maritime commission would be a good commission if it were composed of men who are capable, competent, and understand their business. The set-up of the commission has little to do with the effectiveness of its functioning; it is the men who compose it.

Mr. LUCKEY. In setting up a new commission to take care of this matter, does not the gentleman think we should have more time to study the proposition than we have now?

Mr. LEHLBACH. Certainly. Nobody would dream of passing this bill under the circumstances under which it comes to us, except those who yield to the threats of the "little Black man"—and who is this "little Black man"? He has repeatedly expressed his contempt of the House of Representatives. He has scoffed and tried to set aside a process issued under the authority of the House of Representatives by a committee thereof. A perversion of facts has been used by his committee in order, wantonly and wrongfully, to bring innocent Members of this House to the number of 70 into apparent disrepute—wantonly and wrongfully—men who were absolutely innocent of anything that could be considered culpable. This is the "little Black man", under whose lash we are going to pass this bill; and, great God, I wish this House had guts enough to stand up against these threats by the "little Black man"—threats that are worthy of only being applied to children. [Applause.]

Mr. O'CONNOR. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. SIROVICH].

Mr. SIROVICH. Mr. Speaker, the barometer of the civilization of any nation, of ancient, medieval, or modern times, is dependent upon the progress and development it extends to its merchant marine in times of peace as well as in times of war. The ancient Phoenicians were the Yankees of the east, and their biremes and triremes carried their commerce to all the then known civilizations of the world. Venice built upon the lagoons townships high up on the Adriatic and spread its commerce across the Mediterranean, up the Dardanelles, through the Black Sea, and across the southeastern Mediterranean to Egypt and the Red Sea and thence to the Orient. Because of its powerful merchant marine, Venice prospered through her eastern trade until she became the greatest maritime nation of her time. Her supremacy was challenged by Genoa, Pisa, and Naples, who divided the commerce of the Mediterranean with her. These nations became great because of their merchant marine. In 1497 from the city of Lisbon sailed Vasco de Gama with four vessels around the Cape of Good Hope until he reached Calicut in India. The discovery of an easterly all-sea route to the Orient by the Portuguese crippled the caravan-vessel routes—partly overland, part seaway—of the Venetians and Genoese. The all-water route was cheaper than a mixed land and sea route. Lisbon prospered while Genoa and Venice declined as maritime powers. Spain, through the discoveries of Columbus, then became the mightiest nation of her day because of her merchant marine. Queen Elizabeth, the pride of England, fostered merchant-marine commerce by instigating navigation acts for the protection of English mariners by giving new charters to merchant adventurers and organizing and financing new companies. Through the power of her great merchant marine, she began to carry exports and imports from all the four corners of the globe.

Portugal had found Brazil and the route around the Cape of Good Hope to the Indian and west and south Pacific Oceans. Francis Drake, for England, had entered the Pafic around the Horn. The Hollanders had found the route to the Orient. Spain was busy with the looting of Mexico, Central and South America, and under Philip had taken the Philippines. Trade was the base of all these exploits. The Spice Islands were in the thoughts of every mariner skipper. The famous Spice Islands were sought because there was to be obtained the condiments that would preserve and make palatable the stale and often putrid meat of the times, and that had marvelous medicinal powers, according to the beliefs of that day.

In time England, through the efforts of Drake, Hawkins, and Frobisher destroyed the Spanish Armada, and England became the "mistress of the seas."

From 1789, the foundation of our Government, up to 1860, American built, manned, and owned ships carried the products of our Nation to all ports of the world. There was a steady growth in our sailing merchant marine, mostly vessels of wood, of which we had ample supplies in our abundant forests. Oak, hickory, pine—and nothing devised by man in metal could equal the suitability of Maine pine for masts and spars. England had few forests, but ample coal and iron. Iron for ships and coal for fuel. Naturally, therefore, the British turned to the steamship as their means of carrying the ocean-borne commerce.

The reason the American merchant marine grew so greatly was because of a subsidy given by the Federal Government through its mail contracts.

In the year 1856 the total tonnage of the Great Britain ships amounted to 5,900,000 tons. The total tonnage of all the other nations of the world except the United States at

that time was 5,600,000 tons. And, mark you, my colleagues, the tonnage of the United States in 1856 was 5,600,000 tons, equal to that of all the nations of the world, and second only to that of Great Britain. It was in the year 1856 that the Congress of the United States withdrew its mail subsidies to the Collins Lines and other lines. That was the death knell of the development of the American merchant marine. At that time we carried 80 percent of the exports and imports of our own country to all ports of the world, and when the subsidies were withdrawn, up to the year 1914, the United States merchant marine was almost wiped off the face of the earth. In 1914 we carried only 8 percent of the imports and exports of our agricultural, commercial, and industrial products.

During all these years European governments were not idle. There is not a civilized nation in the world today, and I challenge any Member of Congress to contradict me, that has not built up its merchant marine through aid given, directly or indirectly, by the government to its own nationals for the development of their respective merchant marine. The heavily settled nations on the northwest of Europe have clung to the sea. It was their route to world commerce. They had no great interiors to develop, and the only export market for their surplus goods was by way of the sea, and to the sea they held tenaciously. Each new European vessel that was launched on the Continent was larger and better than those that preceded her, and today foreign moneys that we had given to European countries they have not paid back to us. They have built their great liners, such as the *Queen Mary* of England, the *Normandie* of France, the *Bremen* and *Europa* of Germany, and the *Rex* and *Conte di Savoia* of Italy.

When the World War broke out the United States had only four vessels plying to South America regularly. Most of our American goods, manufactured, developed, and prepared in our country, had to be shipped on foreign vessels, and the foreigners saw to it that deliveries were slow and freight charges high for Americans, while their own national goods were expedited at a lower freight rate.

Mr. Speaker, we have paid hundreds of millions of dollars of American money to the nations of foreign countries in carrying American products in European bottoms. The time has come to put a stop to the situation. When the World War broke out we had no merchant marine to transport our own soldiers and to carry ammunition and other materials necessary to win the war.

Then Congress appropriated the sum of $3,500,000,000 to build ships to meet the contingencies of the moment. We perfected wooden ships, which are today rotting in the different ports of our country, worthless and useless. Had we contributed from 1856, when we stopped mail subsidies to our American lines, and continued to subsidize our merchant marine as we should have up to the present time we could never have reached the sum of $3,500,000,000 which we had to appropriate for ships to win the war.

Mr. Speaker, if any Member of Congress wants to cripple our Nation in times of peace as well as in times of war, let him vote against this bill; but if you believe in the welfare, the happiness, and the contentment of our American Republic, vote for this bill, because it contains the following provisions that will make the American merchant marine the greatest in all the world. [Applause.]

First, this bill provides a construction differential subsidy of 33⅓ percent of the foreign cost of construction. In exceptional cases the maritime authority will have the privilege of going up to 50 percent when four of its members agree. In other words Mr. Chairman, it is 33⅓ percent cheaper to construct a ship in England than it is in the United States. How can American ships therefore compete with British ships unless we put them upon a basis of parity so far as construction is concerned. Eighty-five percent of this money goes to pay for American labor in the construction of ships by our shipyard companies. Fifteen percent of the money goes to buy material that goes into the construction of ships which is taken from 44 States of the Union.

Second, we grant to the owners and operators of shipping companies an operating differential subsidy which will equalize the difference in the foreign costs of insurance, repairs, wages, and subsistence, which will be spent upon American seamen, and its personnel, who will secure minimum wages and maximum hours of labor to enhance the welfare of our merchant marine. This operating differential will place the American merchant marine on a parity with operating expenses of foreign shipping interests.

Third, if lines do not build ships, then the maritime authority may build and charter them on competitive bids when trade requires and opening of new routes is necessary.

Fourth, the bill further provides for the recapture of profits in excess of 10 percent. One-half would go to the Government and one-half to the reserve fund so as to enable shipping operators to rebuild their ships when they become old and obsolete.

Fifth, this meritorious measure provides for limitation of salaries to only $25,000 a year. It prevents the siphoning out of profits by holding companies and it prevents these organizations from doing repairs or stevedoring except for themselves.

Sixth, this measure takes the profits out of war by making it mandatory for the Government of the United States to take over ships in emergencies or in times of war and only gives its owner back the actual money that he put in.

Seventh, it provides for a bipartisan board of five members, whose duties shall consist of establishing a long-range program of construction and reconstruction of our merchant marine until it is equal, if not superior, to any nation of the globe. [Applause.]

Eighth, many of the Members of Congress are opposed to ship subsidies because of the abuse that has crept into mail contracts, in which millions have been diverted to improper channels. This bill provides that 90 days after the bill becomes a law the holder of any mail contracts may apply for a change and settlement of his contract to subsidies. If any act of injustice may be directly or indirectly perpetrated against these holders of subsidy contracts, the bill provides that they may sue the Government in the Court of Claims if they are not satisfied with the decision of the maritime authorities.

Mr. Speaker, these regulations are the high spots in the new shipping bill which you are now called upon to vote for. If you vote for this bill and put it across, I am convinced it will place the merchant marine of the United States of America on a parity with the shipping of the world and bring the American flag back to be seen floating high in the air in all the ports of the world, where it was in the past on clipper ships. [Applause.]

Mr. Speaker, many Members of Congress have opposed this bill on the floor because they contend it grants subsidies. Let me be frank with you. I have repeatedly voted for subsidies through the medium of the protective tariff to protect the great industries of our Nation. I have continuously been voting for bounties for agriculture and farming interests in our country. Year in and year out we have been voting for indirect subsidies to the bankers of this country through the operation of the Federal Reserve banking system. For the past decade we have given to labor and to the American Federation of Labor, indirectly, subsidies through restricted immigration so they would not have to compete with cheap foreign labor that is constantly seeking admission into our country. Where is there a Member in this House who comes from the South, the Middle West, the Far West, the Northwest, who has not had his particular State enriched through bounties that have been voted in the form of subsidies for flood control—Muscle Shoals, Boulder Dam—and countless other measures too numerous to mention. The time has come when we courageously, fearlessly, and patriotically should vote to develop the merchant marine upon which the prosperity, the happiness, and the future of our Nation is dependent in war as well as in peace. [Applause.]

Mr. Speaker, the total of the world's merchant-marine tonnage today is 36,000,000 tons. Of this tonnage Great

Britain has about 14,000,000; Japan, slightly over 3,000,000; Germany, 2,700,000; France, 2,250,000; Italy, 2,100,000; while the United States has only 600,000 tons of shipping that is less than 10 years old—the smallest of any nation in the world. If you pass this bill, which I sincerely hope you will, it will enable the maritime shipping board to encourage ship construction, ship operation, and help within a decade to make America the foremost merchant-marine nation in all the world. Mr. Speaker, we must have ships. New ships. We must have American ships built by Americans, manned by Americans, and flying the American flag. [Applause.]

Mr. LEHLBACH. Mr. Speaker, I have 5 minutes remaining, but I shall not occupy them.

Mr. O'CONNOR. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the resolution.

The question was taken; and on a division (demanded by Mr. LUDLOW) there were—ayes 225, noes 21.

So the resolution was agreed to.

A motion to reconsider the vote by which the resolution was agreed to was laid on the table.

ADDITIONAL COMPENSATION FOR CERTAIN EMPLOYEES OF THE HOUSE

Mr. STARNES. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 482) and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 482

Resolved, That until otherwise provided by law, the Clerk of the House be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, additional compensation per annum, payable monthly, to certain employees of the House as follows:

To the clerk to the official reporters of debates, the sum of $640.

To each of the expert transcribers in the office of the official reporters of debates, $660.

SEC. 2. The position of janitor in the office of the official reporters of debates is hereby abolished.

SEC. 3. That until otherwise provided by law, the Clerk of the House be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, compensation at the rate of $2,000 per annum, payable monthly, for the services of an assistant clerk in the office of the official reporters of debates, said assistant clerk to be appointed by the official reporters of debates.

With the following committee amendments:

In line 9, strike out the figures "$660" and insert the figures "$260."

At the end of the resolution add the following:

"SEC. 4. That this resolution shall take effect as of January 1, 1937."

Mr. SNELL. Mr. Speaker, I should like to ask the gentleman from Alabama a question. Do I understand this is a resolution to put into effect the new rate of salary that was passed the other day in regard to these employees?

Mr. STARNES. I am just now calling up the resolution of authorization.

Mr. SNELL. I thought we passed that the other day.

The amendments were agreed to.

The resolution as amended was agreed to.

A motion to reconsider was laid on the table.

CLERK TO STENOGRAPHERS TO COMMITTEES

Mr. STARNES. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 518) from the Committee on Accounts, and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 518

Resolved, That there shall be a clerk to the stenographers to committees, to be appointed by the Speaker of the House and to receive compensation at the rate of $3,360 per annum, payable from the contingent fund of the House until otherwise provided by law.

That upon the appointment of such clerk the position of janitor to such stenographers to committees shall be vacated and no appointment shall be made to such position.

Mr. STARNES. On behalf of the committee, I offer the following amendment.

The Clerk read as follows:

Committee amendment offered by Mr. STARNES: After the last word in the resolution insert "That this resolution shall take effect as of January 1, 1937."

Mr. STARNES. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The resolution as amended was agreed to.

A motion to reconsider was laid on the table.

DISPENSING WITH UNNECESSARY RENEWALS OF OATH OF OFFICE BY CIVILIAN EMPLOYEES

Mr. MILLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4519) to dispense with unnecessary renewals of oaths of office by civilian employees of the executive departments and independent establishments, and for other purposes.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. MILLER. Will the gentleman reserve his objection?

Mr. WOLCOTT. I will withhold it if the gentleman desires to make a statement.

Mr. MILLER. I just want to say to the gentleman that this bill is asked for by the various departments. The Department of Agriculture and the Veterans' Administration now have a law which saves those departments a great deal of money in the administration of their departmental affairs. It merely makes the same rule applicable to the other departments; that is, where a man working for the Government in a department is demoted or promoted or transferred from one status to another or from one division to another, the necessity of filing an additional oath is obviated.

Mr. WOLCOTT. I realize the purpose of the bill, but the situation, as I see it, is this: We are being criticized here for breaking down the effectiveness of our public officials, and decreasing the obligation of those officials to the people whom they indirectly represent. At the present time, as I recall it, the code provides that everyone in the capacity of an employee or official shall take an oath to perform well and truly the duties of the office. I do not attemp to quote it correctly. If the gentleman will recommend that the code be changed to include all offices to which the individual might be appointed, I think I can go along with him.

The regular order was demanded.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I object.

TWENTY-FIRST AMENDMENT

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8368) to enforce the twenty-first amendment, with Senate amendments, and concur in the Senate amendments.

The Clerk read the amendments, as follows:

Page 1, line 4, strike out "1935" and insert "1936."

Page 2, line 10, strike out "attempts" and insert "attempt."

Page 2, strike out lines 18 to 23, inclusive, and insert:

"(b) In order to determine whether anyone importing, bringing, or transporting intoxicating liquor into any State, or anyone attempting so to do, or assisting in so doing, is acting in violation of the provisions of this act, the definition of intoxicating liquor contained in the laws of such State shall be applied, but only to the extent that sales of such intoxicating liquor (except for scientific, sacramental, medicinal, and mechanical purposes) are prohibited in such State."

Page 3, strike out lines 9 to 15, inclusive.

Page 3, line 16, strike out "6" and insert "5."

Page 3, line 18, strike out "18 U. S. C." and insert "U. S. C., 1934 ed., title 18."

Page 3, strike out lines 20 to 25, inclusive, and lines 1 to 9, inclusive, on page 4, and insert:

"The Secretary of the Treasury is authorized to confer and impose upon the Commissioner of Internal Revenue and any of his assistants, agents, or employees, and upon any other officer, employee, or agent of the Treasury Department, any of the rights, privileges, powers, duties, and protection conferred or imposed upon

the Secretary of the Treasury, or any officer or employee of the Treasury Department, by this act, or by any law now or hereafter in force relating to the taxation, importation, exportation, transportation, manufacture, possession, or use of, or traffic in, distilled spirits, wine, fermented liquors, or denatured alcohol.

Page 4, line 13, strike out "7" and insert "6."

Page 4, lines 13 and 14, strike out "18 U. S. C." and insert "U. S. C., 1934 ed., title 18."

Page 5, line 9, strike out "8" and insert "7."

Page 5, line 9, strike out "18 U. S. C." and insert "U. S. C., 1934 ed., title 18."

Page 6, line 7, strike out "9" and insert "8."

Page 6, line 7, strike out "18 U. S. C." and insert "U. S. C., 1934 ed., title 18."

Page 6, line 22, strike out all after "contents" down to and including "compound" in line 24, and insert "and the quantity contained therein."

Page 7, line 6, strike out "10" and insert "9."

Page 7, lines 8 and 9, strike out "(39 Stat. 1069; 18 U. S. C., sec. 341)" and insert ", approved March 3, 1917, as amended (U. S. C., 1934 ed., title 27, sec. 123)."

Page 7, line 10, strike out "11" and insert "10."

Page 7, line 12, after "Act", insert "and nothing in this act shall apply to the Canal Zone."

Page 7, line 13, strike out "12" and insert "11."

Page 7, line 18, strike out "13" and insert "12."

Mr. CELLER. Mr. Speaker, none of the amendments made by the Senate involves a change in policy. They are all either clerical or clarifying amendments.

First. The amendment to subsection (b) of section 3 is for the purpose of meeting objections made to section 3 that it would require the Federal Government to aid in possible discrimination by a State against the product of another State. Subsection (a) of section 3 provides for Federal regulation of the importation of liquor into a State in which all sales of intoxicating liquor containing more than 4 percent of alcohol by volume are prohibited. Subsection (b), however, makes the State definition of intoxicating liquor apply in determining whether liquor is being brought into a State in violation of the act. Presumably it might be possible for a State to define intoxicating liquor as liquor containing one-half of 1 percent of alcohol by volume, and at the same time prohibit sales of such liquor only if it contains more than 4 percent of alcohol by volume. In such a situation a State would receive Federal aid in keeping out beer containing a percentage of alcohol between one-half of 1 percent and 4 percent, although such beer of its own production would be permitted to be sold within the State. The Federal Government thus would be lending its aid in a discrimination by one State against the product of another State. The Senate amendment corrects this situation by making the State definition of intoxicating liquor apply only to the extent that a State prohibits the sale within its borders of the intoxicating liquor which it desires Federal aid in keeping out.

Second. Section 5 is omitted from the bill because section 9 of the Federal Alcohol Administration Act, passed last year, deals with the disposal of any forfeited liquor and prevents the sale of such liquor. The provisions of section 5 dealing with the manner of sale of forfeited liquor are, therefore, useless.

Third. The amendment to section 6 is for the purpose of bringing about a conformity with existing law relating to the power of the Secretary to delegate to his subordinates his rights and duties relating to the liquor laws. Section 6, as passed by the House, placed the responsibility of enforcing the provisions of H. R. 8368 and sections 238, 239, and 240 of the Criminal Code—relating to the interstate shipment of intoxicating liquor—in the Secretary of the Treasury, through the established machinery of the Bureau of Internal Revenue, and conferred upon the Secretary of the Treasury, the Commissioner of Internal Revenue, and his subordinates, while engaged in the enforcement of any law relating to intoxicating liquor, the rights, privileges, powers, and protection relating to intoxicating liquor conferred upon the Secretary of the Treasury by the act of March 3, 1927. It was thought that this section continued in the Secretary of the Treasury the authority conferred upon him under that act, which permitted him to delegate such rights, privileges, powers, and duties to his subordinates. However, since it was felt that section 6 might be construed to confer and impose such rights, privileges, powers, and duties directly upon the subordinates of the Secretary of the Treasury, and would thus deprive the Secretary of his authority to delegate those rights and duties, the Senate amended section 6 so as to clarify it and remove any possibility of such construction by employing language similar to that now contained in section 4 of the act of March 3, 1927.

Fourth. The amendment to section 9 of the House bill eliminates the necessity of stating the percentage of alcoholic content on containers of liquors shipped in interstate commerce. Since H. R. 8368 was introduced the Federal Alcohol Administration Act has been passed. Section 5 (e) (2) of that act prohibits statements of alcoholic content on labels placed on containers of malt beverages. The requirement of a statement of alcoholic content, therefore, in section 9 of the House bill runs counter to the prohibition in the Federal Alcohol Administration Act. In order that there may be consistency with the policy adopted by Congress last year in that act, the Senate amendment dispensing with a statement of alcoholic content is desirable.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

ENROLLMENT OF PRIVATE ACT NO. 349

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 196, to correct errors in the enrollment of Private Act No. 349, Seventy-fourth Congress, approved August 29, 1935, and to clarify the duties of the Comptroller General in connection with said act.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That section 3 of Private Act No. 349, Seventy-fourth Congress, approved August 29, 1935, be, and the same is hereby, amended by striking out the numerals "10" wherever they appear therein and inserting in lieu thereof the numerals "20."

SEC. 2. That the payments authorized in section 3 of the said act to be made to the "attorney or attorneys who performed services toward securing provision for the payment herein of the amounts so found" shall be made to Clarence W. DeKnight.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDIAN SERVICE

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8316) to exempt the Indian Service from the requirements of section 4 of the Executive Order No. 6166, dated June 10, 1933, with Senate amendments and concur in the Senate amendments.

The Clerk read the title of the bill.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, what is the effect of these amendments?

Mr. ROGERS of Oklahoma. The Permanent Appropriation Repeal Act of 1934 authorizing the President to transfer disbursements of all funds to central agencies. We introduced a resolution in the House exempting the Indian Service from the order issued by the President, but the Senate amended the resolution so that it does not exempt anything from the Executive order but exempts certain funds from the Appropriation Repeal Act. It excludes private Indian funds from the act. The Treasury Department and the Interior Department both have approved the amended resolution. It will save the Government money if the private Indian funds are kept in the local agencies so that if an Indian wants a pair of shoes at $2.50 he does not

have to send 1,000 miles to get approval for the purchase but can get it from the local agency.

Mr. JENKINS of Ohio. As I understand it we passed the bill and these are Senate amendments?

Mr. ROGERS of Oklahoma. Yes; but the bill we passed did not provide that.

Mr. JENKINS of Ohio. Has the gentleman taken up this matter with the committee?

Mr. ROGERS of Oklahoma. The gentleman means the Senate amendments?

Mr. JENKINS of Ohio. Yes.

Mr. ROGERS of Oklahoma. We had hearings on it originally.

Mr. JENKINS of Ohio. And what the gentleman now is asking is that the House concur in the Senate amendments.

Mr. ROGERS of Oklahoma. Yes.

Mr. JENKINS of Ohio. Has the gentleman had it up for consideration before his committee?

Mr. ROGERS of Oklahoma. Yes; I have discussed it with members of the committee and they agree to it. While we prefer the House bill, since it was objected to by the Treasury Department we have agreed to the Senate amendments.

Mr. JENKINS of Ohio. Has the gentleman talked with the minority members of the committee?

Mr. ROGERS of Oklahoma. Oh, yes. There is no objection to it from the committee.

Mr. JENKINS of Ohio. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There being no objection, the Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

"That section 20 of the Permanent Appropriation Repeal Act, approved June 26, 1934 (48 Stat. 1233), shall not be applicable to funds held in trust for individual Indians, assocations of individual Indians, or for Indian corporations chartered under the act of June 18, 1934 (48 Stat. 984)."

The committee amendments were agreed to.

A motion to reconsider was laid on the table.

Amend title so as to read: "An act to modify section 20 of the Permanent Appropriation Repeal Act, 1934, with reference to individual Indian money."

TO DEFINE THE TERM OF CERTAIN CONTRACTS WITH INDIAN TRIBES

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 177, to define the term of certain contracts with Indian tribes.

The Clerk read the title of the joint resolution.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, I do so merely for the purpose of getting information on this bill. Will the gentleman from Oklahoma explain the bill?

Mr. ROGERS of Oklahoma. This bill merely makes it possible for the Secretary of the Interior, in his discretion, to extend contracts that were entered into some years ago, where the contracts had a definite time limit. A number of the cases involved are in the courts, and it has taken 8 or 10 years to settle them. There is a question as to whether those contracts are valid. This bill would make it discretionary with the Secretary of the Interior to continue them in force.

Mr. JENKINS of Ohio. As I understand from the calendar, this bill was referred to the gentleman's committee and acted on by his committee.

Mr. ROGERS of Oklahoma. Yes.

Mr. JENKINS of Ohio. What kind of report came from the committee?

Mr. ROGERS of Oklahoma. It was reported unanimously by the committee.

Mr. TABER. Mr. Speaker, reserving the right to object, how much is involved in these contracts?

Mr. ROGERS of Oklahoma. There is nothing involved. It will not cost the Government anything. These cases are already in the Court of Claims. Even if this resolution did not pass it would not make a bit of difference as to the cost to the Government, so far as these contracts are concerned, except new contracts would have to be entered into. It is just a question of continuing these contracts rather than entering into new contracts. The Secretary will have discretionary power over these contracts.

Mr. JENKINS of Ohio. As I understand, then, the claims referred to in this resolution are to be adjudicated in the Court of Claims.

Mr. ROGERS of Oklahoma. Oh, yes; they are already there and they will be adjudicated anyway.

Mr. CHRISTIANSON. Mr. Speaker, reserving the right to object, these are lawyers' contracts, contracts for the continuation of lawyers' services?

Mr. ROGERS of Oklahoma. That is right.

The SPEAKER. Is there objection to the consideration of the resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That any contracts or agreements heretofore approved by the Secretary of the Interior between the authorities of any tribe, band, or group of Indians and their attorneys for the prosecution of claims against the United States, which provide that such contracts or agreements shall run for a period of years therein specified, and as long thereafter as may be required to complete the business therein provided for, or words of like import, or which provide that compensation for services rendered shall be on a quantum-meruit basis not to exceed a specified percentage, shall be deemed a sufficient compliance with section 2103 of the Revised Statutes (or sec. 81, title 25, U. S. Code): *Provided, however*, That nothing herein contained shall limit the power of the Secretary of the Interior, after due notice and hearing and for proper cause shown, to cancel any such contract or agreement: *Provided further*, That the provisions of this act shall not be construed to revive any contract which has been terminated heretofore by lapse of time, operation of law, or by acts of the parties thereto.

With the following committee amendment:

Page 2, after line 9, add a new section, as follows:

"SEC. 2. Any existing valid contract heretofore made and approved pursuant to any act of Congress by any tribe, band, or group of Indians with an attorney or attorneys for the rendition of services in the prosecution of claims against the United States under authority of which suit or suits have been filed, and which contains a limitation of time for the completion of the services to be performed may be continued in full force unless a subsequent contract dealing with the same subject matter has been made and approved."

Mr. JENKINS of Ohio. Mr. Speaker, I rise in opposition to the amendment.

We agreed that this bill should be permitted to be brought up for consideration at this time and withdrew all objections that we may have had, assuming it was a bill that had been regularly passed by the Senate and regularly considered by a House committee. Now, then, there is an amendment offered which may be absolutely contrary to the previous bill. I should like to know what the amendment is about. I think this practice is somewhat improper.

Mr. ROGERS of Oklahoma. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Oklahoma.

Mr. ROGERS of Oklahoma. This amendment is a committee amendment and was added with approval of the Department of the Interior. After the resolution had passed the Senate, on investigation the Department found that an injustice would be done to two tribes, namely, the Creeks and the Seminoles, unless this amendment is added to the bill. The original resolution in the Senate did not take care of those two tribes.

Mr. JENKINS of Ohio. Has the amendment been submitted to the House committee?

Mr. ROGERS of Oklahoma. Yes; and it has the unanimouse approval of that committee.

The amendment was agreed to.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ENROLLMENT OF PRIVATE ACT NO. 349

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to vacate the action recently taken by the House in passing Senate Joint Resolution 196, to correct errors in the

enrollment of Private Act No. 349, Seventy-fourth Congress, approved August 29, 1935, and to clarify the duties of the Comptroller General in connection with said act, in order that a committee amendment, which was inadvertently overlooked, may be agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 196.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the present consideration of the Senate joint resolution?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That section 3 of Private Act No. 349, Seventy-fourth Congress, approved August 29, 1935, be, and the same is hereby, amended by striking out the numerals "10" wherever they appear therein and inserting in lieu thereof the numerals "20."

SEC. 2. That the payments authorized in section 3 of the said act to be made to the "attorney or attorneys who performed services toward securing provision for the payment herein of the amounts so found" shall be made to Clarence W. DeKnight.

With the following committee amendment:

Page 2, line 3, after the word "DeKnight", insert the following: "For services rendered before the committees of Congress and executive officers of the Government during the period of 20 years prior to and including the date of approval of said act, in connection with securing authority for payment of the findings of the Court of Claims therein enumerated: *Provided*, That such payment of 10 percent shall be participated in by such other attorney or attorneys, if any, who, in addition to having appeared in the Court of Claims, shall have rendered services as above described during said period, such participation to be in proportion to the value and extent of services so rendered as determined by the Comptroller General of the United States, to whom all claims for participation in said 10 percent shall be presented within 30 days from the date of approval of this act."

The committee amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPILATION OF LIST OF LABOR-SAVING DEVICES, MECHANICAL AND OTHERWISE

Mr. CONNERY. Mr. Speaker, I call up House Resolution 49 and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 49

Resolved, That the Secretary of Labor is requested (1) to compile a list of the labor-saving devices, mechanical and otherwise, put in operation in the United States after December 31, 1912, which are still in use; (2) to estimate the number of persons in the United States now unemployed by reason of the use of each kind or type of such devices; (3) to estimate the number of persons who would be employed in the United States in each of the various divisions of industry, commerce, and agriculture, but are not so employed by reason of the use of such devices; and (4) to report his findings in detail in the House of Representatives (or to the Clerk of the House if the House is not in session) during the present Congress, together with such observations and recommendations as the Secretary deems pertinent and useful. Every officer or employee of the United States is requested to supply the Secretary with such information relating to any matter under investigation or study pursuant to this resolution and contained in the records of the office of such officer or employee as the Secretary may request. For the purposes of this resolution, the term "labor-saving devices" includes any improvement, made after December 31, 1912, of a labor-saving device put into operation on or before such date, and the term "United States" means the United States and all territory subject to the jurisdiction thereof.

With the following committee amendments:

Page 1, line 1, strike out the words "is requested" and insert "be required."

Page 1, line 3, after "otherwise", insert "such as automatic machinery, machinery in general, conveyors, speed-ups, efficiency methods eliminating loss of time and repetition of motions, monopolies, mergers of industries, and all other means adopted toward reducing the cost of production under our competitive system."

Page 1, line 9, strike out "1912" and insert "1920."

Page 1, line 10, after the word "use", insert "and being constantly improved."

Page 1, line 11, strike out "now."

Page 1, line 12, insert "at the time of completion of such a list."

Page 2, beginning in line 1, after the word "devices", strike out all down to and including the word "thereof" in line 20 and insert the following: "or methods in each of the various divisions of industry, commerce, and agriculture in the United States; and (3) to report the findings in properly digested and coordinated detail to the House of Representatives (or to the Clerk of the House if the House is not in session) during the present or the next following Congress, together with such observations and recommendations as the Secretary deems pertinent and useful. Every officer or employee of the United States shall be required to cooperate and to supply the Secretary with such information relating to any matter under investigation or study pursuant to this resolution and contained in the records of the office of such officer or employee as the Secretary may request. Such a list of labor-saving devices are to be kept up to date from year to year, with such additions and revisions as may be dictated by progress and changes in industry, commerce, and agriculture. For the purpose of this resolution the term 'labor-saving devices' includes any improvements, made after December 31, 1920, of a labor-saving device or method put into operation on or before such date, and the term 'United States' means the United States and all the territory subject to the jurisdiction thereof."

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. TABER. If the Secretary of Labor is required to do these things, it will cost two or three million dollars. I cannot figure anything else out of this except that we are getting started on a set-up in that Department that will be absolutely uncontrollable as far as future costs are concerned.

Mr. CONNERY. Will the gentleman withhold his objection?

Mr. TABER. I withhold my objection.

Mr. CONNERY. They have $12,000,000 available now under the W. P. A., and the Department of Labor is making this investigation.

In this bill we are asking them to furnish us with certain data that we want transmitted to the Congress. In the next session we are bound to have legislation in connection with labor-saving devices which are throwing people out of employment. As I previously stated, they have $12,000,000 now.

Mr. TABER. Why does not the gentleman offer a resolution requesting the Secretary of Labor to furnish such data as is being compiled by the Secretary of Labor under these allotments from the W. P. A. instead of making this sort of request? It looks like a permanent set-up, and I know from my previous experience that the Secretary of Labor will come before the Congress and ask for additional money. I shall be forced to object unless the resolution is modified along these lines.

Mr. CONNERY. Will the gentleman offer an amendment along the lines of his suggestion?

Mr. TABER. If the gentleman will withhold his request for consideration of this bill until I can prepare the amendment, I shall do so.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. TABER. Mr. Speaker, for the moment I shall object.

WHITMAN NATIONAL MONUMENT

Mr. DEROUEN. Mr. Speaker I call up the conference report on the bill (H. R. 7736) to provide for the establishment of the Whitman National Monument.

The Clerk read the conference report and statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7736) to provide for the establishment of the Whitman National Monument, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

RENÉ L. DEROUEN,
KNUTE HILL,
HARRY L. ENGLEBRIGHT,
Managers on the part of the House.

JAMES E. MURRAY,
ELMER A. BENSON,
GERALD P. NYE,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to H. R. 7736, providing for the establishment of the Whitman National Monument, submit the following written statement explaining the effect of the action agreed upon:

The Senate receded from its amendment to the bill, H. R. 7736, as passed by the House, which authorizes the appropriation to carry out the provisions of the act and agrees to the bill as passed by the House.

RENÉ L. DEROUEN,
KNUTE HILL,
HARRY L. ENGLEBRIGHT,
Managers on the part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

IN RE ADJUSTMENT OF CLAIMS IN CONSTRUCTION OF POST-OFFICE BUILDING AT HEMPSTEAD, N. Y.

Mr. CROWE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2647) authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors, materialmen, and laborers for material and labor furnished in the construction of a post-office building at Hempstead, N. Y.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust on a pro-rata basis in an amount not exceeding in the aggregate the unpaid balance due from the United States under the contract no. T1SA-3050, dated March 30, 1932, between the United States and the Brooklyn & Queens Screen Manufacturing Co., Inc., the unpaid claims of subcontractors, materialmen, and laborers for materials or labor furnished at any time in the construction of the post-office building at Hempstead, N. Y., under said contract, which work was completed by the National Surety Co., as surety on the performance bond, before said surety company was placed in the hands of a rehabilitator or liquidator appointed by the Insurance Department of the State of New York, and after the United States had terminated the right of the Brooklyn & Queens Screen Manufacturing Co., Inc., to proceed under said contract. The Comptroller General of the United States is authorized and directed to settle and adjust the said claims which may be filed and established hereunder without regard to the Government's right of set-off against any indebtedness of the National Surety Co. to the United States in other cases and without regard to the Government's right to priority in the payment of its claim: *Provided*, That no settlement shall issue hereunder until 6 months after the enactment of this act, and no claimant who shall have failed, neglected, or refused to submit his claim to the Comptroller General of the United States within the said period shall share in the benefits of this act. Such allowance as may be made by the Comptroller General as herein provided shall be paid from the appropriations heretofore made for the construction of the building in question. Payments so made shall be charged to the National Surety Co. in the adjustment of the accounts between said company and the United States: *Provided*, That no allowance shall be made pursuant to the terms of this act, unless and until the rehabilitator or liquidator of the National Surety Co. shall file with the Comptroller General written consent thereto.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTROL OF STEAM BOILERS IN THE DISTRICT OF COLUMBIA

Mr. PALMISANO submitted the following conference report and statement on the bill (S. 2953) to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2953) to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment numbered 1.

That the Senate recede from its disagreement to the amendments of the House numbered 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12, and agree to the same.

VINCENT L. PALMISANO,
WRIGHT PATMAN,
EVERETT M. DIRKSEN,
Managers on the part of the House.

WILLIAM H. KING,
ARTHUR CAPPER,
ROBT. R. REYNOLDS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2953) to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia submit the following statement in explanation of the effect of the action agreed upon by the conference and recommended in the accompanying conference report:

On amendment no. 1: Section 3 of the Senate bill establishes a boiler inspection service in the engineer department of the District of Columbia, to be composed of a boiler inspector, assistant boiler inspectors, and such other employees as may be necessary for the proper performance of the work. The House amendment struck out "boiler inspector" and inserted "the present inspector and necessary assistant inspectors." The House recedes.

On amendment no. 2: This is a clarifying amendment striking out surplus language; and the Senate recedes.

On amendment no. 3: The Senate bill provided that all such officials and employees constituting the boiler inspection service shall be appointed by the Commissioners of the District of Columbia, and their compensation shall be fixed in accordance with the Classification Act of 1923, as amended. The House amendment strikes out that part providing that their compensation shall be fixed in accordance with the Classification Act of 1923. The Senate recedes.

On amendments nos. 4 and 5: Section 6 of the Senate bill provides for an annual inspection by the boiler inspector of all boilers and unfired pressure vessels for which a certificate of inspection is required, except that in the case of a steam boiler or unfired pressure vessel which is regularly inspected at least once a year by an insurance company duly licensed in the District of Columbia, such annual inspection by the boiler inspector may be dispensed with where a report of such inspection by the insurance company shows any such boiler or unfired pressure vessel to be in a safe and insurable condition. Amendment no. 4 provides that where such inspections are made by an insurance company that such steam boiler or unfired pressure vessel must be regularly insured, as well as inspected, at least once a year. Amendment no. 5 provides that the inspection and report by the insurance company shall take the place of inspection by the boiler inspector, instead of leaving it merely permissive, as in the Senate bill. The Senate recedes.

On amendment no. 6: This amendment is added at the end of section 6 of the Senate bill. It provides that insurance companies shall report to the inspectors the cancelation of insurance of any certificate holder. The Senate recedes.

On amendments nos. 7 and 8: Section 8 of the Senate bill provided, among other things, that steam boilers and unfired pressure vessels located in or upon self-propelled boats or vessels operated under the regulations of any Federal agency or the Public Utility Commission of the District of Columbia shall be exempt from the provisions of this act. Amendment no. 7 struck out the word "self-propelled", and amendment no. 8 inserted after the word "vessels" the words "or other floating equipment", so that such exemption will apply on all such boats, vessels, or other floating equipment, whether or not self-propelled. The Senate recedes.

On amendment no. 9: This is a clarifying amendment providing that the owner or user shall pay the fee required by this act.

On amendments nos. 10, 11, and 12: The last sentence of section 9 of the Senate bill provided that when an inspection report is filed by an insurance company with the boiler inspector, showing that a boiler or unfired pressure vessel has been inspected and found to be in a safe and insurable condition as provided in section 6, there shall be paid to the collector of taxes of the District of Columbia a fee of $1 prior to the issuance of the certificate of inspection. Amendment no. 10 provides that the owner or user of such insured and inspected boiler or unfired vessel shall be exempt from the payment of all fees except the said $1 fee. Amendment no. 11 is a clarifying amendment providing that the owner or user shall pay the said $1 fee. Amendment no. 12 provides that no such certificate shall be valid after the boiler or unfired pressure vessel shall cease to be insured by an insurance company authorized as provided in section 6 of this act. The Senate recedes.

VINCENT L. PALMISANO,
WRIGHT PATMAN,
EVERETT M. DIRKSEN,
Managers on the part of the House.

Mr. PALMISANO. Mr. Speaker, I call up the conference report on the bill (S. 2953) to provide for the inspection, control and regulation of steam boilers and unfired pressure vessels in the District of Columbia and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the statement.

The conference report was agreed to.

INSPECTION OF VESSELS

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4780) to extend the laws governing inspection of vessels and for other purposes. An identical House bill has been reported by the committee.

The Clerk read the title of the bill.

Mr. BLAND. Mr. Speaker, there was passed last year a bill regulating the transportation of dangerous combustibles in harbors. The ports of New York, Philadelphia, and others are very seriously interested. These regulations have been prepared, but the Solicitor of the Department held that under that bill they could not carry them into effect. This measure has been considered by the committee and a unanimous report has been made on an identical House bill.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield for a question?

Mr. BLAND. Yes.

Mr. JENKINS of Ohio. When was it considered by the committee?

Mr. BLAND. A similar bill (H. R. 12951) was considered by the committee and reported to the House on June 8.

Mr. JENKINS of Ohio. It is not on the calendar apparently.

Mr. BLAND. I have the report here.

Mr. HOLMES. Mr. Speaker, reserving the right to object, will the gentleman yield for a question?

Mr. BLAND. Yes.

Mr. HOLMES. Does this affect in any way the colliers that travel between Virginia and the New England ports carrying coal on deadline, and so forth?

Mr. BLAND. No; it does not affect coal. It affects combustible liquids, gasoline and things of that kind.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title 52 of the Revised Statutes is amended by inserting after section 4417 thereof a new section designated section 4417a, to read as follows:

"SEC. 4417a. (1) All vessels, regardless of tonnage, size, or manner of propulsion, and whether self-propelled or not, and whether carrying freight or passengers for hire or not, that shall have on board any inflammable or combustible liquid cargo in bulk, except public vessels owned by the United States, other than those engaged in commercial service, shall be considered steam vessels for the purposes of this title and shall be subject to the provisions thereof: *Provided*, That this section shall not apply to vessels having on board only inflammable or cumbustible liquid for use as fuel or stores or to vessels carrying liquid cargo only in drums, barrels, or other packages.

"(2) In order to secure effective provision against the hazards of life and property created by the vessels to which this section applies, the Board of Supervising Inspectors, with the approval of the Secretary of Commerce, shall establish such additional rules and regulations as may be necessary with respect to the design and construction, alteration, or repair of such vessels, including the superstructures, hulls, places of stowing and carrying such liquid cargo, fittings, equipment, appliances, propulsive machinery, auxiliary machinery, and boilers thereof; and with respect to all materials used in such construction, alteration, or repair; and with respect to the handling and stowage of such liquid cargo; the manner of such handling or stowage, and the machinery and appliances used in such handling and stowage; and with respect to equipment and appliances for lifesaving and fire protection; and with respect to the operation of such vessels; and with respect to the requirements of the manning of such vessels and the duties and qualifications of the officers and crews thereof; and with respect to the inspection of all the foregoing: *Provided*, That the provisions of this section shall not apply to common carriers engaged in interstate or foreign commerce which transport such liquid cargo by water insofar only as such common carriers are subject to the regulations formulated by the Interstate Commerce Commission under the provisions of section 233 of the act of March 4, 1909 (ch. 321, 35 Stat. 1135), as amended (U. S. C., 1934 ed., title 18, sec. 383). In establishing such rules and regulations the Board of Supervising Inspectors may, with the approval of the Secretary of Commerce, adopt rules of the American Bureau of Shipping or similar American classification society for classed vessels insofar as such rules pertain to the efficiency of hulls and the reliability of machinery of vessels to which this section applies. In establishing such rules and regulations the Board of Supervising Inspectors shall give due consideration to the kinds and grades of such liquid cargo permitted to be on board such vessel.

"(3) Before any rules and regulations, or any alteration, amendment, or repeal thereof, are approved by the Secretary of Commerce under the provisions of this section, except in an emergency, the said Secretary shall publish such rules and regulations and hold hearings with respect thereto on such notice as he deems advisable under the circumstances.

"(4) No vessel subject to the provisions of this section shall, after the effective date of the rules and regulations established hereunder, have on board such liquid cargo, until a certificate of inspection has been issued to such vessel in accordance with the provisions of this title and until a permit has been endorsed on such certificate of inspection by a board of local inspectors, indicating that such vessel is in compliance with the provisions of this section and the rules and regulations established hereunder, and showing the kinds and grades of such liquid cargo that such vessel may have on board or transport. Such permit shall not be endorsed by a board of local inspectors on such certificate of inspection until such vessel has been inspected by such board of local inspectors, or by any other board or officer of the Bureau of Marine Inspection and Navigation designated by the Director thereof, and found to be in compliance with the provisions of this section and the rules and regulations established hereunder. For the purpose of any such inspection approved plans and certificates of class of the American Bureau of Shipping or other recognized classification society for classed vessels may be accepted as evidence of the structural efficiency of the hull and the reliability of the machinery of such classed vessels except as far as existing law places definite responsibility on the Bureau of Marine Inspection and Navigation. A permit issued under the provisions of this section shall be valid for a period of time not to exceed the duration of the certificate of inspection on which such permit is endorsed, and shall be subject to revocation by a board of local inspectors whenever such a board shall find that the vessel concerned does not comply with the conditions upon which such permit was issued: *Provided*, That the provisions of this subsection shall not apply to vessels of a foreign nation having on board a valid certificate of inspection recognized under law or treaty by the United States: *And provided further*, That no permit shall be issued under the provisions of this section authorizing to be on board any vessel, described in the provisions of sections 4472 and 4278 of the Revised Statutes, section 234 of the act of March 4, 1909 (ch. 321, 35 Stat. 1135), as amended (U. S. C., 1934 ed., title 18, sec. 384), and section 8 of the act of August 2, 1882 (ch. 374, 22 Stat. 189; U. S. C., 1934 ed., title 46, sec. 171), any of the materials expressly prohibited to be carried on such vessels by the afore-mentioned provisions.

"(5) Vessels subject to the provisions of this section shall have on board such shipping documents as may be prescribed by the Board of Supervising Inspectors with the approval of the Secretary of Commerce indicating the kinds, grades, and approximate quantities of such liquid cargo, on board such vessel, the shippers and consignees thereof, and the location of the shipping and destination points.

"(6) (a) In all cases where the certificate of inspection does not require at least two licensed officers, a board of local inspectors shall enter in the permit issued to any vessel under the provisions of this section the number of the crew required to be certificated as tankermen.

"(b) A board of local inspectors shall issue to applicants certificates as tankerman, stating the kinds of liquid cargo the holder of such certificate is, in the judgment of such board, qualified to handle aboard vessels with safety, upon satisfactory proof and examination, in form and manner prescribed by the Board of Supervising Inspectors with the approval of the Secretary of Commerce, that the applicant is in good physical condition, that such applicant is trained in and capable efficiently to perform the necessary operations aboard vessels having such liquid cargo on board, and that the applicant fulfills the qualifications of tankerman as prescribed by the Board of Supervising Inspectors under the provisions of this section. Such certificates shall be subject to suspension or revocation on the same grounds and in the same manner and with like procedure as is provided in the case of suspension or revocation of licenses of officers under the provisions of section 4450 of this title.

"(7) The owner, master, or person in charge of any vessel subject to the provisions of this section, or any or all of them, who shall violate the provisions of this section, or of the rules and regulations established hereunder, shall be subject to a fine of not more than $1,000 or imprisonment for not more than 1 year, or both such fine and imprisonment.

"(8) The rules and regulations to be established pursuant to this section shall become effective 90 days after their promulgation unless the Secretary of Commerce shall for good cause fix a different time."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. JAMES W. DARR

Mr. CHRISTIANSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3405) for the relief of Capt. James W. Darr.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to appoint James W. Darr, formerly a captain, Infantry, United States Army, a captain of Infantry, United States Army, and to place him upon the retired list of the Army as a captain, with the retired pay of that grade: *Provided*, That no back pay, allowance, or emoluments shall become due because of the passage of this act.

Mr. RANKIN. Mr. Speaker, reserving the right to object, the gentleman states this man was a captain in the Regular Army?

Mr. CHRISTIANSON. He was; yes.

Mr. RANKIN. During what period of time?

Mr. CHRISTIANSON. He was a captain in the Regular Army and had a dishonorable discharge for some offenses which he committed. It has since been determined he was insane at the time he committed the offenses and he is confined at the present time in a hospital for the insane in the State of Minnesota. This bill has passed the Senate and has been favorably reported by the Committee on Military Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOTS IN HARDING TOWN SITE, FLORIDA, ETC.

Mr. WILCOX. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate 4707, for the relief of certain purchasers of lots in Harding town site, Florida, and for the relief of the heirs of Lewis G. Norton.

Mr. SNELL. Mr. Speaker, reserving the right to object, I am doing so on account of the absence from the Chamber at the moment of the gentleman from Pennsylvania [Mr. RICH], who has asked that this matter be held up until he returns.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. FISH. I believe Mr. RICH will not be back.

Mr. SNELL. I agreed to object to it, and for the present I do object.

STREAM-POLLUTION CONTROL

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 12764) to create a division of stream-pollution control in the Bureau of the Public Health Service, and for other purposes, which I send to the desk.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I reserve the right to object. This is quite an important measure, and I should like to have some explanation made by the chairman of the Committee on Rivers and Harbors before unanimous consent is granted.

Mr. MANSFIELD. If the gentleman will permit, I yield to the gentleman from Kentucky [Mr. VINSON].

Mr. SNELL. That is quite satisfactory.

Mr. VINSON of Kentucky. Mr. Speaker, this bill has the wholehearted approval of the Public Health Service of the United States. It is a forward looking piece of legislation, and national in its scope. It provides for a comprehensive plan on a national scale in respect to the water-pollution menace that confronts the entire Union. In addition to that, after that national plan has been worked out, and surveys made in conjunction with the States and the public health departments of the States, then it authorizes grants or loans after the Surgeon General, the Secretary of the Treasury, and the Budget submits those estimates to the Congress and the Congress agrees thereto. I feel certain that every Member of the House recognizes the imminent danger, unseen, until epidemic arises, that hovers over stream pollution.

Mr. SNELL. I agree with the gentleman this is a serious question, but whether that should be all done from Washington and go so far as to grant loans, and so forth, without more careful consideration, I have some doubt.

Mr. VINSON of Kentucky. When it comes to the point of granting aid or a loan, that is done only when such grant or loan has been approved by the State authority.

Mr. SNELL. Yes; of course, that is so, but we are laying the foundation for all this and concentrating this authority to govern this pollution matter entirely in Washington.

Mr. VINSON of Kentucky. In a way that is true, but it is done under the same philosophy that the Public Health Service work throughout all the States of the Union in respect to rural rehabilitation, and under the Social Security Act.

Mr. SNELL. As I understand it this starts out with a set-up of a million dollars to begin with.

Mr. VINSON of Kentucky. Three hundred thousand dollars annually for 10 years is authorized for the Public Health Service for investigation, and $700,000 annually for 10 years is authorized to be divided among all the States for a survey and a study upon which the remedial work will be founded.

Mr. MANSFIELD. For the term of 10 years.

Mr. VINSON of Kentucky. I yield to the gentleman from Ohio [Mr. JENKINS].

Mr. MANSFIELD. Just one moment. All the industries presumed to be affected by this have agreed to this bill, particularly the paper and pulp industry.

Mr. SNELL. This is establishing such a broad policy, covering the whole country, that I am rather opposed to letting this kind of bill go through without careful attention. I don't know that I am opposed to the principle of the bill, but I think it is a mistake to legislate on such important matters in the closing days of the session by unanimous consent.

Mr. JENKINS of Ohio. Mr. Speaker, to allay the fears of my good friend the minority leader, is it not true that the Public Health cannot operate and would not assume to operate under this bill unless it could have the cooperation of all the States? In other words, the successful operation of this cannot result in the building up of a bureau in Washington, because it has to reach out to all of the States and ramify into all parts of the country.

Mr. VINSON of Kentucky. May I say that the States cannot meet this as a State proposition. It is an interstate problem, national in scope.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Kentucky. Yes.

Mr. DONDERO. The bill is restricted to meet a situation covering only the waters over which the Federal Government may have jurisdiction.

Mr. VINSON of Kentucky. Yes; the navigable streams of the United States and the tributaries thereof.

Mr. ROBERTSON. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. Yes.

Mr. ROBERTSON. To call attention to the fact that a special House Committee on Conservation conducted hearings in the session on several other bills, and that it reached the conclusion that there is very little that the Federal Government could do in the matter of legislating, and that what is needed is the development of the scientific facts relative to pollution and how it could be eliminated and then work through the States. This bill contemplates that form of procedure.

Mr. SNELL. That is a matter that ought to be brought out and fully developed.

Mr. HOLMES. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

DEFINING JURISDICTION OF COURT OF CLAIMS ON CERTAIN INDIAN CLAIMS

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. J. Res. 213) defining the jurisdiction of the Court of Claims under the act approved April 25, 1932 (47 Stat. L. 137), and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. COCHRAN. I reserve the right to object. For the information of the House I desire to state I have gone into this measure with extreme care. Numerous people have come to me and given their reasons why they felt the bill should be allowed to pass. The resolution seeks to construe the original jurisdictional act permitting the Eastern and Emigrant Cherokees and the Western or Old Settler Cherokees to sue the United States in the Court of Claims. My objection is found in that part of the resolution which, while giving the United States the right to receive full credit for all sums advanced in the form of gratuities, and so forth, provides that it must be shown the gratuities, and so forth, must have been paid to them per capita. It is absolutely impossible for the United States to show per capita payments. You will note the report shows the Bureau of the Budget before advancing an opinion on the resolution consulted the Attorney General who calls specific attention to this language. The Bureau of the Budget is opposed to the resolution. I refer briefly to the letter of the Acting Secretary of the Interior which quotes the Court of Claims:

> It thus appears not only that plaintiffs' claim has heretofore been determined and adjudicated on the merits by this court and the Supreme Court and paid in full but that such determination and adjudication was made on a correct statement of the account. * * *

In another case the court said:

> This case has already been before this court and the Supreme Court and the identical questions have been considered and decided by both courts. The matters for the determination of the court in the original case (40 C. Cls. 252; 202 U. S. 101) were the amounts, principal and interest, due the Cherokee Nation and the Eastern or Emigrant Cherokees under the Slade and Bender account, and those matters were finally settled and determined on March 15, 1910, by payment.

Mr. Speaker, millions have already been paid to these Indians; and if this resolution is passed, I repeat, the United States will be helpless, and the court will be compelled to render judgment in their favor for an amount which no one can now predict, but which will go into the millions.

I reserve my objection for the purpose of giving the gentleman from Oklahoma an opportunity to make a statement, but in the end I will insist upon and renew the objection.

Mr. CARTWRIGHT. Mr. Speaker, the resolution is intended to correct an error in the Jurisdictional Act passed in 1932, which authorized suits to bring the affairs of the Cherokees to final settlement.

The Indian Committee of the House unanimously reported House Joint Resolution 457, in terms identical with this resolution, Senate Joint Resolution 213, Union Calendar, 1185. The Indian Committee of the Senate reported it unanimously and it passed the Senate without opposition yesterday. I do not see how anyone could object to it.

It is of importance to the State of Oklahoma and involves no appropriation. I regret that the gentleman from Missouri sees fit to insist on his objection.

The SPEAKER. Objection is heard.

ADMINISTRATION OF BLUE RIDGE PARKWAY IN VIRGINIA AND NORTH CAROLINA

Mr. DOUGHTON. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 12455) to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes.

The Clerk read the bill, as follows:

> *Be it enacted, etc.*, That hereafter all lands and easements conveyed or to be conveyed to the United States by the States of Virginia and North Carolina for the right-of-way for the projected parkway between the Shenandoah and Great Smoky Mountains National Parks, together with sites acquired or to be acquired for recreational areas in connection therewith, and a right-of-way for said parkway of a width sufficient to include the highway and all bridges, ditches, cuts, and fills appurtenant thereto, but not exceeding a maximum of 200 feet through Government-owned lands as designated on maps heretofore or hereafter approved by the Secretary of the Interior, shall be known as the Blue Ridge Parkway and shall be administered and maintained by the Secretary of the Interior through the National Park Service, subject to the provisions of the act of Congress approved August 25, 1916 (39 Stat. 535), entitled "An act to establish a National Park Service, and for other purposes", the provisions of which act, as amended and supplemented, are hereby extended over and made applicable to said parkway: *Provided*, That the Secretary of Agriculture is hereby authorized, with the concurrence of the Secretary of the Interior, to connect with the parkway such roads and trails as may be necessary for the protection, administration, or utilization of adjacent and nearby national forests and the resources thereof: *And provided further*, That the Forest Service and the National Park Service shall, insofar as practicable, coordinate and correlate such recreational development as each may plan, construct, or permit to be constructed, on lands within their respective jurisdictions which, by mutual agreement, should be given special treatment for recreational purposes.

The SPEAKER. Is a second demanded?

Mr. WOLCOTT. Mr. Speaker, I demand a second.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from North Carolina [Mr. DOUGHTON] is recognized for 20 minutes, and the gentleman from Michigan [Mr. WOLCOTT] is recognized for 20 minutes.

Mr. WOLCOTT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and thirty-one Members are present, not a quorum.

Mr. O'CONNOR. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 130]

Amlie	Englebright	Lee, Okla.	Sanders, La.
Andrews	Ferguson	Lehlbach	Sandlin
Ayers	Fernandez	Lemke	Sauthoff
Bacharach	Fiesinger	Lesinski	Schneider, Wis.
Bacon	Fitzpatrick	McClellan	Schuetz
Berlin	Focht	McFarlane	Scott
Bland	Fulmer	McGroarty	Sears
Bolton	Gassaway	McLeod	Secrest
Brennan	Gifford	McSwain	Sisson
Brewster	Gingery	Maloney	Stubbs
Broooks	Gray, Pa.	Marshall	Sumners, Tex.
Buckler, Minn.	Green	Martin, Mass.	Sutphin
Caldwell	Greenway	Maverick	Taylor, Colo.
Cannon, Wis.	Greenwood	Monaghan	Taylor, S. C.
Cary	Hamlin	Montague	Tobey
Chapman	Hancock, N. C.	Montet	Tolan
Claiborne	Higgins, Conn.	Murdock	Turpin
Collins	Higgins, Mass.	Nelson	Wadsworth
Creal	Hill, Knute	Nichols	Weaver
Crowther	Hill, Samuel B.	Norton	Werner
Cummings	Hobbs	Oliver	White
Darden	Hoeppel	Parks	Williams
Dear	Hoffman	Peterson, Fla.	Wilson, La.
Deen	Hollister	Pettengill	Wilson, Pa.
Dies	Hope	Pierce	Withrow
Dirksen	Imhoff	Ramsay	Wolfenden
Ditter	Kee	Reece	Wood
Doutrich	Kennedy, Md.	Reed, N. Y.	Woodruff
Duffey, Ohio	Kleberg	Richardson	Zioncheck
Dunn, Miss.	Kocialkowski	Robsion, Ky.	
Eagle	Lanham	Romjue	
Eaton	Larrabee	Sadowski	

The SPEAKER pro tempore (Mr. WARREN). Two hundred and ninety-six Members are present, a quorum.

Mr. DOUGHTON. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER pro tempore. The gentleman from North Carolina is recognized for 20 minutes.

Mr. DOUGHTON. Mr. Speaker, H. R. 12455 provides for the administration, and maintenance of the Blue Ridge Parkway, connecting the Shenandoah National Park in Virginia and the Great Smoky Mountains National Park in North Carolina and Tennessee.

There might have been some justification for opposing the appropriation of the money with which to construct this parkway. I do not believe there was sufficient justification for that opposition, but now that the money has been authorized and the parkway is under construction, with more than 100 miles of it let to contract and the parkway certain

to be built, any attempt to prevent the maintenance of that parkway by proper governmental authorities seems to me the most unreasonable, absurd, unjustifiable, and untenable position that I have ever known anyone to take.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. SNELL. The gentleman just said that this had already been authorized and that they were building it. Will the gentleman give us a little more information in regard to that? That is news to me.

Mr. DOUGHTON. The road was authorized under the National Industrial Recovery Act, title II, section 202, and there are about 100 miles of it now let to contract and perhaps 40 or 50 miles already graded. The money was recently provided in the highway bill for the further construction of the parkway.

Mr. SNELL. Will the gentleman tell me, if the money has been provided and already authorized, why any additional legislation is required?

Mr. DOUGHTON. Yes. Somebody must administer and maintain the road when it is constructed, as a considerable part of this highway goes through forest lands under control of the Department of Agriculture. This parkway should be under the control of the Park Service, which is in the Department of the Interior. The purpose of this bill is simply to give the right of maintenance and administration of the road after it is constructed to the proper governmental agency. It does not provide for a dollar in money. That has already been taken care of. It is simply to take care of the maintenance and administration of it. Suppose we should go ahead and build the road, which we will do, and then do not provide for its maintenance, everyone knows that every dollar of the money would be wasted. It would not be worth a cent to build the highway and then not provide for its maintenance.

Mr. SNELL. Where did the money come from?

Mr. DOUGHTON. First, from the P. W. A. fund.

Mr. SNELL. From the regular highway fund?

Mr. DOUGHTON. As I understand, the money was authorized from the regular highway fund.

Mr. SNELL. I supposed that this had been started with W. P. A. funds. Am I right or wrong?

Mr. DOUGHTON. No. The first money that was expended was an allocation of $6,000,000 from P. W. A. This last authorization, as I understand it, comes from the regular highway fund.

Mr. SNELL. I did not understand that any money out of the regular highway fund had been used for this specific purpose.

Mr. DOUGHTON. I will say it matters not what fund it comes from. It is Government money, of course, and in the construction of the road they are employing relief labor. I know that the contractors are required to give preference and employ, as far as possible, relief labor.

Mr. SNELL. One of the points I want to know is whether these funds have come from regular highway funds, as the gentleman from North Carolina stated, or from W. P. A. funds.

Mr. DOUGHTON. I understand that the funds to be used in the future will come from the highway funds. At first $6,000,000 was set aside from P. W. A. funds. That is my understanding; but, regardless of where the funds come from, the road is under construction and is certain to be built. The only issue before us in the pending bill is the question of its maintenance under proper administration.

Mr. SNELL. You want to be absolutely sure it is going to be built. Is there doubt of that unless it is recognized by some such law as is being proposed at the present time?

Mr. DOUGHTON. This does not have a thing to do with the building of it. I am as absolutely certain of that as I am of standing here.

Mr. SNELL. If the gentleman says he is sure about it, I know he thinks that way, for he says what he thinks.

Mr. DOUGHTON. The only reason I can see for any opposition to this bill is that it comes from those who are sore or disappointed over the construction of the road and who feel that in the last hours of Congress, by dilatory tactics, by filibustering, they can prevent giving the Department of the Interior and the Park Service the right to maintain this road. It is the most absurd position I have ever known anyone to take.

Mr. ROBERTSON. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. ROBERTSON. The original appropriation, I may say to the gentleman from New York, came from P. W. A., not from W. P. A.

Mr. SNELL. Has anything ever been taken out of the regular road fund for this project?

Mr. ROBERTSON. Last week we passed a special appropriation to build this road.

Mr. SNELL. I should like to have some more information on that point, that there was a special appropriation made last week to take care of this road.

Mr. ROBERTSON. I did not mean an appropriation; I meant an authorization.

Mr. SNELL. There may be some general authorization, but when it gets down to the proposition of the money having been appropriated, as the gentleman from North Carolina thinks, and I know he thinks it if he says it, we are in disagreement as to that; there is a difference of opinion as to that matter.

Mr. ROBERTSON. P. W. A. started it, and there has been some W. P. A. labor used in improvements in the park as local relief projects and some C. C. C. camps were built. There was an authorization of $10,000,000 to finish the highway between the two parks. This bill provides for the administration of the road when built by an appropriate agency of the Department of the Interior. This bill carries no appropriation or authorization for appropriation.

Mr. SNELL. If this bill is just to provide for maintenance of the road after it is built, why not wait until the road is farther along? It seems to me then would be time enough to pass this authorization.

Mr. ROBERTSON. Jurisdiction over the road must be vested in the proper department.

Mr. DOUGHTON. What would be the use or justification of building a road like this if there is no authority to administer and maintain the road after it is built? I know my good friend from New York would not follow such a policy with his good common sense.

Mr. SNELL. That may be true, but it is a long way between beginning and completing such an immense project as this. The gentleman is looking a long way ahead.

Mr. DEMPSEY. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. DEMPSEY. Some portions of the road are being used, are they not?

Mr. DOUGHTON. Yes.

Mr. DEMPSEY. It will be a long time before it is all completed?

Mr. DOUGHTON. It will be perhaps 2 years, but a very fine section of the road has been completed and a great many people from Washington and other towns and cities drive out there to avail themselves of it. It is one of the finest recreational areas in the East. The climate is salubrious and the scenic beauty is unsurpassed. It has no parallel in this part of the country.

Mr. DEMPSEY. Is it not true that now two different departments are involved in the administration of the road?

Mr. DOUGHTON. Absolutely.

Mr. DEMPSEY. This bill simply puts the maintenance in the Interior Department.

Mr. DOUGHTON. Yes; that is correct.

If this bill should be defeated, the only difference it would make would be that the money expended for the construction of this great parkway would be wasted until some future time when Congress was wise enough to provide for its maintenance.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. RICH. Nobody in this House has higher regard for the gentleman from North Carolina than I. The only thing he has done that did not please me was that awful tax bill we passed last night; but that has nothing to do with this bill.

Mr. DOUGHTON. Not a thing.

Mr. RICH. This involves a roadway between two parks, 477 miles long, at $50,000 a mile. The cost of this parkway will be over $20,000,000. There are now parallel roads down that valley where people can go back and forth from one of these parks to the other, and I cannot see why we should build a parkway at this time. The former bill called for a parkway 800 feet wide, but in this bill it is cut down to 200 feet. I do not know why the change in width.

Mr. DOUGHTON. The right-of-way is 200 feet wide. The State of North Carolina, the State of Virginia, and the State of Tennessee bought this land and deeded it to the Government of the United States in the same way that parks are deeded. There was expended $12,000,000 by the States of Virginia and North Carolina. I do not have the figure for the State of Tennessee for the purchase of this land which was given to the United States Government.

Mr. RICH. But 800 feet was provided in the previous bill.

Mr. DOUGHTON. That was only for an easement whereby they might control the situation so as to conform to the purposes of the project.

Mr. RICH. There are these two great parks. Now, why should the taxpayers of this country be asked to keep up a road 477 miles in length between the park in Virginia and the park in North Carolina, when the people of those two States will get the benefit of it?

Mr. DOUGHTON. Why should the taxpayers keep up the national parks and recreational grounds anywhere?

Mr. RICH. Why put them all down there in Virginia and North Carolina? You have already had the lion's share.

Mr. DOUGHTON. There is only the one.

Mr. RICH. The gentleman has never been up in Pennsylvania. I want him to come up there and see what we have in Pennsylvania. We have the finest scenery in the world, Switzerland included.

Mr. DOUGHTON. It is one of our great assets, which nature has bestowed upon that section. My good friend from Pennsylvania and the people from the other congested districts of this country will get the benefit of this recreational parkway. They will travel up and down this road and get the benefits that will come from it. I invite my friend from Pennsylvania to fall in line with this project rather than endeavor to throw something in its way.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Tennessee.

Mr. TAYLOR of Tennessee. This is the same parkway that was formerly known as the Sky Line Highway a year or so ago?

Mr. DOUGHTON. Yes; it has been changed to the Blue Ridge Parkway.

Mr. TAYLOR of Tennessee. Which you North Carolinians took away from us Tennesseeans. Notwithstanding that, I recognize the merit in this bill and I am going to support it, because it connects two of the finest and most picturesque parks in the United States.

Mr. DOUGHTON. We are proud of it, and if Tennessee had been as fair as she is beautiful she would not have opposed North Carolina in the locating of the trail.

Mr. CRAWFORD. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Is it not true this bill does nothing in the world but place the entire parkway in the hands of one given governmental agency? That is the whole purpose of the bill?

Mr. DOUGHTON. That is the whole purpose of the bill; yes.

Mr. CRAWFORD. It carries no appropriation?

Mr. DOUGHTON. Not at all.

Mr. KNUTSON. That will come later.

Mr. DOUGHTON. That has been authorized already.

Mr. CRAWFORD. Is it not true there will be inefficiency and much additional cost if we permit this road to be left under the administration of two separate departments of the Government?

Mr. DOUGHTON. Yes; there will be more or less discord and trouble, as there always is when you have two separate agencies of the Government administer any law.

Mr. McCORMACK. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I was interested in the gentleman's remark about Tennessee being the daughter of North Carolina. I wonder if the gentleman could give us a little more information in this respect?

Mr. DOUGHTON. I may say to the gentleman that I would not have time to do that; however, we are very proud of our daughter.

Mr. STEFAN. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Nebraska.

Mr. STEFAN. Is it true this road will cost approximately $40,000,000 and that the money is coming out of the regular farm-to-market road fund?

Mr. DOUGHTON. I do not think it will cost anything like $40,000,000.

Mr. STEFAN. Is this designated as a farm-to-market road?

Mr. DOUGHTON. No, not at all; we already have business roads and farm-to-market roads.

My good friend from Pennsylvania asked why we could not utilize the roads that were already constructed. This road is being constructed as a recreational road.

Mr. RICH. Why does not the gentleman offer a bill prohibiting a lot of these trucks from being on the roads?

Mr. DOUGHTON. Why do I not suspend the law of gravitation? I cannot do all of these things like the gentleman from Pennsylvania. I have not the power.

Mr. RICH. The gentleman is the leader, and we try to follow him when he is right.

Mr. DOUGHTON. But the gentleman follows, like Peter, a long way off most of the time.

Mr. STEFAN. Will the gentleman yield? I want to clarify one question.

Mr. DOUGHTON. I am sorry, I have not the time.

Mr. Speaker, I reserve the balance of my time.

Mr. WOLCOTT. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, I think this is the most ridiculous undertaking that has ever been presented to the Congress of the United States. We have fought this thing from the time it came out on the Consent Calendar, through the conference report on the Hayden-Cartwright bill, and now it bobs up here under suspension of the rules within a few hours of what we hope to be the adjourning hour of the Seventy-fourth Congress.

If it is true, as the gentleman from North Carolina [Mr. DOUGHTON] has said, that this work is already being done and that 100 miles of this parkway has already been let, then why are we asking the Congress today for an authorization for this purpose?

Mr. DOUGHTON. An authorization?

Mr. WOLCOTT. Or asking that these activities be coordinated under one head. The gentleman knows, and he knows just as well as he knows he is a Member of the Congress of the United States, that not one cent of the $10,000,000 which we authorized under the Hayden-Cartwright Act 2 weeks ago can be used for the carrying out of this fantastic scheme until the House puts its stamp of approval on the bill which he has brought up here today.

This creates a parkway 477 miles long——

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Not just now. I am afraid the gentleman might get personal just as he did the other day.

Mr. DOUGHTON. The gentleman has said that I know certain things.

Mr. WOLCOTT. The gentleman refused to yield to me when I asked him to yield a few moments ago, when the gentleman was making statements derogatory of my efforts to save the people of the Nation $48,000,000.

Mr. DOUGHTON. I hope the gentleman will not misrepresent me.

Mr. WOLCOTT. The gentleman has time and can represent himself.

The gentleman cannot deny the fact that this parkway is 477 miles long and 800 feet wide except where it goes through national-forest lands.

Mr. DOUGHTON. Eight hundred feet wide?

Mr. WOLCOTT. Yes.

Mr. DOUGHTON. The road?

Mr. WOLCOTT. No; not the road, the parkway; and if there is any question——

Mr. JENKINS of Ohio. Mr. Speaker, this is a very important matter, and I make the point of order there is not a quorum present.

The SPEAKER pro tempore (Mr. WARREN). The Chair will count. [After counting.] Two hundred and twenty-seven Members present, a quorum.

Mr. WOLCOTT. And if there is any question about the length and width of this parkway, let me read from the committee report, which states as follows:

> The purpose of the Blue Ridge Parkway is to provide a connecting scenic highway and adjacent roadside recreational area between the Shenandoah National Park in Virginia and the Great Smoky Mountains National Park in North Carolina and Tennessee. The parkway will be 477 miles long and will be located on a right-of-way averaging 800 feet in width—which is being acquired by the States involved and donated to the United States, except where the location is through national-forest areas.

Under the bill, where it goes through national-forest areas, there is a limitation that it shall not exceed 200 feet in width. The distance involved is 477 miles, further than from the city of Washington through New York City——

Mr. MILLARD. And up to Boston.

Mr. WOLCOTT. Yes; on up to Boston.

This is seven-eighths of the distance from the city of Washington to the city of Detroit.

And I charge, and I charge without fear of successful contradiction, that this is a movement to get the Congress of the United States to put its stamp of approval on one of the most colossal steals that has ever been perpetrated upon this House, in that it gives a free highway through Government property connecting these two national parks for the benefit of these States, without any contribution by the States themselves.

The purpose of this act is to give a free highway down through Virginia and North Carolina, and, perhaps, part of Tennessee, without any donation by the States involved.

A companion bill to this is the Natchez Trace bill, which is to be 500 miles long across the State of Mississippi and is to cost $25,000,000.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Speaker, I yield myself 1 additional minute.

This represents a total of $48,000,000. This is the most visionary thing that has ever been presented to the Congress since the days of Passamaquoddy and the Florida ship canal, and I entreat the House to consider this bill with the same logic and the same reasoning that it considered those two visionary projects.

Mr. JENKINS of Ohio. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Ohio makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and seventy-two Members present, not a quorum.

Mr. DOUGHTON. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 131]

Amlie	Duffey, Ohio	Kleberg	Peterson, Fla.
Andrews	Dunn, Miss.	Kniffin	Pettengill
Ayers	Eagle	Kocialkowski	Quinn
Bacharach	Eaton	Lambeth	Reed, N. Y.
Bacon	Ekwall	Lanham	Reilly
Barden	Englebright	Larrabee	Richards
Berlin	Ferguson	Lee, Okla.	Robsion, Ky.
Bolton	Fernandez	Lehlbach	Sadowski
Brennan	Fiesinger	Lemke	Sanders, La.
Brewster	Fitzpatrick	Lesinski	Sandlin
Brooks	Gasque	Lewis, Md.	Sauthoff
Buckley, N. Y.	Gassaway	McClellan	Schneider, Wis.
Bulwinkle	Gifford	McFarlane	Schuetz
Cannon, Wis.	Gilchrist	McGrath	Scrugham
Cary	Goodwin	McGroarty	Sears
Chapman	Green	McLeod	Secrest
Claiborne	Greever	McMillan	Stack
Collins	Gregory	Maloney	Sumners, Tex.
Creal	Hamlin	Martin, Mass.	Taylor, Colo.
Cross, Tex.	Hancock, N. C.	Maverick	Taylor, S. C.
Crowther	Hess	Monaghan	Tolan
Cummings	Higgins, Mass.	Montague	Turpin
Daly	Hill, Knute	Montet	Wadsworth
Darden	Hobbs	Nelson	Weaver
Dear	Hoeppel	Nichols	Wilcox
Deen	Hollister	Norton	Wilson, Pa.
Dies	Imhoff	O'Connell	Withrow
Dirksen	Jones	Palmisano	Wolfenden
Ditter	Kee	Parks	Wood
Doutrich	Kennedy, Md.	Patton	Zioncheck
Drewry			

The SPEAKER pro tempore. Three hundred and two Members have answered to their names, a quorum.

Mr. DOUGHTON. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER pro tempore. The House will be in order. The Chair makes an earnest appeal to the membership of the House. The Chair has just been informed by the Speaker of the House that final adjournment of this Congress may take place early tonight, provided the membership of the House will cooperate in dispatching certain business that is necessary to be considered. Unless the membership desires to remain on the floor so as to avoid constant points of no quorum being raised, it is going to be impossible for the House to dispose of this business. Many Members here have meritorious measures that are entitled to final consideration. If they are considered, the House has the privilege of voting them down. The Chair, therefore, urges Members to stay on the floor and maintain a quorum during the rest of the afternoon.

Mr. WOLCOTT. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, according to my understanding the P. W. A. or something of that kind made an allotment to start the construction of this highway free of cost to the States of Virginia and North Carolina, between two parks, the Shenandoah and the Great Smokies. That allotment, according to the gentleman from North Carolina [Mr. DOUGHTON] has been made and over 100 miles of road contracted for. The gentleman from North Carolina wondered why anyone could possibly oppose this bill even if they opposed the other bill. I say to the gentleman and I say to the House that if the Government of the United States came up into my State and voluntarily spent $30,000,000 or forty or fifty million dollars upon a highway for us, we ourselves would be very glad to maintain it and we would not ask the Federal Government to do it. Is not that a fair statement and is not that a fair proposition? Federal maintenance of this highway will cost four or five times as much as State maintenance.

Mr. ROBERTSON. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. ROBERTSON. Does the gentleman maintain the roads in the national parks in New York State?

Mr. TABER. There are no national parks in New York State.

Mr. ROBERTSON. The people of New York State maintain the national parks in the national forests in New York State?

Mr. TABER. We have not any national forests.

Mr. ROBERTSON. No national forests?

Mr. TABER. No.

Mr. ROBERTSON. None at all?

Mr. TABER. No. That is a terrible situation, is it not?

Mr. MILLARD. Does not the gentleman feel that we should spend some Federal money in New York State and not so much in the South?

Mr. TABER. Oh, the State of New York went into this forest business and we found it was a failure, and based on that failure the present administration has proceeded along lines in that direction. They have to have a proposition develop into a failure before they go into it. That is the history of the present administration, that is their record. There is not anything more ridiculous than these States coming here today and asking the Federal Government to undertake to maintain these highways forever at a cost of four or five times what it costs the States themselves to maintain them. I thought it was going a very long way, because nothing of that kind is ever done in any of the States whose operations I am familiar with, for the Congress the other day to pass that highway bill with a provision for authorization and for an appropriation. Frankly I think it was an absolute infringement upon any principle of State integrity. We can have no such thing as State integrity unless the States take care of their own activities, and we can have no such thing unless we stop this ridiculous Federal spending.

Mr. WOLCOTT. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. LORD].

Mr. LORD. Mr. Speaker, this bill provides for a connection between parks or parkways some 477 miles in length in the States of Virginia and North Carolina. There is also the Natchez Trace, which does not seem to be mentioned in this, but will come in, too, in the States of Mississippi, Alabama, and Louisiana, amounting to something over 500 miles, a total of 1,000 miles in all. This has been started by the Public Works Administration, and now they come to us this year and ask for an appropriation of $20,000,000 from the highway funds to carry this work on.

This right-of-way is to be 200 feet wide through the parks, 800 feet wide through the other part of the States. The States are to furnish the right-of-way where they have control over the 800 feet. The Government is asked to build this road in its entirety, and now you are trying to pass legislation for Government maintenance. In our State counties furnish the right-of-way for all roads. State roads are constructed at State expense. County roads are paid for by counties.

We furnish the maintenance entirely ourselves, but here we are asked not only to furnish Federal funds for construction of the parkways, but we are also asked to furnish the maintenance after they are constructed. There will be 1,000 miles of parkway that all of the States must contribute for these four or five States, and furnish the maintenance. As we have constructed highways in the past, this does not seem fair to me. This does not seem a fair proposition. Our Committee on Highways in the House turned down this proposition unanimously. There was another proposition to give money to Arkansas for their highways without having it matched by them, something that is not done with any other State in the Union; yet we are giving to that one State their quota of highway money without their matching it. These are propositions that were turned down by our committee.

This bill to furnish the right-of-way and furnish the money for this road was turned down flat by our committee, but when it went to the Senate it was put back in and they overruled us in conference. This is starting a precedent for those States that all the rest must pay for. In the past our highway moneys have been fairly distributed between States on an area, population, and mileage basis, and it should continue that way. We are going into a new form now.

We are furnishing for the few States the entire amount of money to build their roads, and then we furnish the entire amount of money to maintain them after they are constructed. If we are to build these roads, certainly the States ought to maintain them. They should not ask the Federal Government to do it. If this legislation is not passed, the Park Commission will have to take care of those roads that are in the park, and those that are outside the park the States will take care of.

This superhighway will cost at least $100,000,000, and all for five States. While all of the States will have to contribute to the expense, New York State will pay 30 percent of the cost and get no return.

We have thousands of miles of farmers' roads throughout the States that need constructing, and what it will cost to construct this road would construct a farm-to-market road such as we construct in New York State once and one-half around the world.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. DOUGHTON. Mr. Speaker, I yield the remainder of my time to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. Speaker, it has been a source of satisfaction to me during my service in the House that very seldom is a sectional issue raised when a matter of legislation is under consideration. I am glad that to most of the Members of this House the stars in the flag that hangs above the Speaker symbolizes to them, as to me, 48 united States. with a united Nation.

My colleague from Michigan says that Virginia and North Carolina are trying to get something free. He is the legislative ambassador for his Michigan automobiles. We sell our cotton abroad. We sell our tobacco and apples abroad. We buy your Michigan automobiles. If the South stopped buying your automobiles, your factories would close and your men would be out of employment.

You say this costs $48,000,000 and we are trying to get something free. I tell you that the average cost so far has been about $30,000 a mile; and, if you will multiply 477 by 300, you will find it is less than $18,000,000.

This bill does not involve any appropriation. Construction will go forward whether we pass this bill or not. We are not trying to get something free. The distinguished economist from New York knows how Virginia and North Carolina contribute to the Federal Treasury. We are no longer paupers. We are in the first seven States of the Nation in contributing to the Federal Treasury.

I call attention again to the gentleman from Michigan that the Manufacturers Record shows that in the last year, in the balance of trade between the North and the South, we, shipping our goods abroad and buying from the North, you had $1,000,000,000 of advantage in trade relations; yet you tell us that we want to get something free when we want this park for you, for our friends from every State to come and enjoy.

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired. All time has expired.

Mr. WOLCOTT. Mr. Speaker, I understand I have 2 minutes remaining.

The SPEAKER pro tempore. The Chair distinctly asked the gentleman if he desired to use the remainder of his time. The gentleman from Michigan knows that the gentleman who moves to suspend the rules, under the uniform practice of the House, has a right to close the debate.

Mr. WOLCOTT. The uniform practice of the House and possibly the rules may conflict in this particular instance, due to the fact that the rules provide there may be 40 minutes' debate, equally divided between those in favor of and those opposing the motion. I have not used my 20 minutes.

The SPEAKER pro tempore. The Chair, on his own initiative, contrary to the rules of the House, is going to recognize the gentleman from Michigan for 2 minutes.

Mr. WOLCOTT. Mr. Speaker, I will try to be as courteous in the use of the 2 minutes as the Chair was in granting them to me.

I want to assure the gentlemen from Virginia and North Carolina that there is nothing sectional in this bill. We want you to use our automobiles and we want to buy your cotton, but we want you to build your highways on the same basis that the State of Michigan, the State of New York, or any other State in this Nation has to build their highways. We do not object to giving you, as you do not object to giving us, a Federal grant if you will match the money. We can construct our highways. We, in every other State of this Nation, object to the States of Virginia and North Carolina getting a highway for nothing that they would have to pay for otherwise. There is nothing more to this bill, as I have said than to give these two States 477 miles of highway without a cent of cost to those States. Now, is this in accordance with the spirit of the highway act?

Mr. ROBERTSON. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I am sorry; I have not time to yield.

The SPEAKER pro tempore. All time has expired.

The question is on the motion to suspend the rules and pass the bill.

The question was taken; and on a division (demanded by Mr. SNELL) there were—ayes 123, noes 47.

Mr. SNELL. Mr. Speaker, I make the point of order that a quorum is not present and object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and twenty-one Members are present, a quorum.

Mr. SNELL. Mr. Speaker, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

The question was taken; and there were—yeas 175, nays 125, not voting 124, as follows:

[Roll No. 132]

YEAS—175

Barden	Dickstein	Lea, Calif.	Sanders, Tex.
Barry	Dingell	Lewis, Colo.	Schulte
Beam	Disney	Lucas	Shanley
Beiter	Doughton	McAndrews	Shannon
Bell	Doxey	McCormack	Sirovich
Bland	Driscoll	McGehee	Sisson
Blanton	Driver	McLaughlin	Smith, Conn.
Bloom	Duffy, N. Y.	McMillan	Smith, Va.
Boehne	Duncan	McReynolds	Smith, Wash.
Boland	Dunn, Pa.	McSwain	Smith, W. Va.
Boylan	Eckert	Mansfield	Snyder, Pa.
Brown, Ga.	Edmiston	May	Somers, N. Y.
Brown, Mich.	Faddis	Mead	South
Buchanan	Farley	Merritt, N. Y.	Spence
Burch	Fiannagan	Miller	Starnes
Cannon, Mo.	Ford, Calif.	Mitchell, Tenn.	Steagall
Carter	Ford, Miss.	Moran	Stubbs
Cartwright	Frey	Murdock	Sutphin
Cary	Fuller	O'Connell	Tarver
Castellow	Gambrill	O'Connor	Taylor, Tenn.
Chandler	Gearhart	O'Day	Terry
Chapman	Gildea	O'Leary	Thom
Clark, Idaho	Goldsborough	Oliver	Thomason
Clark, N. C.	Greever	Palmisano	Tonry
Cochran	Gregory	Patman	Turner
Colden	Griswold	Patton	Umstead
Cole, Md.	Hancock, N. C.	Pearson	Utterbach
Colmer	Harlan	Peterson, Ga.	Vinson, Ga.
Connery	Hart	Pfeifer	Vinson, Ky.
Cooley	Harter	Pierce	Wallgren
Cooper, Tenn.	Healey	Rabaut	Walter
Cox	Hennings	Ramsay	Warren
Cravens	Hill, Ala.	Ramspeck	Wearin
Crosby	Hill, Samuel B.	Randolph	Welch
Cross, Tex.	Jenckes, Ind.	Rankin	Werner
Crosser, Ohio	Johnson, Okla.	Rayburn	West
Crowe	Johnson, Tex.	Reilly	Whelchel
Cullen	Johnson, W. Va.	Richards	White
Curley	Jones	Robertson	Whittington
Daly	Keller	Robinson, Utah	Williams
Darden	Kerr	Rogers, Okla.	Wilson, La.
Delaney	Kopplemann	Romjue	Zimmerman
Dempsey	Kramer	Ryan	The Speaker
DeRouen	Lambeth	Sabath	

NAYS—125

Adair	Blackney	Church	Crowther
Allen	Bolleau	Citron	Culkin
Andresen	Buckler, Minn.	Coffee	Darrow
Arends	Carlson	Cole, N. Y.	Dietrich
Ashbrook	Carpenter	Cooper, Ohio	Dondero
Biermann	Casey	Costello	Dorsey
Binderup	Christianson	Crawford	Eicher
Ekwall	Hope	Main	Rogers, Mass.
Ellenbogen	Houston	Mapes	Rogers, N. H.
Engel	Huddleston	Marcantonio	Russell
Evans	Hull	Marshall	Schaefer
Fenerty	Jenkins, Ohio	Martin, Colo.	Scott
Fish	Kahn	Mason	Seger
Fletcher	Kelly	Massingale	Short
Focht	Kennedy, N. Y.	Meeks	Snell
Fulmer	Kenney	Merritt, Conn.	Stack
Gehrmann	Kinzer	Michener	Stefan
Gillette	Kloeb	Millard	Stewart
Gingery	Kniffin	Moritz	Sweeney
Goodwin	Kvale	Mott	Taber
Gray, Ind.	Lambertson	O'Brien	Thompson
Gray, Pa.	Lamneck	O'Neal	Thurston
Guyer	Lehlbach	Parsons	Tinkham
Gwynne	Lemke	Patterson	Treadway
Halleck	Lord	Pittenger	Wigglesworth
Hancock, N. Y.	Luckey	Plumley	Wolcott
Hartley	Ludlow	Polk	Wolverton
Higgins, Conn.	Lundeen	Ransley	Woodruff
Higgins, Mass.	McKeough	Reed, Ill.	Young
Hildebrandt	McLean	Rich	
Hoffman	Maas	Richardson	
Holmes	Mahon	Risk	

NOT VOTING—124

Amlie	Dobbins	Jacobsen	Peyser
Andrews	Dockweiler	Kee	Powers
Ayers	Doutrich	Kennedy, Md.	Quinn
Bacharach	Drewry	Kleberg	Reece
Bacon	Duffey, Ohio	Knutson	Reed, N. Y.
Berlin	Dunn, Miss.	Kocialkowski	Robsion, Ky.
Bolton	Eagle	Lanham	Sadowski
Boykin	Eaton	Larrabee	Sanders, La.
Brennan	Englebright	Lee, Okla.	Sandlin
Brewster	Ferguson	Lesinski	Sauthoff
Brooks	Fernandez	Lewis, Md.	Schneider, Wis.
Buck	Fiesinger	McClellan	Schuetz
Buckley, N. Y.	Fitzpatrick	McFarlane	Scrugham
Bulwinkle	Gasque	McGrath	Sears
Burdick	Gassaway	McGroarty	Secrest
Burnham	Gavagan	McLeod	Sullivan
Caldwell	Gifford	Maloney	Sumners, Tex.
Cannon, Wis.	Gilchrist	Martin, Mass.	Taylor, Colo.
Carmichael	Granfield	Maverick	Taylor, S. C.
Cavicchia	Green	Mitchell, Ill.	Tobey
Celler	Greenway	Monaghan	Tolan
Claiborne	Greenwood	Montague	Turpin
Collins	Haines	Montet	Wadsworth
Corning	Hamlin	Nelson	Weaver
Creal	Hess	Nichols	Wilcox
Cummings	Hill, Knute	Norton	Wilson, Pa.
Dear	Hobbs	O'Malley	Withrow
Deen	Hoeppel	Owen	Wolfenden
Dies	Hollister	Parks	Wood
Dirksen	Hook	Peterson, Fla.	Woodrum
Ditter	Imhoff	Pettengill	Zioncheck

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. BANKHEAD, and he voted "yea."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. Drewry and Mr. Montague (for) with Mr. Gilchrist (against).

Mr. Monaghan and Mr. Weaver (for) with Mr. Reed of New York (against).

Mr. Woodrum and Mr. Bulwinkle (for) with Mr. Ditter (against).

Until further notice:

Mr. Corning with Mr. Martin of Massachusetts.
Mr. Dies with Mr. Bacharach.
Mr. Fernandez with Mr. Dirksen.
Mr. Maverick with Mr. Gifford.
Mr. Taylor of Colorado with Mr. McLeod.
Mr. Sears with Mr. Tobey.
Mr. Maloney with Mr. Bolton.
Mr. Green with Mr. Eaton.
Mr. Lanham with Mr. Hess.
Mr. Gavagan with Mr. Bacon.
Mr. Wilcox with Mr. Reece.
Mr. McFarlane with Mr. Wadsworth.
Mr. Nelson with Mr. Robsion of Kentucky.
Mr. McClellan with Mr. Andrews.
Mrs. Norton with Mr. Brewster.
Mr. Kleberg with Mr. Doutrich.
Mr. Boykin with Mr. Hollister.
Mr. Gasque with Mr. Burnham.
Mr. Greenwood with Mr. Englebright.
Mr. Kennedy of Maryland with Mr. Knutson.
Mr. Granfield with Mr. Powers.
Mr. Celler with Mr. Wilson of Pennsylvania.
Mr. Dockweiler with Mr. Cavicchia.
Mr. Fitzpatrick with Mr. Turpin.
Mr. Nichols with Mr. Wolfenden.
Mr. Hobbs with Mr. Collins.
Mr. Larrabee with Mr. Burdick.
Mr. Schuetz with Mr. Amlie.
Mr. Pettengill with Mr. Sauthoff.
Mr. Taylor of South Carolina with Mr. Withrow.
Mr. Wood with Mr. Schneider of Wisconsin.

Mr. Ferguson with Mr. Dobbins.
Mr. Sullivan with Mr. McGroarty.
Mr. Dear with Mr. Lee of Oklahoma.
Mr. Tolan with Mr. Sumners of Texas.
Mr. Kee with Mr. Claiborne.
Mr. Secrest with Mr. Quinn.
Mr. Caldwell with Mr. Gassaway.
Mr. O'Malley with Mr. Scrugham.
Mr. Lesinski with Mr. Deen.
Mr. Owen with Mr. Haines.
Mr. Buck with Mr. Peterson of Florida.
Mr. Hook with Mr. Creal.
Mr. Sandlin with Mr. Lewis of Maryland.
Mr. Imhoff with Mr. Carmichael.
Mr. Buckley of New York with Mr. Mitchell of Illinois.
Mr. Peyser with Mr. Sadowski.
Mr. Cannon of Wisconsin with Mr. McGrath.
Mr. Kocialkowski with Mr. Jacobsen.
Mr. Knute Hill with Mr. Hamlin.
Mr. Ayers with Mr. Fiesinger.
Mr. Berlin with Mr. Parks.
Mrs. Greenway with Mr. Brooks.
Mr. Eagle with Mr. Duffey of Ohio.
Mr. Brennan with Mr. Cummings.
Mr. Montet with Mr. Dunn of Mississippi.

Mr. HART, Mr. DICKSTEIN, and Mr. GRISWOLD changed their vote from "nay" to "yea."

Mr. KNUTSON. Mr. Speaker, I vote "yea."

The SPEAKER. Does the gentleman qualify?

Mr. KNUTSON. I think I do.

The SPEAKER. Was the gentleman present and listening?

Mr. KNUTSON. I was present part of the time.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

GOLD STAR MOTHERS' DAY

Mr. PFEIFER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 115, designating the last Sunday in September as "Gold Star Mother's Day", and for other purposes.

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman explain the bill? Does this mean another holiday?

Mr. PFEIFER. No; it simply designates a day to be set aside in which the Gold Star Mothers of America can be recognized. This bill has already passed the Senate and a similar bill was introduced in the House by the late Honorable Stephen A. Rudd and is pending before the Committee on the Judiciary.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. PFEIFER. I yield.

Mr. MEAD. It is merely a proclamation that calls for the use of the flag and other display methods in honor of the Gold Star Mothers.

Mr. PFEIFER. Yes.

Mr. SNELL. Has this bill been reported out by the Committee on the Judiciary?

Mr. PFEIFER. It is pending in the committee.

Mr. SNELL. It never has been reported out?

Mr. PFEIFER. Not yet.

Mr. BOYLAN. If the gentleman will yield, the bill does not carry any appropriation.

Mr. SNELL. Then, tell us just what it does. There are a lot of whereases in the resolution.

Mr. BOYLAN. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I yield.

Mr. BOYLAN. I may say to the gentleman from New York that this is the outgrowth of a bill we passed providing for the trip by Gold Star Mothers to visit the graves of their sons buried in France, which bill was introduced by the late Representative O'Connell from New York. That has been followed up by this beautiful idea. No appropriation is involved. It merely authorizes the President to designate the last Sunday in September as a date to be observed in honor of the Gold Star Mothers.

Mr. SNELL. We do not need all these whereases in the resolution.

Mr. BOYLAN. They are there just to dress it up; the gentleman understands.

Mr. SNELL. I understand.

Mr. BOYLAN. The gentleman was chairman of the great convention in Cleveland and has handled many whereases.

Mr. SNELL. I did not have them in resolutions, though.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I yield.

Mr. CONNERY. This bill was introduced by the late Congressman O'Connell.

Mr. BOYLAN. It was; it was his thought.

Mr. SNELL. I think the bill should be amended to strike out all these whereases.

The SPEAKER. Is there objection to the consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Joint resolution designating the last Sunday in September as "Gold Star Mothers' Day", and for other purposes

Whereas the service rendered the United States by the American mother is the greatest source of the country's strength and inspiration; and

Whereas we honor ourselves and the mothers of America when we revere and give emphasis to the home as the fountainhead of the state; and

Whereas the American mother is doing so much for the home and for the moral and spiritual uplift of the people of the United States and hence so much for good government and humanity; and

Whereas the American Gold Star Mothers suffered the supreme sacrifice of motherhood in the loss of their sons and daughters in the World War: Therefore be it

Resolved, etc., That the President of the United States is hereby authorized and requested to issue a proclamation calling upon the Government officials to display the United States flag on all Government buildings, and the people of the United States to display the flag and to hold appropriate meetings at their homes, churches, or other suitable places, on the last Sunday in September, as a public expression of the love, sorrow, and reverence of the people of the United States for the American Gold Star Mothers.

SEC. 2. That the last Sunday in September shall hereafter be designated and known as "Gold Star Mothers' Day", and it shall be the duty of the President to request its observance as provided for in this resolution.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ARCHIVES OF UNITED STATES GOVERNMENT

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12410) to amend section 8 of the act entitled "An act to establish a National Archives of the United States Government, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 8 of the act entitled "An act to establish a National Archives of the United States Government, and for other purposes", approved June 19, 1934 (48 Stat. 1123; U. S. C., title 40, ch. 2A, sec. 238) be, and the same is hereby, amended to read as follows:

"The National Archives shall have an official seal, which shall be judicially noticed.

"The Archivist of the United States may furnish authenticated or unauthenticated copies or reproductions of any of the archives or records in his custody that are not exempt from examination as confidential; of any film or sound record made by The National Archives; and of any film or sound record donated to The National Archives that is not protected by a subsisting copyright, and may charge therefor a fee sufficient to cover the cost or expenses thereof. There shall be no charge for the making or authentication of copies or reproductions furnished to any department or other agency of the Government for official use. When any copy or reproduction furnished under the terms hereof is authenticated by the official seal of The National Archives and certified by the Archivist of the United States, or in his name attested by the head of any office or the chief of any division of The National Archives designated by the Archivist with such authority, it shall be admitted in evidence equally with the original from which it was made."

With the following committee amendments:

Page 2, beginning in line 1, strike out all down to and including line 9, and insert:

"The Archivist of the United States may make or reproduce and furnish authenticated or unauthenticated copies of any of the documentary, photographic, or other archives or records in his custody that are not exempt from examination as confidential or protected by subsisting copyrights, and may charge therefor a fee sufficient to cover the cost or expense thereof. There shall be no charge for the making or."

Page 2, line 10, insert the word "such" after the words "authentication of."

Page 2, line 12, insert the word "such" after the words "when in."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes in connection with a report I have filed.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. SNELL. Mr. Speaker, reserving the right to object, does the gentleman mean he wishes to address the House at the present time?

Mr. SABATH. Yes.

Mr. SNELL. Mr. Speaker, I think we ought to clean up the business first, although I am not going to object to the gentleman's request.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, ladies and gentlemen of the House, yesterday I filed a supplemental report of a select committee of the House, and by this evening copies should be ready for distribution to the Members. The report contains 120 pages. Your committee sought to hold the report down to as few pages as possible, but to even bring it down to its present size required the elimination of many important facts and much information which I had hoped to place before you at this time. The open hearings conducted by this committee consumed over 6,000 pages, and those hearings, which were not public, will total over 10,000 pages.

For nearly 2 years now our committee has worked to bring about the elimination of the abuses and the greatest evil now existing in the United States. These evils are even found to extend to the courts. They have cost investors from fifteen to twenty billion dollars and over 5,000,000 people are directly interested.

The committee has made strenuous efforts to secure favorable legislation to remedy this situation, but the bill was reported at too late a date, as I have pointed out, and it now appears impossible to have it enacted this session. The Judiciary Committee reported the bill unanimously.

Mr. WALTER. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Pennsylvania.

Mr. WALTER. If the gentleman has been informed the Judiciary Committee reported the bill unanimously, he has been misinformed. I may say the bill was passed by the committee with a bare majority of 1.

Mr. SABATH. I was informed the bill was reported unanimously. No minority report has been filed on the bill. I have talked to nearly all of the Members and each of them indicated he had voted in favor of the bill.

Mr. Speaker, this bill will eliminate the abuses which exist under the fee system of our courts. The demand for relief is Nation-wide. I realize that the attorneys for the receivers and trustees of these committees and the beneficiaries that are bound to reap millions and millions of dollars, and who will eventually obtain possession, control, and ownership of the best structures and the best buildings in the United States, do not desire this legislation. Oh, yes; their lobbying has been intense and very bitter.

In desperation, in view of the fact that I saw no chance of the legislation being passed at this late hour, I introduced a resolution asking for an additional small appropriation. I admit that the committee has received $115,000, but I say that every dollar has been expended in the interest of these unfortunate millions of people. Not a dollar has been wasted. I have worked for 2 long years with this committee. We have had many lawyers, many accountants, and many examiners aiding the committee, a large majority of whom served without compensation. Our work has been lauded by nearly every newspaper in the country. It has been approved of by magazines and the various legal papers, such as the legal bulletins and law journals of Yale, Harvard, Columbia, and other colleges. Our work has been endorsed by real-estate boards and by various other organizations.

I repeat, the only ones who oppose our investigations and this legislation are the few sharpers and the few crooks who desire to reap great benefit and profit at the expense of unfortunate men and women, widows, and orphans. I say it is an outrage and shame that this legislation should not have been reported before, so that action could have been had.

I know that some members of the Accounts Committee, including its chairman, are opposed to an additional appropriation being granted, and some Members have said that we should not ask for one. I had hoped we would not be obliged to do so. Rather, I wished that the work could have been concluded; and if this bill had been passed, as we anticipated, we would not have made this request. I regret that the chairman of the Accounts Committee has not seen fit to grant our request for an additional appropriation.

Our request, remember, is made on behalf of millions of stricken people, on behalf of justice and righteousness. For every dollar this committee has expended there has been at least three to five dollars brought into the Treasury of the United States from income taxes that would not have otherwise been collected. [Applause.]

I am not going to take advantage of the fact that I now have the floor to move to suspend the rules, because I do not act that way. But I appeal to the House, and I appeal to the chairman of the Committee on Accounts, and to the members of that committee, and ask that they appropriate a small additional sum so that we can go on with this work.

There is one thing I want to bring out at this time. Let it not be thought that if the additional appropriation we now request is not granted the committee will cease to function. The committee has the promise of many attorneys, accountants, and others, to continue the investigations without compensation. They feel, as the committee does, that it is a patriotic duty. Our work will continue, our investigations will go on, until such time as legislation along the lines of the committee's resolution, H. R. 12064, is enacted. [Applause.]

In addition to what I have said, may I present at this point a résumé, including excerpts from reports and articles showing the need for remedial legislation, which I believe will be enlightening.

The many abuses and evils which have been and are now prevalent in the administration of Federal receivership and bankruptcy proceedings are not all of recent origin. Nearly 30 years ago I introduced a resolution to investigate bankruptcy and receivership proceedings and the bankruptcy rings then existent. I recollect that shortly thereafter Judge Peter Grosscup, of Chicago, who appointed his clerk as receiver in most of the bankruptcy proceedings before him, allowed one John M. Harlan, a practicing attorney, a $200,000 fee as adviser, to which I called attention and which brought about his resignation.

The Bankruptcy Act of 1898 was amended from time to time. Many amendments were introduced to eliminate vicious bankruptcy and receivership rings, but only a few have been enacted. A probable reason for the failure to enact this much-needed legislation in the past is doubtless due to the era of prosperity this country enjoyed, during which period bankruptcy and foreclosure proceedings were reduced to a minimum. However, when financial readjustment became necessary in 1920 and 1921, bankruptcy and receivership proceedings began increasing in volume, with attendant evils.

I called attention to these conditions to the then Attorney General, the Honorable William D. Mitchell, who caused an investigation to be made. Shortly thereafter, the State of New York ordered an investigation which was made by Col. William J. Donovan, and due to the general crash in 1929, and even before that time, hundreds upon hundreds of real estate and other bond issues began to default, and abuses increased so that the district judges of the southern district of New York ordered another investigation. The Irving Trust Co. was recommended as official receiver in all

bankruptcy and Federal receivership proceedings, giving to that company and its own attorneys monopoly over the thousands of equity receiverships and bankruptcy proceedings. To this monopoly, there was a general complaint by the New York bar. A resolution was introduced in this House by the gentleman from New York, [Mr. CELLER], to investigate these newly developed vicious practices and upon the recommendation of the Rules Committee of the House, the Judiciary Committee made it general. The passage of this resolution and the investigation thereunder brought about a change in the conditions in the southern district of New York.

About the same time very serious charges were made against conditions in Chicago, and the Subcommittee of the Judiciary, upon a complaint from the bar association, investigated conditions there. In the original report of that subcommittee it pointed out many outrageous practices, and I wish that each and every Member of this House had the opportunity to obtain and study their report, which brought about the enactment of article VIII of the Bankruptcy Act. This article includes sections 74 and 77B, with which we are presently concerned.

The enactment of sections 74 and 77B, unfortunately, did not stop, as was intended, the deplorable activities and abuses. New and additional evils arose as a result of the passage of section 77B, partly being due to the failure to limit the allowances of fees to receivers, trustees, committees, and other similar groups as otherwise provided in the Bankruptcy Act. Unheard of increases in foreclosure proceedings were commenced, many of which were collusive, unnecessary, and primarily for the purpose of giving the former houses of issue and their self-appointed committees control and possession of these properties, to the misfortune and loss of bondholders and security holders.

Investigations were ordered by the various States that attempted to enact legislation to prevent and eliminate and correct these evils, but it is conceded that the States are unable to cope with this Nation-wide situation.

Upon a petition signed by over 500,000 bondholders requesting relief, this House appointed a select committee to investigate these deplorable conditions for the purpose of recommending legislation that would put a stop to this wholesale fraud and collusion against the millions of investors, who did not look for enrichment in investing their money but sought and wanted a safe investment for the protection of themselves and their families. Now, who are these people? They are the most deserving and frugal citizens of America, who, upon the recommendations of their bankers, probate courts, and so forth, invested their all in these securities.

Yes; they included the benevolent, fraternal, and labor organizations, many of whom invested not only their capital but their reserves as well in these bonds. There are over 5,000,000 individuals, to say nothing of the hundreds of thousands of members of these organizations which I have mentioned, who have appealed to Congress for relief as they became helpless against the racket of the so-called protective committee, committees organized by unscrupulous houses of issue with the aid of many of the outstanding trust, guaranty mortgage, and investment companies, who appointed their own clerks or members to serve on these committees, none of whom had a penny of their own invested, and adding a few outstanding names for "window dressing" purposes so as to inveigle the early deposit of bonds with them. Instead of these committees being protective committess, in the majority of cases they might properly be designated as "racketeering" committees, as no sooner had they obtained these bonds from the unfortunate and uninformed investors, in most cases their bonds were used as collateral security for loans from their own bankers for the purpose of defraying their own expenses, such as the costly propaganda for the solicitation of bonds, lawyers' fees, appraisal fees, trustees' fees, and many other fees. In fact, in some instances nine different fees were being charged to bondholders. In many instances these committees failed and refused to make any report to bondholders for 2, 3, and 4 years. The reports they finally did make were of such a nature as to deliberately discourage the unfortunate bondholders and to destroy their last vestige of hope and confidence in their investments.

Through various manipulations and agencies and devices, many of these protective committees, directly or indirectly, obtained and acquired the bonds at the outrageously low prices of 3, 4, and 5 cents on the dollar. In many instances, where the committees made loans against the bonds in lieu of distributing any dividend or making any payment whatsoever to the bondholders, they frequently would receive a notification or certification that the bonds were worthless and had been cremated, there being an amount realized sufficient only to pay their own self-imposed and arbitrarily high fees and expenses. Please remember that many of these bonds were against some of the finest and best properties in the United States, many of which were almost fully occupied, and there could and should have been some reasonable interest paid to the stockholders, but instead of using the revenue to aid these unfortunate bondholders the money was used for committee and lawyers' fees and charges. Taxes remained unpaid, and yet not a single cent was paid to the bondholders. Even in cases where loans were made by the Reconstruction Finance Corporation, the money, in the majority of cases, was used for similar purposes.

Our committee within a few months was able to penetrate at least some of these many collusions and ramifications. We found most of these committees, as stated before, were designated and controlled by the bankers, mortgage companies, trust companies, guaranty companies, houses of issue, and their law firms. This committee found that the bondholders were utterly helpless; they were unable to obtain the list of other bondholders, and they themselves were not in a position to combat these shrewd and conniving committees and their influential attorneys.

Even the courts were helpless, as under section 77B the judges themselves were not in a position to investigate or penetrate or analyze these reports filed by the thieving committees and their attorneys and they were dependent upon, and had to rely upon, the fraudulent, conniving and collusive reports, so that many sales of properties were approved by courts where less than one-fifth of their actual value was realized. Yes; in some instances, one-twentieth of their true value or from 4 to 5 cents on the dollar, based on appraisals made by the very houses of issue, as indicated in their prospectus when offering these bonds for sale.

To bring to light and arouse public opinion, our committee held hearings in Chicago, New York, Detroit, Milwaukee, St. Louis, San Francisco, Los Angeles, Miami, Boston, Washington, and, a few weeks ago, in Philadelphia. In some of these cities a great deal of publicity was given to the evidence and the frauds that have been practiced on the public.

It is unfortunate that the bar associations and the outstanding members of the bar have not seen fit to aid or cooperate with the committee. However, the committee has obtained the cooperation of many splendid, able, and unselfish lawyers and accountants to aid it in its tremendous task to bring to light the existing unbelievable conditions.

I actually believe that if all the evidence were brought home to the American people, the confidence in our courts, reputed bankers and banking and investment institutions, and leaders of the bar would be shattered.

The bill which our committee has agreed upon creates a conservator, with deputy conservators in each judicial district. It will eliminate excessive fees. It will protect the security holders without cost to the Government, and will not permit of unconscionable sales and/or plans of reorganizations to be perpetrated. In my last speech I called attention to a few companies and committees, such as the Chicago Title & Trust Co., the Roosevelt Committee, the Straus Committee, the Pounds Committee, the Fisk Tire Co., and so forth. Many others will be cited in our final report.

Our committee endeavored to obtain action before the Banking and Currency Committee in the last Congress and the first session of this Congress, but in order to eliminate any constitutional question we have redrafted the bill as an

amendment to the National Bankruptcy Act so that the bill could be referred to the Judiciary Committee, which is familiar with the abuses, in the hope that the Judiciary Committee would give early and favorable consideration to our bill. Unfortunately, although we urgently appealed in the matter, the bill was not acted upon until Wednesday, June 3.

ABUSES IN REORGANIZATION AND RECEIVERSHIP PROCEEDINGS AND NECESSITY FOR REMEDIAL LEGISLATION

To show some of these abuses arising from receivership proceedings and the necessity for remedial legislation, we quote from a report by the subcommittee of the Committee on the Judiciary of the House of Representatives investigating receiverships and bankruptcies, appointed pursuant to House resolution of June 12, 1933, which held hearings at Chicago during week ended March 23, 1934:

Not knowing how far-reaching or widespread conditions similar to that exposed in Chicago may prevail in the United States, we hesitate at this time to recommend legislation to take care of all of the evils apparent in the northern district of Illinois, but we do feel that we should recommend at least the following for the consideration of the committee:

If the receiver and trustee of a bankruptcy estate are one and the same person, the amount of fees at present allowed by the Bankruptcy Act for both services should be reduced in some manner, because at the present time it results in the payment of duplicate fees for practically the same services, or they may even result in a dissipation of the assets of the estate. It is recommended that the question of the appointment of permanent receivers, to be paid a definite salary with the authority in the court to appoint special receivers in cases where special ability or experience is necessary, the basis of compensation for the same could be determined by the court at the time of the appointment, be seriously considered. If legislation can be enacted to this end, it would result in the saving throughout the country of many millions of dollars every year to the creditors of bankrupt estates, in the saving of costs and expenses in the administration of such estates.

The line of demarcation in these cases between what constitutes collusion and what is merely perfectly proper friendly relationship in order to conserve the debtor's interest is very fine and hard to determine, but the practice is so open to evils that in cases of this character the court should scrutinize very closely the arrangement and be assured that there is absolutely no element indicating collusion in any form at all. Of course, this evil would be remedied were there permanent receivers and were the court to guard carefully the selection of any special assistant receiver. Then, too, it appears to us that in some of these cases this conservation receivership procedure was followed in order to avoid receiverships in the State court.

In all of these cases it is the solemn duty of the court to see that the interests of the creditors are thoroughly safeguarded. That duty should extend to a careful scrutiny of the original arrangement by which the matter is brought within the jurisdiction of the court and a real determination of the fact of the necessity of seeking the jurisdiction of the court. It should extend to the selection of a receiver or a trustee or attorney not based upon any custom in the district and not based upon a friendship or any other influence of a like character. It should be based entirely upon the character and the ability of the person so selected in order that the estate may be most efficiently administered for the benefit of the creditors. That duty should then extend beyond that—it should be the duty of the court to carefully scrutinize the manner of the administration of the estate and not merely to perfunctorily sign orders upon application of the receiver. And, lastly, it certainly is the duty of the court to determine what is proper compensation in matters of this kind, having in view not his friendship for the receiver or the attorney but rather his duty to see that the creditors realize as much as possible from the assets of the estate.

Our investigation discloses a condition in Chicago that amounts to almost criminal negligence in the failure on the part of the courts to properly conserve the property in litigation and in some instances an apparent willing assent to the plundering and sacking of the estate committed to the care and custody of the court, because in many of these cases apparently the whole arrangement was simply to use up the assets in the payment of receiver and attorney fees, with an absolutely utter disregard for the rights of the creditors. Receivers are the trustees of a sacred trust and are called the arm of the court and the attorneys acting for the receivers occupy a position of equal trust. The services of the receiver and of the receiver's attorney should be used to conserve the estate and should not be used to enrich themselves beyond proper compensation.

Your committee feels that any judge that permits such a practice violates the trust which has been imposed on him by the Government and the people and that it is because of this fact that so many of our courts have been brought into disrepute.

During the last 5 years more than $4,000,000,000 have been lost to creditors throughout the United States in bankruptcy and receivership matters. If, by reason of legislation which the Congress might enact, correcting the present-day evils in our bankruptcy and Federal receivership practice, this loss to creditors could be materially reduced, it will be seen what a wonderful work the Congress will have done; and this can be done. Equity receiverships and bankruptcy matters have degenerated into nothing more or less than a pure, simple racket which should be stopped by congressional legislation and congressional action.

OPINIONS OF JUDGES REGARDING FEES

A brief review of a few of the opinions as recently expressed by Federal courts on this subject may prove of interest.

United States District Judge Caffey, southern district of New York, in the matter of the New Rochelle Coal & Lumber Co., debtor (28 Am. B. Reports, 209), held:

It is the duty of the court to keep expenses to the debtor or to a debtor's estate carefully within rather narrow limits.

United States District Judge Nields, district of Delaware, in the matter of National Department Stores, Inc., debtor (11 F. Supp. 633), in an opinion filed July 1, 1935, said:

The court is not without instruction in making allowances. Last April the Supreme Court declared:

"Extravagant costs of administration in the winding up of estates in bankruptcy have been denounced as crying evils."

Recently our own circuit court of appeals adopted language of the Supreme Court:

"We were desirous of making it clear by your action that the judges of the courts, in fixing allowances for services to court officers, should be most careful, and that vicarious generosity in such a matter could receive no countenance."

The circuit court of appeals followed with the words:

"This warning of the Supreme Court against 'vicarious generosity' has also been sounded by other Federal courts."

Formerly the idea prevailed that attorneys were entitled to greater compensation when employed in a receivership or bankruptcy case than when serving private interest. In reality, receivers and attorneys are officers of the court. As public servants, their compensation should never be as large as the compensation of those engaged in private employment. By such considerations debtors may be relieved and creditors and stockholders served.

Where numerous persons participate in rendering one service susceptible of being rendered by one person needless duplication results, which should not form the basis of compensation.

United States District Judge Hamilton, in re Kentucky Power Corporation (11 Fed. Supp. 528), in an opinion rendered August 12, 1935, in part, said:

Exorbitant fees cause the people to set up bureaus in the executive branch of the Government to pass on their rights and to formally approve and supervise corporate reorganizations and the issue of securities. Much is said by members of the legal profession about bureaucracy and the intrusion of the executive branch of the Government into the judicial fields. If the courts were more prompt in disposing of matters brought before them, and attorneys were less eager to receive exorbitant fees, the cry against bureaucracy would not be so blatant and the legislatures would not be so often importuned by members of the bar to pass acts defining the practice of law and prohibiting the laymen from invading the legal field.

The exorbitant fees allowed by courts to lawyers and excessive allowances to receivers in the Federal courts have so aroused litigants as to cause the Congress to appoint a committee to investigate the courts of the land. Section 77B provides a simple and convenient method for the reorganization of financially distressed corporations. The salutary benefit of this act will be destroyed, and it will become a disused statute, unless the judges of the Federal courts carefully scrutinize the claims of attorneys and committees for allowances for services and allow only reasonable fees based on services rendered.

In the matter of the Paramount-Publix Corporation, Judge Coxe, United States district judge for the Southern District of New York, in an opinion rendered October 23, 1935, said, in part:

There is no warrant under the statute for the granting of allowances for unnecessary services or expenses.

An editorial in the New York American of December 26, 1935, states the point well:

It permits lawyers retained by nobody, bankers, who are themselves responsible for overcapitalization ending in collapse, and all kinds of self-appointed and nondescript committees to "muscle in" on distressed properties and, as "preferred creditors", literally to run away with money belonging to somebody else.

PLANS OF REORGANIZATION

Conniving and scheming in reorganizations may best be illustrated in the language used by Judge Holley, in the matter of Rosenbaum Grain Co., debtor (28 Am. R. Repts., N. S. 451), wherein the debtor filed a petition requesting the court to appoint, first, a committee to represent the

creditors and, second, a committee to represent the stockholders in a reorganization proceeding:

In a great majority of the cases presented to the court the creditors of the corporation are widely scattered, bonds having been sold to the public generally, and very frequently large numbers of persons of small means hold bonds in quite small amounts. These creditors have great difficulty in protecting their interests, and the holder of a thousand-dollar bond cannot afford to employ counsel to represent him in the proceedings. As a result, bondholder and creditor committees have been organized which have solicited the deposit of bonds or other evidence of indebtedness with power of attorney to represent the holder in all proceedings. In a great majority of cases, probably, these bondholders' committees are composed of men of integrity and ability, who, in the performance of their duty, have but one object in view, the protection of those whose interests they represent. In a great many cases, however, the bondholders' committee is set up by the debtor itself, or by individuals who promoted the organization of the debtor and the sale of its securities. Many of these committees have been extravagant and wasteful. They request the court sometimes to appoint a trustee nominated by the committee and at other times to continue the debtor in possession. If the debtor remains in possession, it is frequently unwise in its management of the property, expends money, and incurs liability far beyond the necessities of the business. The trustees recommended by the committee often charge excessive fees in connivance with the members of the committee and contract bills far out of proportion to the services rendered. In some cases the property has been deliberately mismanaged for the purpose of enabling the debtor to secure a better settlement with its creditors.

As a result of such practices great public scandal has arisen, and there has been much newspaper publicity and many legislative investigations. The public has come to distrust all committees, lumping the good with the bad, though there is no doubt that a very large proportion of the committees are honestly and faithfully performing the duties imposed upon them.

The court is generally in the dark as to the method of the organization of the committees and of the manner in which the committee conducts the affairs of the debtor. Likewise it can know little of the real merit of the plan of reorganization presented. A plan which appears perfectly fair on its face may, as a matter of fact, be outrageously unjust. The court has to rely on the statements of the interested parties, on the reports made to it by creditor or stockholder committees, and the statements of creditors in open court when the plan is presented. The individual creditors, those holding small amounts of the securities of the debtor, cannot afford to be represented in court. If the creditors' committee has done its word honestly and capably, the court can rely upon the reports presented by the committee. If, however, the work of the committee has been of a different character, the court may be very easily misled and confirm a plan which should have been rejected.

It is exceedingly important, therefore, that the court have its own representative on the stockholders' and creditors' committees. Further, it is necessary that the court have control of the committee and have the right to remove any member who, either through negligence or dishonesty, fails to perform the duties of his office. In this case the court has such a representative on each committee, and by the terms of the draft order presented the creditors' committee as a whole is under the jurisdiction of the court.

To illustrate the interest of the Bureau of Internal Revenue in the work of your committee we quote excerpts from letters of the Honorable Guy T. Helvering, Commissioner of Internal Revenue Bureau:

TREASURY DEPARTMENT, *Washington, D. C.*

Hon. A. J. SABATH,
Chairman, Select Committee to Investigate
Real Estate Bondholders' Reorganizations,
House Office Building, Washington, D. C.

MY DEAR MR. CHAIRMAN: * * * There has been referred to me a letter from the Chicago office of your committee stating that during your investigation of defaulted real-estate bonds there has been uncovered what are believed to be several evasions of income tax, particularly insofar as members of bondholders' protective committees are concerned.

The letter states that there has also been uncovered what is believed to be an act of fraudulent representation which resulted in a refund of approximately $85,000 to the Chicago Title & Trust Co. as receiver for H. O. Stone & Co.

I wish to assure you that this Bureau will give your committee its utmost cooperation and will be highly appreciative if your committee will refer additional information which it feels should be investigated by this Bureau.

The Attorney General has been requested to file an action for the recovery for the refund previously made ($85,000).

The continued cooperation of your committee and its representatives is greatly appreciated.

A subsequent letter stated:

I wish to take this opportunity to express to you my appreciation of the spirit of cooperation displayed by the committee and members of its staff in making available to the Bureau information pending to the question of income-tax liability not only in the case of this particular individual matter but also in numerous instances.

COOPERATION OF JUDGES OF UNITED STATES DISTRICT COURTS

To illustrate, we quote from a letter received recently from the Honorable Ernest A. O'Brien, of the Federal court at Detroit, Mich.:

UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF MICHIGAN,
Detroit.

ADOLPH J. SABATH,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN: I desire to acknowledge my debt of gratitude for the services that your representatives of the House Special Investigating Committee in this city has rendered to me.

I trust that I will be able to have the facilities of your committee in other matters now pending, as I am convinced they will be of great help to the court.

I wish to compliment you on the work already accomplished and with your continued success in your endeavors.

Very truly yours,

ERNEST A. O'BRIEN,
United States District Judge.

In the case of the Pierrepont Hotel matter, Federal Judge Moskowitz, of Brooklyn, sent the following:

I'd like a brief report on this particular reorganization case from the Sabath committee.

The court wants to extend its thanks for the fine cooperation and the splendid results obtained. The Sabath committee has done a fine job.

Federal Judge Mack, of New York, in commenting about activities of this select committee in connection with the Fox Metropolitan case, stated:

The fine work being done by the Sabath committee unfortunately may never be known to the bondholders.

Some of the other letters are:

UNITED STATES DISTRICT COURT,
DISTRICT OF NEW JERSEY,
Newark, N. J., September 3, 1935.

Hon. ADOLPH J. SABATH,
House Office Building, Washington, D. C.

SIR: Your letter of the 16th ultimo relating to the activities of your committee and enclosing a copy of Judge O'Brien's letter was received.

I am glad to know that your objects are in full conformity with my own views. You may rest assured that you and your associates will have my full and unstinted cooperation in the work which is being undertaken in this district.

Thanking you for writing me and trusting you will feel free to call upon me for any service you may desire, I remain

Very truly yours,

GUY L. FAKE.

UNITED STATES DISTRICT COURT,
EASTERN DISTRICT OF MISSOURI,
St. Louis, September 4, 1935.

Hon. ADOLPH J. SABATH,
1136 House Office Building, Washington, D. C.

DEAR SIR: Your letter of recent date, tendering the service of your committee, was received. We will be glad to have the assistance of your committee in the difficult and trying matter of these corporate reorganizations.

Thanking you for your kindness in writing me, I am,

Yours sincerely,

CHARLES B. DAVIS,
United States District Judge.

A number of judges of the United States district courts are now including in their orders that notices of hearings as well as copies of pleadings be provided this select committee. A copy of such order reads as follows:

Ordered, that a notice of such hearing shall be given to the Secretary of the Treasury of the United States and to the Sabath committee, by the debtor, by causing a copy of this order to be mailed to them on or before the ——— day of ———.

COMMITTEE, IN CAPACITY OF MEDIATOR, SAVES MILLIONS TO BONDHOLDERS

OCTOBER 4, 1935.

Hon. A. J. SABATH,
Chairman, Select Committee to Investigate
Real Estate Bondholders' Reorganizations:

Congratulations and thanks for the splendid service rendered by your committee in the matter of the National Press Building Corporation reorganization. Due in great part to you and your committee's forceful and fair persuasion, agreement was reached by all parties in interest several days ago, and the plan of reorganization was approved yesterday of Judge Luhring. Again may

we thank you, and will you please extend these thanks to Messrs. Blaustein, Comer, and Thomas for the intelligent handling of this difficult matter?

BASCOM N. TIMMONS,
Chairman, Building Reorganization Committee,
National Press Club.

LEGISLATION

In a report on the administration of bankruptcy estates submitted by counsel, Col. William J. Donovan, in the matter of an inquiry into the administration of bankrupt estates, conducted before Hon. Thomas D. Thacher, judge of the United States District Court of the Southern District of New York, under order of said court and under date of March 6, 1929, he, in part, states:

The investigation, although prior to the enactment of section 77B, developed the many abuses existing in reorganizations, and in this report radical changes were recommended for the administration of bankruptcy estates. There were even at that time thrust upon the courts administrative duties which they were not equipped to meet, nor competent to perform and which they should not be expected to discharge. They sought to eliminate this condition, and as a result of their report and recommendations, radical changes were made in the State of New York.

As a result of the recommendations made by Colonel Donovan to the district judges of the southern district of New York, the Irving Trust Co. was selected as an official receiver and trustee in bankruptcy and Federal receivership proceedings. But shortly thereafter nearly the entire bar of the State of New York protested this monopoly of the Irving Trust Co. Hon. EMANUEL CELLER then introduced a resolution to investigate these conditions in New York; but upon the request of the Rules Committee of the House, the Judiciary Committee of the House broadened its investigation to include all districts throughout the country. This investigation was made, and resulted in many changes being brought about.

Colonel Donovan in this report further stated:

These responsibilities should be centralized in the executive branch of the Government. The creditors will not exercise these responsibilities; their admitted exercise by the courts has been ineffective, burdensome, and generally inefficient; has produced a multitude of rules and legalistic formalities; and has resulted in the criticism of the bench itself. Trustees should be supervised and licensed or subject to approval by the executive branch of the Federal Government. The Bankruptcy Act contemplated an orderly and economical liquidation of the estate of a bankrupt and not the performance of administrative duties by highly paid attorneys.

In the President's message to the Senate and House of Representatives on February 29, 1932, he stated:

The Federal Government is charged under the Constitution with the responsibility of providing the country with an adequate system of administration of bankruptcy estates. The importance of such a system to the possible life of the community is apparent.

A sound bankruptcy system should operate, first, to relieve honest but unfortunate debtors of an overwhelming burden of debt; second, to effect a prompt and economical liquidation and distribution of insolvent estates; and, third, to discourage fraud and needless waste of assets by withholding relief from debtors in proper cases.

For some time the prevailing opinion has been that our present Bankruptcy Act has failed in its purpose and needs thorough revision.

The present Bankruptcy Act is defective in that it holds out every inducement for waste of assets long after business failure has become inevitable. It permits exploitation of its own process and wasteful administration by those who are neither truly representative of the creditors nor the bankrupt.

May I not say that important as these recommendations are we must all keep before us the thought that effective administration of the law in a republic requires not only adequate and proper machinery, honest and capable officials, but above all a citizenry imbued with a spirit and respect of law.

H. R. 12064—SUMMARY OF PROVISIONS, CONSERVATOR IN BANKRUPTCY ACT INTRODUCED BY HON. A. J. SABATH

A bill to amend the Bankruptcy Act, to aid the courts in the administration thereof, protect bondholders in reorganizations, compositions, and extensions, and prevent excessive charges and loss of assets

(a) (1) The Comptroller of the Currency is designated as the conservator in bankruptcy.

(2) The conservator is authorized to act as trustee, custodian, or receiver. The conservator is empowered to conduct investigations in such matters as he may deem necessary or as the court may request in proceedings under 74 or 77B.

The conservator is given sufficient powers to enable him to have full knowledge and a check on the entire proceedings and administration of estates in 74 and 77B so as to make available to the district courts complete facts and to relieve district courts of unnecessary administrative burdens.

(3) The conservator is authorized to prescribe and publish rules and regulations.

(4) The conservator is empowered to administer oaths, take evidence, and require attendance of witnesses and production of books by subpena. The court may upon application of conservator, issue an order to produce books, papers, documents, and give evidence, and any failure to obey such order may be punished by the court as a contempt.

(b) In any proceeding under section 74 or 77B commenced after the effective date of this act, in the event the judge does not determine to continue the debtor in possession, the judge shall appoint as trustee, custodian, or receiver—

(1) The conservator; or

(2) An authorized trustee from a panel of trustees qualified for such service to be selected and designated in advance by the conservator; or

(3) In any particular case, if it shall be shown to the satisfaction of the court that the conservator or the panel cannot properly or adequately function because of unusual circumstances peculiar to the case, then some person not authorized may be appointed. This also applies to any vacancy in pending proceedings.

(c) Pursuant to appropriate orders or rules of procedure which shall be prescribed by the court the conservator shall be given due notice of all proceedings. The conservator shall have the right to be heard upon all questions with respect to which the debtor, any creditor, any stockholder, or any intervening party in such proceeding may be heard.

(d) No composition, extension proposal, or reorganization plan under section 74 or 77B shall be confirmed unless the conservator has either approved plan or, if disapproved, has been given an opportunity to be heard on his objections. The conservator shall approve plan or proposal if he finds it to be fair and equitable after thorough study.

(e) The conservator shall have the right to propose a plan or amendments to a plan of reorganization.

(f), (g), and (h) The conservator may approve or disapprove the provisions and limitations of—

(1) Deposit agreement.

(2) Protective committees and their personnel.

(3) Solicitation of proxies, assents, deposits, consents.

Provision for fine of $5,000 and imprisonment of 2 years may be imposed for willful violation of any solicitation of proxies, consents, authorizations, dissents in respect of any composition, proposal, or reorganization plan without—

(1) Prior submission of plan to conservator.

(2) Full disclosure of material facts.

(3) Approval of personnel and deposit agreement by conservator.

No court of bankruptcy shall have jurisdiction to permit protective committee to intervene or to make allowances for remuneration to protective committee unless the petition is accompanied by certificate of conservator approving its personnel and committee agreement under which such committee is acting. Section (g) also provides conditions under which conservator may disapprove of either committee personnel or agreement. Such disapproval is made subject to review or appeal to circuit court.

(i) (1) No allowance for fees, expenses, or other remuneration to be paid to anyone in reorganization proceedings unless petition is first submitted to conservator and is accompanied by conservator's report either approving or disapproving and conservator is given an opportunity to be heard with respect to objections.

(j) No petition to institute a proceeding under section 74 or 77B may be approved if debtor is under receivership in any other court unless opportunity is given for conservator to be heard on question of good faith.

(k) The conservator shall be entitled to costs of administration of services to be paid out of debtor's estate under plan of reorganization of the estate in accordance with rules and regulations of conservator.

(l) The conservator may examine any proceedings where reorganization plan has been confirmed since January 1, 1935, and report his findings and recommendations to court.

(m) Provides for appeals by any committee or member thereof aggrieved by an order of the conservator disapproving the provisions, limitations, or membership of such committee.

The conservator shall certify and file in court a transcript of the record on which the order complained of was entered. Upon filing of such transcript, court shall have exclusive jurisdiction to affirm, modify, or set aside such order in whole or in part. Also provides that any findings of fact or other orders of the conservator may be reviewed in the same manner as provided in the case of a report of a referee or special master.

(n) Bill applies generally to proceedings which involve liabilities of over $50,000 evidenced by at least 10 credit instruments owned by at least 10 persons.

SEC. 2. The Reconstruction Finance Corporation is authorized to make loans to finance such reorganizations, compositions, or extensions if approved by the Conservator.

SEC. 3. Amend Bankruptcy Act to include in the definition of "equity receivership" any proceeding to foreclose a lien on property.

The Subcommittee of the Judiciary, in its report herein referred to, said:

We are of the opinion that legislation be enacted to prevent collusive receiverships (and similarly other collusive suits and acts) * * *. If by reason of legislation which the Congress might enact correcting the present-day evils in our bankruptcy and Federal receivership proceedings, this loss to creditors could be materially reduced, and it will be seen what a wonderful work that Congress would have done, and this can be done. Equity receiverships in bankruptcy matters have degenerated into nothing more or less than a pure and simple racket which should be stopped by congressional legislation and congressional action.

In a report of the counsel to the chairman of the special committee to investigate receivership proceedings and administration of justice in the United States courts, he (Mr. Percival Jackson) again reiterates the various abuses prevalent in reorganizations, and he likewise recognizes the necessity for governmental supervision. In further substantiation of our contentions, we quote from this report as follows:

Whether it be in an equity receivership proceeding, or be entitled in proceedings under section 77B, if from the outset the debtor and the committee are colluding in the interests of the debtor, if there has been no attempt at an honest and complete investigation, if in the preparation of a plan, there has been no honest representation of security holders, the task of the honest judge in seeking to protect the security holders becomes an impossible one. There is no inherent virtue in section 77B that avoids these abuses. Nothing is furnished to the judge by section 77B to supply him with means, facility, training, or experience for independent investigation, understanding, and correct determination of the numerous, intricate, and technical details of stock and bond issuance and exchange, or the many accounting and appraisal details necessary for correct determination of the technical and administrative matters visited upon him by plans of reorganization.

Following an investigation under section 21A of acts preceding the reorganization, the veil of collusion and fraud which has marked the adoption of plans in equity receivership proceedings can readily be pierced by an independent and intelligent investigation of a plan of reorganization offered in a 77B proceeding, provided such investigation is made by a competent and honest agency that has the confidence of the court and adequate means for making a comprehensive and searching scrutiny of the plan and the factors behind it.

Such an investigation should be factual, not legal or judicial. It must be thorough, and for that purpose requires the judicial power of subpena and examination of witnesses. The investigating function is administrative rather than judicial. It should be preparatory to and supplemented by the judicial hearing provided for in section 77B. Properly and fully made it will largely render unnecessary considerations of intervention and questions of adequacy or honesty of representation of security holders. Adequately reported to the court and aided by the later exercise of the judicial function it will enable the judge, trained to consider factual and legal problems placed before him and to determine controversies arising therefrom, to determine the fairness of the plan, to consider and protect the interests of the minority, independently of any interested or influenced opinion of the majority, in a substantial and effective and not in a perfunctory or formal way. This method will furnish an agency to which the judge may, in the first instance, transmit the subjects which occur to him for investigation in connection with the plan, to which interested parties may convey their suggestions and objections and should meet with the approval of the numerous judges and lawyers who feel that the referees should play a part in the administration of section 77B.

The suggestions herein contained, however, will be futile unless the agency selected exercises its own skill and initative in making such investigation and particularly will be rendered useless in given cases unless the scrutiny is made by investigators skilled in the intricacies of stock and security issuance and exchange and of security markets.

If, in addition, we establish a permanent agency, such as hereinbefore suggested, to supplement the efforts of the judges and to punish violations of the act, we may reasonably expect surcease from the existing abuses.

EXCERPTS FROM REPORTS, LAW REVIEWS, MAGAZINES, EDITORIALS, AND NEWSPAPER ITEMS

In an article appearing in the Columbia Law Review, volume 34, no. 7, November 1934, Mr. Joseph L. Weiner said:

Specifically, no consideration was given to the broader question, whether the reorganization machinery should be left where it was, subject only to a certain amount of judicial scrutiny. The increasing volume of business in the Federal courts makes it extremely difficult to believe that the Federal judges will be able to carry out with thoroughness the duties imposed upon them by the act. Nor was sufficient consideration given to the possibility, suggested long ago by Chief Justice Taft, of eliminating the present provisions for the appointment of receivers or trustees and substituting a paid official at either a salary or statutory rate of compensation.

In an article in the Harvard Law Review, volume 47, no. 4, January 1934, by William O. Douglas, professor of Yale School of Law, he said with respect to protective committees:

Speaking generally, there has long been a need for reform and regulation of the practices of protective committees. This need has not been peculiar to railroads—in fact, it has probably been less acute there than in other types of reorganizations. The need for increased regulation has not been due primarily to the incompetent or to the fraudulent proclivities of committee members. Rather, the need has arisen because the committee has been constituted by the inside groups, those affiliated with or drawn from the old management or financial interests associated with it. Often the interests of these members have been clearly those of speculative equity groups, not motivated solely or dominated by the urge to protect the interest of the securities which they represent.

Through the use of security holder lists, peculiarly or solely available to them, they have in effect employed the committee as a device to perpetuate their own control, to protect themselves from attack by the security holders, and to enhance their own opportunities for further profit. Under these circumstances, the small security holder stood little chance to gain the real protection which any local system should afford him. * * * It is clear that his real protection was to be found in a fraudulent organization composed of others like himself * * *. But the usual result was that these widely diffused and disorganized minority never mobilized * * *. Or, if an organization did result, it was too often effectuated by incompetent and piratical group of the legal profession who as often as not did the security holders even more disservice than would the old management or financial group. Though the demand was insistent, there has never emerged in this country any permanent agency rendering a continuous service to these widely scattered minorities. We have had to date no private organization comparable to the Shareholders' Protection Association in England, permanently organized for respectable and competent patrol duty.

[From an article in the Harvard Business Review, vol. II, 1932-33]

By Philip G. Phillips

Committee work is costly, obscure, blocked by selfishness and unfairness, and in most instances there is a lack of relationship between result and intelligent planning. The individual bondholder is dissatisfied with the result and feels that there is a satisfactory and assured method neither for the open investigation of all the facts nor for a hearing of individual protests.

To add to his difficulties the individual investor now has to deal with not only one committee, but in many instances there are three or four in the field acting as rivals and accusing each other of selfish motives. It is not the fault of the committees; it is the fault of an antiquated makeshift method of reorganization.

THE PROPOSED SOLUTION

It is proposed that the present machinery for the rehabilitation of corporate securities be so amended that no reorganization plan be finally adopted, and no fees paid to committee or counsel, unless the plan has been approved by a board of impartial "arbitrators" before whom all the relevant facts shall be disclosed and before whom the individual bondholders and all other interested parties shall have the right to appear in order to protect their interests. Such a scheme was tried out in the reorganization of the securities of G. L. Miller & Co., and Judge Julian Mack sat as arbitrator with marked success.

The plan would not be difficult to carry out. Every deposit agreement need but contain a clause providing that before a plan of

reorganization or fees of committee or counsel could become final they would have to be approved by a board of arbitrators. Bondholders would be given notice of the hearing date and of the plan and fees proposed. The arbitrators would have full power to modify or amend the plan, and the hearing would be so conducted that all the facts would be presented. Incidentally, a further check might be given the bondholder by providing that disputes between bondholder and committee, concerning such matters as the right to withdraw, etc., be also submitted to a board of arbitrators, while the "horse trading" elements could be brought more into the open by the committee submitting to arbitration any disputes with creditors, etc., whenever possible.

But we should not stop there. It is further proposed not only that the arbitration check should be used after plans of reorganization are proposed but also that a similar check be provided by business as soon as a default occurs, thereby eliminating the need for committees in many instances.

There are many instances today in which reorganizations are put through and new loans procured at the prohibitive rates prevailing merely because the bondholders cry for action. If the committees could but obtain the consent of an impartial board to delay—could only communicate to all the interested parties that an impartial board had found, for example, that reorganization on the particular property at the present time was the height of folly—the bondholders should be satisfied. And if only there had been a board in the first place on such properties, there would have been no committees in many instances.

BENEFITS OF THE PLAN AND OBJECTIONS ANSWERED

It is not submitted that this plan will furnish a final panacea to our reorganization difficulties. Undoubtedly there is a tremendous need for changes in the terms of securities and for legislation which will prevent delays and waste incident to modern reorganization. The problem, however, is one of the present; we must deal with the securities at present outstanding and we cannot tarry until remedial legislation finds its slow way into our statutes.

The process proposed will at the very outset restore the confidence of the public in reorganization plans, eliminate the controversies arising through suspicion of ulterior purposes and unfair enrichment, assure endorsement for any fair and equitable plan of readjustment or reorganization, eliminate huge and unnecessary fees, and thereby convince the bondholders that they are receiving the full measure of their just rights. There should be no difficulty in having the bondholders accept the process.

It would undoubtedly test the sincerity and disinterestedness of committees and houses of issue, but honest committees and houses of issue have been trying to find help from the dilemma and should welcome the change. The dishonest ones might object that it was but an unnecessary adjunct to the committee process, but that objection can easily be met. Committees may still confine their activities to "horse trading", but they are furnished with a judicial adjunct entirely distinct and apart from anything now in existence. The obscure elements entering into a reorganization are brought into view and a method for finding a relationship between result and intelligent planning is obtained.

[From American Bar Association Journal, February 1935]

(By John Hanna, member of the District of Columbia Bar and New York Bar)

It is a question whether the Bankruptcy Act as a whole does not remain seriously defective because nothing has been done to set up new administrative machinery in the various districts and to provide for its supervision. The failure of those concerned to agree upon methods for the choice of trustees, its authority, and compensation of referees, and Federal inspection and regulation has thus far prevented new legislation upon these topics. The present situation in these respects cannot be regarded as satisfactory.

In a letter from the county of New York district attorney's office, dated New York, May 26, 1936, to your committee, Re People against Commonwealth Bond Corporation, Clark G. Kuney and Edward A. Sauter, who were convicted for grand larceny, in the first degree, there was stated as follows:

It is hoped that your committee will include the above-mentioned activity in its report to the Congress, for had it not been for your investigation and our prosecution, these defendants might still be unpunished. When such report is made please be good enough to send a copy to the writer.

Quoting from the Philadelphia Record of Monday, May 25, 1936:

NEW MORTGAGE QUIZ BY BAR ASSOCIATION IS URGED BY STONEY—COMPLETE PUBLIC PROBE OF LAWYERS' ACTIVITIES IS DEMANDED

A demand that the Philadelphia Bar Association launch a complete public inquiry into the affairs of the Philadelphia Co. for Guaranteeing Mortgages was made here yesterday by Michael J. Stoney.

The Sabath committee held hearings here 3 days last week. At the hearings officials of the Philadelphia Co. were accused of plundering the savings of 100,000 investors, who put $132,000,000 into bonds guaranteed by the company. A $35-a-week clerk admitted he was the straw man in the signing of $40,000,000 of personal surety bonds. Officials of the company admitted they guaranteed as gilt-edged securities, bonds on properties already in default on taxes.

Quoting from the Philadelphia Record of Tuesday, May 26, 1936:

UNITED STATES GRAND JURY TO INVESTIGATE MORTGAGE CASE—PANEL EXPECTED TO BE DRAWN AT ONCE TO STUDY RECEIVERSHIP—WASHINGTON TO AID—MCAVOY PROMISED HELP IN PROBE OF DATA BARED IN SABATH QUIZ

United States District Attorney Charles D. McAvoy will launch a special Federal grand-jury investigation of the Philadelphia Co. for Guaranteeing Mortgages, he announced last night.

He will appear in the United States district court here today to ask for appointment of the grand jury.

The court is expected to order it impaneled immediately.

PROMPT ACTION PLANNED

"The jury will begin investigation of the $132,000,000 company as soon as possible", McAvoy declared. "Procedure for empaneling a special grand jury is the same as that for a regular grand jury", he pointed out. "The grand jury will be asked to act on disclosures at last week's hearings of the Sabath congressional committee concerning the company's bankruptcy, receivership, and reorganization which", McAvoy said, "would seem to indicate a continuous criminal conspiracy to defraud investors." Approval of the grand-jury investigation was given by the Department of Justice in Washington. Announcement that Washington authorities would cooperate with any inquiry pursued by McAvoy was made by Assistant Attorney General Brien McMahon.

[From the New York Post, Tuesday, Jan. 28, 1936]

CONTINUE THE SABATH COMMITTEE

Some 4,000,000 American investors, most of them small investors looking for a safe place to put their savings, sank $10,000,000,000 in real-estate bonds before the depression. Eight billion dollars of these bonds are now in default.

A House committee headed by Congressman SABATH has been probing for a year into the causes of these defaults and into the often crooked "protective" committees set up in many of the reorganizations growing out of these defaults.

Continuation of the investigation for at least another year is essential to protect owners of these bonds and to prevent a repetition of the same evils in the future. The few thousands required for this work is chicken feed beside the millions at stake.

The Sabath committee hearings have served several important purposes. The committee has turned the spotlight on the shameless misuse of "other people's money" by insiders. The committee has slowed up the racket of fake "protective" committees.

Above all, the foundation is being laid for the enactment of remedial legislation. We must not have a repetition of scandals when it was found that the proceeds of real-estate bond sales—instead of being invested in real estate—had been secretly used for speculation in the stock market.

Mr. Speaker, I ask unanimous consent that there may be an additional 1,000 copies of this report printed on account of the demands that are being made for such copies.

The SPEAKER. The gentleman will have to take that matter up with the Joint Committee on Printing.

Mr. SABATH. Then, Mr. Speaker, I ask unanimous consent to extend my remarks and include therein some extracts from this long report for the benefit of the Members so that they may obtain a great deal of valuable information with respect to the work the committee has done.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SERVICE CHARGES ON RESETTLEMENT PROJECTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 12876) to waive any exclusive jurisdiction over premises of resettlement or rural rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the acquisition by the United States of any real property heretofore or hereafter acquired in connection with any resettlement or rural rehabilitation project heretofore or hereafter constructed with funds allotted or transferred to the Resettlement Administration pursuant to the Emergency Relief Appropriation Act of 1935, or any other law, shall not be held to deprive any State or political subdivision thereof of its civil and criminal jurisdiction in and over such property, or to impair the civil rights under the local law of the tenants or inhabitants on

such property; and insofar as any such jurisdiction has been taken away from any such State or subdivision, or any such rights have been impaired, jurisdiction over any such property is hereby ceded back to such State or subdivision.

SEC. 2. Upon the request of any State or political subdivision thereof, or any other local taxing unit, in which any such project, described in section 1, has been or will be constructed, the Resettlement Administration is authorized to enter into an agreement, and to consent to the renewal or alteration thereof, with such State or political subdivision thereof, or other local taxing unit, for the payment by the United States of sums in lieu of taxes. The sums payable under any agreement with a State or political subdivision thereof, or other local taxing unit, in any year with respect to any project shall not exceed an amount equal to what the tax of the State of political subdivision thereof, or other local taxing unit, would have been if such property were taxed to the same extent as other real property.

SEC. 3. The receipts derived from the operation of such projects, described in section 1, in addition to the moneys appropriated or allocated for such projects, shall be available for such payments in lieu of taxes and for any other expenditures for operation and maintenance (including insurance) of such projects. To provide for such payments and expenditures, the Resettlement Administration is authorized from time to time to retain out of such receipts such sums as it may estimate to be necessary for such purposes.

SEC. 4. In the disposition or operation of any such projects, described in section 1, the Resettlement Administration is authorized to fix the selling prices or rents, or both, in such amounts and at such rates as it shall determine to be necessary in order to make such projects available to those families who are unable to pay sufficient moneys to induce private enterprise to supply adequate, safe, and sanitary housing, and other necessary resettlement facilities, notwithstanding that the selling prices or rental rates so fixed may not provide for repayment in full of the funds expended in connection with the projects.

SEC. 5. In connection with any such project, described in section 1, the Resettlement Administration is authorized to dedicate land for streets, alleys, and parks, and for any other public use or purpose, and to grant easements.

With the following committee amendments:

Page 1, lines 4 and 5, strike out "in connection with any resettlement or rural-rehabilitation project" and insert in lieu thereof "for any resettlement project or any rural-rehabilitation project for resettlement purposes."

Page 2, line 11, after the word "local", insert "public."

Page 2, line 24, beginning with the last word, strike out all down to the end of line 4, on page 3, and insert in lieu thereof the following: "Such sums shall be fixed in such agreement and shall be based upon the cost of the public or municipal services to be supplied for the benefit of such project or the persons residing on or occupying such premises, but taking into consideration the benefits to be derived by such State or subdivision or other taxing unit from such project."

Page 3, beginning with line 14, strike out all of section 4.

Page 4, line 1, strike out "5" and insert in lieu thereof "4."

Page 4, line 2, after the word "administration", insert ", with the approval of the President."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALIFORNIA STATE PARK SYSTEM

Mr. BURNHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 4634) to provide for the selection of certain lands in the State of California for the use of the California State park system and consider the same.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subject to valid rights existing on the date of this act, the State of California may within 5 years select for State park purposes by legal subdivisions all or any portion of the public land not reserved for public purposes in the following townships:

T. 9 S., R. 9 E.; T. 9 S., R. 10 E.; T. 10 S., R. 9 E.; T. 10 S., R. 10 E.; T. 10 S., R. 11 E.; T. 11 S., R. 9 E.; T. 11 S., R. 10 E.; and T. 11 S., R. 11 E., San Bernardino meridian.

Upon the submission of satisfactory proof that the land selected contains characteristic desert growth and scenic or other natural features which it is desirable to preserve as a part of the California State park system, the Secretary of the Interior shall cause patents to issue therefor: *Provided*, That there shall be reserved to the United States all coal, oil, gas, or other mineral contained in such lands, together with the right to prospect for, mine, and remove the same at such times and under such conditions as the Secretary of the Interior may prescribe: *Provided further*, That any patent so issued shall contain a provision reserving to the United States, for the use of the United States and its permittees, including Imperial irrigation district, the perpetual right to flow or permit water to flow over or pond or permit water to be ponded upon any part of the lands so patented with right to go upon same and to locate, relocate, construct, reconstruct, and maintain any works necessary or convenient to the full use thereof, including telephone and electrical transmission lines, and shall also contain provision for reversion of title to the United States upon a finding by the Secretary of the Interior that for a period of more than 1 year the land has not been used by the State for park purposes: *And provided further*, That in order to consolidate park areas or to eliminate private holdings therefrom lands patented hereunder may be exchanged with the approval of and under rules prescribed by the Secretary of the Interior for privately owned lands in the area hereinbefore described of approximately equal value containing the natural features sought to be preserved hereby. The lands so acquired to be subject to all the conditions and reservations prescribed by this act, including the reversionary clause hereinbefore set out.

The bill was ordered to read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE IOWA FARMER AND THE TARIFF

Mr. THURSTON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein certain excerpts and tables.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. THURSTON. Mr. Speaker, for generations the Republican Party has contended that the American producer, whether engaged in farming or manufacturing, should be entitled to have preference in our own markets. The Democratic Party during all this period has favored free trade, which means no duty upon foreign products, or a low duty for revenue purposes.

The position of the two parties in regard to the subject are just about as far apart as they have been at any time during the past three-quarters of a century.

Recently, the Department of Labor made an investigation concerning wage levels in the foreign countries of the world, and in substance found that wages in Great Britain were about 40 percent of the wage paid in the United States; that wages in France and Germany were about one-third of that paid here; and in the remainder of Europe the daily wage was about one-fourth of that paid in our country.

This branch of the Government also reported that the wage level in Central and South America was about one-fifth of our own, and in Japan and China one-tenth to one-twentieth of the wages paid for the principal branches of employment in the United States.

While we do not have accurate figures in relation to land values in new countries, such as Canada, Australia, and Argentina, yet we do know that the selling price of land in the countries mentioned is from one-third to one-tenth of the amount paid for comparable land in our country.

Another element in this study is the cost of transportation, and it is known that freight can be and is shipped by water for one-fifth to one-tenth of the rate charged by railroads.

Having in mind the foregoing advantages which accrue to those engaged in farming in the low cost in the countries mentioned, it then becomes highly important to the farmer in Iowa, and in the farming section of the country, to devise plans of operation so that he can obtain a fair value for the livestock, grain, and dairy products which he must market in competition with the low price and low-cost commodities imported from foreign lands.

The Republican Party has been, and now is, fully aware of the severe competition which the American farmer must meet in competing with the countries mentioned. This party, through tariff acts, has placed duties upon the importation of such foreign products over the active and constant opposition of the Democratic Party.

As a part of this statement I am incorporating tables taken from a document prepared by the Ways and Means Committee of the House of Representatives entitled "Comparison of Tariff Acts of 1913, 1922, and 1930."

Schedule 7, agricultural products and provisions, shows the rate of duty placed upon the importation of foreign farm products. These rates on farm products are written in three parallel columns so that the rates can be readily ascertained. As the Democratic Party wrote the Tariff Act of 1913, the name of that party will appear above that column. As the Republican Party was in control of the Government when the 1922 and 1930 Tariff Acts were passed, the name of that party will appear above the two columns containing the rates provided in these laws.

As schedule 7, which contains the agricultural items, is rather extensive, I have picked out a few of the most important items, such as livestock, dairy products, and grain, thus making the table both concise and clear in regard to these products. They are as follows:

SCHEDULE 7.—*Agricultural products and provisions*

Paragraph, act of 1930	Classification	Rates of duty		
		Republican		Democratic, act of 1913
		Act of 1930	Act of 1922	
101	Cattle—			
	Weighing less than 700 lbs. each	2½ cents per lb	1½ cents per lb.[1]	Free.[2]
	Weighing 700 lbs. or more each	3 cents per lb	2 cents per lb.[3]	Free.
	Beef and veal, fresh, chilled, or frozen [4]	6 cents per lb	3 cents per lb	Free.[5]
	Tallow	½ cent per lb	½ cent per lb	Free.
	Oleo oil	1 cent per lb	1 cent per lb	15 percent.[6]
	Oleo stearin	1 cent per lb	1 cent per lb	Free.
	Dried-blood albumen:			
	Light	12 cents per lb	Free	Free.
	Dark	6 cents per lb	Free	Free.
702	Sheep, lambs, goats	$3 per head	$2 per head	Free.[7 8]
	Mutton and goat meat, fresh, chilled, or frozen [4]	5 cents per lb	2½ cents per lb	10 percent. Free.[9]
	Lamb, fresh, chilled, or frozen [4]	7 cents per lb	4 cents per lb	Free.[9]
703	Bacon and hams	3¼ cents per lb	2 cents per lb	Free.
	Lard	3 cents per lb	1 cent per lb	Free.
	Compounds and substitutes	5 cents per lb	4 cents per lb	Free.
	Pork, fresh, chilled, or frozen [4]	2½ cents per lb	¾ cent per lb	Free.[9]
	Shoulders and other pork, prepared or preserved	3¼ cents per lb	2 cents per lb	Free.[10 11]
	Swine	2 cents per lb	½ cent per lb	Free.
706	Meats, fresh, chilled, frozen, prepared, or preserved, n. s. p. f.[4]	6 cents per lb. but not less than 20 percent.	20 percent [12]	Free.[13]
707	Whole milk:			
	Fresh	6½ cents per gallon [15]	2½ cents per gallon [15 16]	Free.[14]
	Sour	6½ cents per gallon [15]	1 cent per gallon [15]	Free.[14]
	Cream, fresh or sour	56.6 cents per gallon [16]	20 cents per gallon [17]	Free.[14]
	Skimmed milk, fresh or sour [18]	2½₀ cents per gallon	2½ cents per gallon	Free.[14]
	Buttermilk	2½₀ cents per gallon	1 cent per gallon	Free.
708 (a)	Milk, condensed or evaporated:			
	In air-tight containers [19]—			
	Unsweetened	1.8 cents per lb	1 cent per lb	Free.[14]
	Sweetened	2¾ cents per lb	1½ cents per lb	Free.[14]
	Other	2.53 cents per lb	1⅝ cents per lb	Free.[14]
708 (b)	Dried whole milk [20 21]	6½ cents per lb	3 cents per lb	Free.[14]
	Dried cream [21 22]	12½ cents per lb	7 cents per lb	Free.[14]
	Dried skimmed milk [21 23]	3 cents per lb	1½ cents per lb	Free.[14]
	Dried buttermilk [21]	3 cents per lb		
710	Cheese and substitutes therefor	7 cents per lb. but not less than 35 percent.	5 cents per lb. but not less than 25 percent.[24 25]	20 percent.[24]
711	Birds, live:			
	Chickens, ducks, geese, turkeys, guineas [26]	8 cents per lb	3 cents per lb	1 cent per lb.
	Baby chicks of poultry [26]	4 cents each	3 cents per lb	1 cent per lb.
	All other n. s. p. f.—			
	Valued at $5 or less each	50 cents each	50 cents each [27]	Free.
	Valued at over $5 each	20 percent	20 percent	Free.

[1] Weighing less than 1,050 pounds each.
[2] Emergency Tariff Act of 1921: Cattle 30 percent, par. 12.
[3] Weighing 1,050 pounds or more each.
[4] "Chilled or frozen" added by act of 1930.
[5] Emergency Tariff Act of 1921: 2 cents per pound.
[6] All other animals oils.
[7] Emergency Tariff Act of 1921 (par. 13): Sheep, 1 year old or over, $2 per head; less than 1 year old, $1 per head.
[8] Goats included under all other domestic live animals suitable for human food n. s. p. f.; goat meat, n. s. p. f.
[9] Emergency Tariff Act of 1921: Fresh or frozen mutton, lamb, and pork, 2 cents per pound.
[10] Emergency Tariff Act of 1921: Meats of all kinds, prepared or preserved, n. s. p. f., 25 percent.
[11] Meats of all kinds, prepared or preserved, n. s. p. f.
[12] *Provided*, That no meats of any kind shall be imported (none of the foregoing meats shall be admitted (act of 1913)) into the United States unless the same is healthful, wholesome, and fit for human food and contains no dye, chemical, preservative, or ingredient which renders the same unhealthful, unwholesome, or unfit for human food, and unless the same also complies with the rules and regulations made by the Secretary of Agriculture, and that, after entry into the United States in compliance with said rules and regulations, said meats shall be deemed and treated as domestic meats within the meaning of and shall be subject to the provisions of the act of June 30, 1906 (34 Stat. L. 674), commonly called the "meat-inspection amendment", and the act of June 30, 1906 (34 Stat. L. 768), commonly called the "Food and Drugs Act", and that the Secretary of Agriculture be and hereby is authorized to make rules and regulations to carry out the purposes of this provision (paragraph [act of 1913]), and that in such rules and regulations the Secretary of Agriculture may prescribe the terms and conditions for the destruction (for food purposes [act of 1913]) of all such meats offered for entry and refused admission into the United States unless the same be exported by the consignee within the time fixed therefor in such rules and regulations. (Acts of 1913 and 1922.)
[13] Emergency Tariff Act of 1921: Meats of all kinds, prepared or preserved, n. s. p. f., 25 percent.
[14] Emergency Tariff Act of 1921: Milk, fresh, 2 cents per gallon; cream, 5 cents per gallon; milk, preserved or condensed, or sterilized by heating or other process, including weight of immediate coverings, 2 cents per pound.
[15] *Provided*, That fresh or sour milk containing more than 7 percent (act of 1922) and 5½ percent (act of 1930) of butterfat shall be dutiable as cream, and fresh or sour cream containing more than 45 percent of butterfat shall be dutiable as butter (acts of 1922 and 1930). Skimmed milk containing more than 1 percent of butterfat shall be dutiable as whole milk (act of 1930).
[16] 3¾ cents per gallon, by Presidential proclamation, effective June 13, 1929, under sec. 315.
[17] 30 cents per gallon, by Presidential proclamation, effective June 13, 1929, under sec. 315.
[18] Skimmed milk, fresh or sour, not specially mentioned in the acts of 1922 and 1913. Dutiable at rates for whole milk under act of 1922.
[19] Hermetically sealed containers, act of 1922.
[20] Whole milk powder, act of 1922, not specially provided for in act of 1913.
[21] *Provided*, That dried skimmed milk containing more than 3 percent of butterfat and dried buttermilk containing more than 6 percent of butterfat shall be dutiable as dried whole milk; and dried whole milk containing more than 35 percent of butterfat shall be dutiable as dried cream (act of 1930).
[22] Cream powder, act of 1922.
[23] Skimmed milk powder, act of 1922.
[24] Emergency tariff act of 1921: Butter and substitutes therefor, 6 cents per pound; cheese and substitutes therefor, 23 percent.
[25] Cheese having the eye formation characteristic of the Swiss or Emmenthaler type, 7½ cents per pound, but not less than 37½ percent ad valorem, by Presidential proclamation, effective July 8, 1927, under sec. 315.
[26] "Poultry" acts of 1922 and 1913.
[27] Live bobwhite quail, 25 cents each, by Presidential proclamation, effective Nov. 2, 1925, under sec. 315.

SCHEDULE 7.—*Agricultural products and provisions*—Continued

Paragraph, act of 1930	Classification	Rates of duty		
		Republican		Democratic, act of 1913
		Act of 1930	Act of 1922	
712	Birds, dead, dressed or undressed, fresh, chilled, or frozen: [4]			
	Chickens, ducks, geese, guineas	10 cents per lb	6 cents per lb	2 cents per lb.[28]
	Turkeys	10 cents per lb	6 cents per lb	2 cents per lb.[28]
	All other	10 cents per lb	8 cents per lb	30 percent.[28 29]
	All the foregoing, prepared or preserved in any manner and not specially provided for	10 cents per lb	35 percent	Free.[30]
713	Egg albumen:			
	Dried	18 cents per lb.[31]	18 cents per lb	3 cents per lb.
	Frozen or otherwise prepared or preserved, n. s. p. f.	11 cents per lb.[31]	6 cents per lb.[32]	1 cent per lb.
	Egg yolk:			
	Dried	18 cents per lb.[31]	18 cents per lb	10 percent.
	Frozen or otherwise prepared or preserved, n. s. p. f.	11 cents per lb.[31]	6 cents per lb.[32]	10 percent.
	Eggs of poultry, in the shell	10 cents per doz	8 cents per doz	Free.
	Whole eggs:			
	Dried	18 cents per lb.[31]	18 cents per lb	10 cents per lb.
	Frozen or otherwise prepared or preserved, n. s. p. f.	11 cents per lb.[31]	6 cents per lb.[32]	2 cents per lb.[28]
714	Horses and mules:			
	Valued at not more than $150 per head	$30 each [33]	$30 per head	10 percent.
	Valued at more than $150 per head	20 percent [33]	20 percent	10 percent.
722	Barley:			
	Flour	2 cents per lb	2 cents per lb	1 cent per lb.[34]
	Hulled	20 cents per bush.[35]	20 cents per bush.[35]	1 cent per lb.
	Malt	40 cents per 100 lbs	40 cents per 100 lbs	25 cents per bush.[36]
	Patent	2 cents per lb	2 cents per lb	1 cent per lb.
	Pearl	2 cents per lb	2 cents per lb	1 cent per lb.
	Unhulled	20 cents per bush.[35]	20 cents per bush.[35]	15 cents per bush.[36]
723	Buckwheat:			
	Flour and grits or groats [37]	½ cent per lb	½ cent per lb	Free.
	Hulled or unhulled [37]	25 cents per 100 lbs	10 cents per 100 lbs	Free.
724	Corn or maize, including cracked corn	25 cents per bush.[38]	15 cents per bush.[38]	Free.[39]
	Grits, meal, and flour, and similar products	50 cents per 100 lbs	30 cents per 100 lbs	Free.
726	Oats, hulled or unhulled	16 cents per bush.[40]	15 cents per bush.[40]	6 cents per bush.[40]
	Oatmeal, rolled oats, oat grits, and similar oat products	80 cents per 100 lbs	80 cents per 100 lbs	30 cents per 100 lbs.
	Unhulled ground oats	45 cents per 100 lbs	45 cents per 100 lbs	15 percent.
729	Wheat	42 cents per bush.[41]	30 cents per bush. [41 42]	Free.[43, 44]
	Crushed or cracked, and similar wheat products, n. s. p. f.	$1.04 per 100 lbs	78 cents per 100 lbs.[42]	Free.[44]
	Flour and semolina	$1.04 per 100 lbs	78 cents per 100 lbs.[42]	Free.[43 44]
	Unfit for human consumption	10 percent	30 cents per bush. [41 42]	Free. [44]
738	Cider	5 cents per gal	5 cents per gal	2 cents per gal.
	Vinegar	8 cents per proof gal.[45]	6 cents per proof gal.[45]	4 cents per proof gal.[46]
763	Grass seeds and other forage crop seeds: [47 48]			
	Alfalfa	8 cents per lb	4 cents per lb	Free.[49]
	Alsike clover	8 cents per lb	4 cents per lb	Free.[49]
	Crimson clover	2 cents per lb	1 cent per lb	Free.[49]
	Red clover	8 cents per lb	4 cents per lb	Free.[49]
	White clover	6 cents per lb	3 cents per lb	Free.[49]
	Ladino clover [50]	6 cents per lb	2 cents per lb	Free.[49]
	Sweetclover [50]	4 cents per lb	2 cents per lb	Free.[49]
	Clover, n. s. p. f.	3 cents per lb	2 cents per lb	Free.[49]
	Millet	1 cent per lb	1 cent per lb	Free.[49]
	Orchard grass [50]	5 cents per lb	2 cents per lb	Free.[49]
	Rye grass [50]	3 cents per lb	2 cents per lb	Free.[49]
	Timothy	2 cents per lb	2 cents per lb	Free.[49]
	Hairy vetch	3 cents per lb	2 cents per lb	Free.[49]
	Other vetch [50]	1½ cents per lb	2 cents per lb	Free.[49]
	Bentgrass (genus *Agrostis*) [50]	40 cents per lb	2 cents per lb	Free.[49]
	Bluegrass [50]	5 cents per lb	2 cents per lb	Free.[49]
	Tall oat [50]	5 cents per lb	2 cents per lb	Free.[49]
	All other grass and forage-crop seeds, n. s. p. f.[48]	2 cents per lb	2 cents per lb	Free.[49]
779	Hay	$5 per short ton	$4 per long ton	$2 per long ton
	Straw	$1.50 per short ton	$1 per long ton	50 cents per long ton.
	Broomcorn	$20 per short ton	Free	Free.
	Rice straw and rice fiber	$10 per short ton	Free	Free.

[4] "Chilled or frozen" added by act of 1930.
[28] Including the weight of the immediate coverings or containers.
[29] Game birds, dressed.
[30] * * * meats of all kinds, * * * preserved, not specially provided for in this section.
[31] "Whether or not sugar or other material is added."
[32] 7½ cents per pound, by Presidential proclamation, effective Mar. 22, 1929, under sec. 315.
[33] "Unless imported for immediate slaughter."
[34] Patent barley.
[35] Of 48 pounds.
[36] Of 34 pounds.
[37] "And grits or groats" and "hulled or unhulled" added by act of 1922; grits held free as flour under act of 1913.
[38] Of 56 pounds.
[39] Emergency Tariff Act of 1921: Corn or maize, 15 cents per bushel of 56 pounds.
[40] Of 32 pounds.
[41] Of 60 pounds.
[42] Rates increased to 42 cents per bushel on wheat, to $1.04 per 100 pounds on wheat flour, semolina, crushed or cracked wheat, and similar wheat products not specially provided for; and decreased to 7½ per cent on bran, shorts, and by-product feeds obtained in milling wheat, by Presidential proclamation, effective Apr. 6, 1924, under sec. 315.
[43] *Provided*, That wheat shall be subject to a duty of 10 cents per bushel, that wheat flour shall be subject to a duty of 45 cents per barrel of 196 pounds, and semolina and other products of wheat, n. s. p. f., 10 per cent, when imported directly or indirectly from a country, dependency, or other subdivision of government which imposes a duty on wheat or wheat flour or semolina imported from the United States.
[44] Emergency Tariff Act of 1921: Wheat, 35 cents per bushel; wheat flour and semolina, 20 per cent.
[45] *Provided*, That the standard proof for vinegar shall be 4 per cent by weight of acetic acid.
[46] The standard proof for vinegar shall be taken to be that strength which requires 35 grains of bicarbonate of potash to neutralize 1 ounce troy of vinegar.
[47] Other forage crop seeds, act of 1930.
[48] "*Provided*, That no allowance shall be made for dirt or other impurities in seed of any kind" (act of 1930. Similar provision in act of 1922).
[49] "All grass and flower seeds," n. s. p. f.
[50] Ladino clover, sweetclover, orchard grass, rye grass, other vetch, bent-grass (genus *Agrostis*), bluegrass, tall oat, new in act of 1930.

From the foregoing, it will appear that the Democratic Party placed almost every farm product of the North on the free list, or on a very low-duty basis, whereas, the Republicans in writing the 1922 and 1930 Tariff Acts placed moderate or high duties upon foreign farm products. The foregoing should be satisfactory proof as to the position of these two political parties in regard to protecting the American farmer from too severe competition from the countries producing farm products upon levels one-half lower than such products can be produced by the American farmer, his wife, and family.

Another item is schedule 11, which deals in wool and wool products. A table is also herein set out which will show that the Democrats placed wool upon the free list; and again the Republicans came to the rescue and placed a duty of 20 to 35 cents per pound upon wool imported from foreign countries, Australia importing large quantities of wool in the face of the duties mentioned. This tabulation is taken from the same source as the table quoted above.

SCHEDULE 11.—*Wool and manufactures of*[1]

Paragraph, act of 1930	Classification	Rates of duty		
		Republican		Democratic, act of 1913
		Act of 1930	Act of 1922	
1101(a)	Wools:[2] Donskoi, Smyrna, Cordova, Valparaiso, Ecuadorean, Syrian, Aleppo, Georgian, Turkestan, Arabian, Baghdad, Persian, Sistan, East Indian, Thibetan, Chinese, Manchurian, Mongolian, Egyptian, Sudan, Cyprus, Sardinian, Pyrenean, Oporto, Iceland, Scotch Blackface, Black Spanish, Kerry, Haslock, and Welsh Mountain; similar wools without merino or English blood; all other wools of whatever blood or origin not finer than 40s; and hair of the camel:			
	In the grease or washed	24 cents per lb.[3]		Free.[4]
	Scoured	27 cents per lb.[3]		Free.[4]
	On the skin	22 cents per lb.[3]		Free.[4]
	Sorted, or matchings, if not scoured	25 cents per lb.[3]		Free.[4]
	Provided, That a tolerance of not more than 10 percent of wool not finer than 44s may be allowed in each bale or package of wools imported as not finer than 40s: *Provided further*, That all the foregoing may be imported under bond in an amount to be fixed by the Secretary of the Treasury and under such regulations as he shall prescribe; and if within 3 years from the date of importation or withdrawal from bonded warehouse satisfactory proof is furnished that the wools or hair have been used in the manufacture of yarns which have been used in the manufacture of press cloth, camel's hair belting, rugs, carpets, or any other floor covering, or in the manufacture of knit or felt boots or heavy fulled lumbermen's socks, the duties shall be remitted or refunded: *And provided further*, That if any such wools or hair imported under bond as above prescribed are used in the manufacture of articles other than press cloth, camel's hair belting, rugs, carpets, or any other floor coverings, or knit or felt boots or heavy fulled lumbermen's socks, there shall be levied, collected, and paid on any such wools or hair so used in violation of the bond, in addition to the regular duties provided by this paragraph, 50 cents per pound, which shall not be remitted or refunded on exportation of the articles or for any other reason.[5]			
	Wools, not improved by the admixture of merino or English blood, such as Donskoi, native Smyrna, native South America, Cordova, Valparaiso, and other wools of like character or description, and hair of the camel:			
	In the grease		12 cents per lb.	
	Scoured		21 cents per lb.	
	Washed		18 cents per lb.	
	On the skin		11 cents per lb.	
1102 (a)	Wools, n. s. p. f., not finer than 44s:			
	In the grease or washed	29 cents per lb.[3]	31 cents per lb.[3]	Free.[4]
	Scoured	32 cents per lb.[3]	31 cents per lb.[3]	Free.[4]
	On the skin	27 cents per lb.[3]	30 cents per lb.[3]	Free.[4]
	Sorted, or matchings, if not scoured	30 cents per lb.[3]	31 cents per lb.[3]	Free.[4]
	Provided, That a tolerance of not more than 10 per centum of wools not finer than 46s may be allowed in each bale or package of wools imported as not finer than 44s.			
1102 (b)	Wools, n. s. p. f.:			
	In the grease or washed	34 cents per lb.[3]	31 cents per lb.[3]	Free.[4]
	Scoured	37 cents per lb.[3]	31 cents per lb.	Free.[4]
	On the skin	32 cents per lb.[3]	30 cents per lb.[3]	Free.[4]
	Sorted, or matchings, if not scoured	35 cents per lb.[3]	31 cents per lb.[3]	Free.[4]
	Hair of the Angora goat, Cashmere goat, alpaca, and other like animals:			
	In the grease or washed	34 cents per lb.[3]	31 cents per lb.[3]	15 per cent.[4]
	Scoured	37 cents per lb.[3]	31 cents per lb.[4]	15 per cent.[4]
	On the skin	32 cents per lb.[3]	30 cents per lb.[3]	15 per cent.[4]
	Sorted, or matchings, if not scoured	35 cents per lb.[3]	31 cents per lb.[3]	15 per cent.[4]

[1] Emergency Tariff Act of 1921: Par. 19. Wool and hair of the kind provided for in paragraph 18, when advanced in any manner or by any process of manufacture beyond the washed or scoured condition, and manufactures of which wool or hair of the kind provided for in paragraph 18 is the component material of chief value, 45 cents per pound in addition to the rates of duty imposed thereon by existing law.

[2] Under the act of 1922, wools improved by the admixture of merino or English blood were dutiable in the grease or washed, at 31 cents per pound of clean content.

[3] Of clean content.

[4] Emergency Tariff Act of 1921: Par. 18. Wool, commonly known as clothing wool, including hair of the camel, angora goat, and alpaca, but not such wools as are commonly known as carpet wools: Unwashed, 15 cents per pound; washed, 30 cents per pound; scoured, 45 cents per pound. Unwashed wools shall be considered such as shall have been shorn from the animal without any cleaning; washed wools shall be considered such as have been washed with water only on the animal's back or on the skin; wools washed in any other manner than on the animal's back or on the skin shall be considered as scoured wool. On wool and hair provided for in this paragraph, which is sorted or increased in value by the rejection of any part of the original fleece, the duty shall be twice the duty to which it would otherwise be subject, but not more than 45 cents per pound.

[5] Act of 1922: *Provided*, That such wools may be imported under bond in an amount to be fixed by the Secretary of the Treasury and under such regulations as he shall prescribe; and if within three years from the date of importation or withdrawal from bonded warehouse satisfactory proof is furnished that the wools have been used in the manufacture of rugs, carpets, or any other floor coverings, the duties shall be remitted or refunded: *Provided further*, That if any such wools imported under bond as above prescribed are used in the manufacture of articles other than rugs, carpets, or any other floor coverings, there shall be levied, collected, and paid on any wools so used in violation of the bond, in addition to the regular duties provided by this paragraph, 20 cents per pound, which shall not be remitted or refunded on exportation of the articles or or any other reason.

f

While our good Democratic friends were placing most of the northern farm products upon the free list, they did not forget to give attention to tobacco, which is almost exclusively a southern product. I am setting out the table, from the same source, showing the duties which they placed upon this product, and which have been continued through fairness and generosity of the Republicans.

SCHEDULE 6.—*Tobacco and manufactures of*

Paragraph, act of 1930	Classification	Rates of duty		
		Republican		Democratic, act of 1913
		Act of 1930	Act of 1922	
601	Wrapper tobacco, and filler tobacco when mixed or packed with more than 35[1] per cent of wrapper tobacco, and all leaf tobacco the product of 2 or more countries or dependencies when mixed or packed together—			
	Unstemmed	$2.275 per lb.	$2.10 per lb.	$1.85 per lb.[2]
	Stemmed	$2.925 per lb.	$2.75 per lb.	$2.50 per lb.[2]
603	All other tobacco manufactured or unmanufactured, n. s. p. f.	55 cents per lb.	55 cents per lb.	55 cents per lb.
	Scrap tobacco	35 cents per lb.	35 cents per lb.	35 cents per lb.
605	Cigars, cigarettes, cheroots of all kinds	$4.50 per lb. and 25 percent.	$4.50 per lb. and 25 percent.	$4.50 per lb. and 25 percent.
	Paper cigars and cigarettes, including wrappers	$4.50 per lb. and 25 percent.	$4.50 per lb. and 25 percent.	$4.50 per lb. and 25 percent.

[1] The percentage specified in Tariff Act of 1913 and the Emergency Tariff Act of 1921 was 15 percent.

[2] Emergency Tariff Act of 1921: $2.35 per pound. (See footnote 1 above.)

[3] Emergency Tariff Act of 1921: $3 per pound. (See footnote 1 above.)

It might interest you to also know that when the 1930 Tariff Act was passed the vote was recorded by party affiliation, as follows:

Vote on 1930 Tariff Act, House of Representatives

For:	
Republicans	244
Democrats	[1] 20
Total for	264
Against:	
Democrats	140
Republicans	7
Total against	147

[1] Most of the 20 Democrats voting for the bill came from the States of Louisiana and Florida, and they were interested in protecting sugar and fruit.

It would take volumes to carry the criticism and objection to the last tariff act, made by Democratic Members of the Congress and their leaders, and they have until recently insisted that they expected to repeal the measure.

However, through the reciprocal trade treaties, boring undercover, without public hearing so those interested might appear and voice objection, these secret treaties are negotiated, and are cleverly and consistently selling out the protection the northern farmer has had under the last Republican tariff act.

So that the farmer may have the latest information concerning the "trade out" to which he has been subjected, I am inserting a table taken from a publication issued by the United States Tariff Commission entitled "Changes in Import Duties Since the Passage of the Tariff Act of 1930", and this table is arranged the same as the tables hereinbefore inserted.

SCHEDULE 7.—*Agricultural products and provisions*

Par. no.	Articles	Rate changed	Effective proclaimed duty	Effective date and basis of change
701	Cattle, weighing less than 175 pounds each	2½ cents per pound	1½ cents per pound	Jan. 1, 1936; Canadian agreement.
701	Cattle, weighing 700 pounds or more each and not specially provided for	3 cents per pound	2 cents per pound	Do.
701	Cows, weighing 700 pounds or more each and imported specially for dairy purposes	do	1½ cents per pound	
	Provided, That none of the foregoing entered, or withdrawn from warehouse, for consumption in excess of the quantities respectively specified below in any calendar year after 1935 shall be subjet to the above provisions:			
	Cattle, weighing less than 175 pounds each: ¼ of 1 percent of the average annual total number of cattle (including calves) slaughtered in the United States during the calendar years 1928 to 1932, both inclusive (51,933 head).			
	Cattle, weighing 700 pounds or more each and not specially provided for: ¾ of 1 percent of the average annual total number of cattle (including calves) slaughtered in the United States during the calendar years 1928 to 1932, both inclusive (155,799 head).			
	Cows, weighing 700 pounds or more each and imported specially for dairy purposes: 20,000 head.			
707	Cream, fresh or sour	56.6 cents per gallon	35 cents per gallon	Do.
	Provided, That fresh or sour cream entered for consumption in excess of 1,500,000 gallons in any calendar year after 1935 shall not be subject to this provision.			
711	Birds, live: Chickens, ducks, geese, turkeys, and guineas	8 cents per pound	4 cents per pound	Do.
712	Birds, dead, dressed or undressed, fresh, chilled, or frozen: Chickens and guineas	10 cents per pound	6 cents per pound	Do.
714	Horses, unless imported for immediate slaughter, valued at not more than $150 per head	$30 per head	$20 per head	Do.
716	Honey	$0.024 per pound (from Cuba).	$0.012 per pound (from Cuba).	Sept. 3, 1934; Cuban agreement.
724	Corn or maize, including cracked corn	$0.20 per bushel of 56 pounds (from Cuba).	$0.10 per bushel of 56 pounds (from Cuba).	Do.
726	Hulled oats, unfit for human consumption	16 cents per bushel of 32 pounds.	8 cents per bushel of 32 pounds.	Jan. 1, 1936; Canadian agreement.
734	Apples, green or ripe	25 cents per bushel of 50 pounds.	15 cents per bushel of 50 pounds.	Do.
763	Grass seeds and other forage crop seeds:			
	Alfalfa	8 cents per pound	4 cents per pound	Do.
	Alsike clover	do	do	Do.
	Sweetclover	4 cents per pound	2 cents per pound	Do.
	Timothy	2 cents per pound	1 cent per pound	Do.
	Bluegrass	5 cents per pound	2½ cents per pound	Do.
764	Other garden and field seeds:			
	Beet (except sugar beet)	4 cents per pound	3 cents per pound	Feb. 1, 1936; Netherland agreement.
	Cabbage	12 cents per pound	6 cents per pound	Do.
	Carrot	4 cents per pound	3 cents per pound	Do.
	Kale	6 cents per pound	do	Do.
	Mangelwurzel	4 cents per pound	2 cents per pound	Do.
	Radish	6 cents per pound	3 cents per pound	Do.
	Spinach	1 cent per pound	½ cent per pound	Do.
	Turnip	5 cents per pound	4 cents per pound	Do.
	Rutabaga	do	do	Do.
	Flower	6 cents per pound	3 cents per pound	Do.
	All other garden and field seeds not specially provided for	do	do	Do.
771	White or Irish seed potatoes, certified by a responsible officer or agency of a foreign government in accordance with the official rules and regulations of that government to have been grown and approved especially for use as seed, in containers marked with the foreign government's official certified seed potato tags, when entered for consumption during the period—			
	From Dec. 1 to the last day of the following February, inclusive, in any years	75 cents per 100 pounds	60 cents per 100 pounds	Jan. 1, 1936; Canadian agreement.
	From Mar. 1 to Nov. 30, inclusive, in any year	do	45 cents per 100 pounds	Do.
	Provided, That such potatoes entered for consumption in excess of an aggregate quantity of 750,000 bushels of 60 pounds each in the 12-month period beginning on Dec. 1 in any year shall not be subject to this provision.			

With a free-trade or low-tariff President and a Cabinet even more pronounced in this respect than their chief, and who have direct charge of negotiating these secret treaties, and with an overwhelming Democratic Congress, which has not lifted its hand in one instance to assist the farmer in this contest, or to protest or to stay such treaty action, who would claim that the farmer can get assistance from a Democratic administration? If a jury was called upon to render a verdict on such facts, being instructed to follow the evidence, I insist we would agree that there would be little doubt as to the finding of the jury. Will Democratic alibis be accepted in the face of the incontrovertible facts above set forth?

A short time ago farmers from eight of the principal agricultural States met at Sioux City, Iowa, and passed clear and decisive resolutions against the reciprocal-tariff policies of the Roosevelt administration. They did this because they were informed as to the tremendous increase in importation

of farm products. Here I am inserting a table to show the great increase in farm imports under the benevolent foreign-trade policies of the present administration.

		1932 imports	1935 imports
Corn	bushels	347,627	43,242,296
Oats	do	58,786	10,106,903
Wheat	do	10,026,320	27,438,870
Barley, malt	pounds	52,532,636	320,622,537
Rye	bushels	87	9,642,523
Tapioca	pounds	130,000,372	202,112,319
Hay	tons	13,858	67,171
Soybeans	pounds	36,568,700	107,463,044
Cottonseed	do	1,058,945	59,743,572
Butter	do	1,052,598	22,674,642
Cattle	number	95,407	364,623
Hogs	pounds	28,875	3,414,317
Fresh pork	do	1,657,500	3,922,609
Hams, bacon, etc	do	3,015,489	5,297,335
Fresh beef	do	796,594	8,584,114
Canned meats	do	24,638,261	76,653,242
Total meat products	do	45,706,926	115,059,124
Eggs, in shell	dozen	243,784	432,076
Dried yolks	pounds	726,400	3,952,664
Frozen yolks	do	422,060	1,199,772
Egg albumen	do	1,275,790	1,876,445
Wool and mohair	do	56,535,176	202,732,658
Dried milk	do	596,448	2,743,349
Hides	do	188,013,286	303,475,633
Inedible molasses	gallons	155,888,307	235,161,684

Think how many American farmers would have prospered if these gigantic imports of foodstuffs had been raised on their farms.

Think how many farmhands would have had honest work instead of relief.

Think how much cheaper to you and me, as consumers, the home-raised product would have been as compared with the foreign-raised product which was shipped here, long distances, from overseas.

In connection with the sharp reduction in farm duties made by the present administration, with a southern Secretary of State in charge of negotiating the reciprocal trade treaties, it is interesting to observe that no reductions have been made on any important product raised in the southern part of the country. The northern farmer, without notice or without an opportunity to object, was sacrificed whenever a treaty was made. This statement is confirmed by the quotations recited above, from schedule 7, Agricultural Products and Divisions, of the document entitled "Changes in Import Duties Since the Passage of the Tariff Act of 1930."

The present administration is urging the reduction of crops and livestock in the Mississippi Valley and other farming sections, but is sponsoring a program of irrigation and reclamation in the West, and has already started projects which will cost $2,000,000,000 when completed. This program will prove as harmful to the farmer who is now in business as the reduction of duties on farm imports.

This policy is unsound and will bankrupt more farmers in the area where these projects are to be located and will produce surplus farm crops to break down the prices of products from farms now in operation. Most of these projects were not approved by the Congress but were started by the President with funds at his disposal, without restrictions.

The farmer in Iowa and in the great agricultural section of the so-called prairie States is faced with this practical situation: Are corn and wheat, cattle, hogs, and sheep to take a second place, or back seat, and allow the cotton and tobacco farmer to have charge of agricultural legislation?

The facts set out in the foregoing tables cannot be disputed, even though they present a picture that is not favorable to the major or most important agricultural interests of the country.

As a farmer, do you propose to ride in the back seat, or do you prefer to sit in the front seat and hold the lines, or the wheel?

THE VETERAN AND THE ROOSEVELT ADMINISTRATION

Mr. THURSTON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein certain excerpts and tables.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. THURSTON. Mr. Speaker, in the past there has been considerable said and written as to which political party has been more friendly to the American veteran—the Republican or the Democratic. Partisans usually deal in conclusions or unsupported assertions; hence I prefer to submit a letter on this subject from Hon. Frank T. Hines, Administrator of the Veterans' Administration, dated at Washington, D. C., on June 19, 1936, and supplement the same by tables accompanying such letter.

VETERANS' ADMINISTRATION,
Washington, June 19, 1936.

Hon. LLOYD THURSTON,
House of Representatives, Washington, D. C.

MY DEAR MR. THURSTON: This is in reply to your letter of June 13, 1936, requesting a tabulated statement showing the number of special pension bills passed by the Seventieth, Seventy-first, Seventy-second, Seventy-third, and Seventy-fourth Congresses, respectively.

There is enclosed herewith a table giving the information which you have requested. There have been included all private acts, those by way of omnibus pension legislation and individual private bills. For your convenience there has also been given the aggregate number of private bills comprehended within the omnibus pension legislation for the separate Congresses.

Very truly yours,

FRANK T. HINES, *Administrator.*

Private pension bills, Seventieth, Seventy-first, Seventy-second, Seventy-third, and Seventy-fourth Congresses

Private	Subject	Date
	SEVENTIETH CONGRESS	
135	Omnibus pension bill, increase pension Civil War	May 15, 1928
178	do	May 24, 1928
210	Omnibus pension bill, increase pension soldiers and sailors other than Civil War	May 28, 1928
227	Omnibus pension bill, increase pension other than Civil War	May 29, 1928
391	Omnibus pension bill, increase pension Civil War	Feb. 20, 1929
392	Omnibus pension bill, increase pension veterans other than Civil War	Do.
426	Wood, Leonard, increase of pension to Louise A. Wood	Feb. 28, 1929
433	Wilson, Edith Bolling, grant pension	Do.
444	Allen, Alonzo Duward, compensation	Mar. 1, 1929
453	Fulper, Wm. H., Government insurance to Etta Pearce Fulper	Do.
470	Byrne, Leo, compensation for Reserve officers' training, injuries as student	Mar. 2, 1929
492	Poore, Raymond F. (XC-541245), reimburse Timothy Henlon $28.50 for funeral expenses	Do.
502	Goode, Wm. F., reimburse for medical and hospital expenses	Do.
504	Sanger, Paul E., $5,000 insurance to Maude A. Sanger, mother	Do.
554	Callahan, Francis X., emergency officers' retirement benefits	Do.
558	Mathison, Chas. W. (XC-223119), relief of parents of	Mar. 4, 1929
565	Omnibus pension bill, pension to soldiers and dependents other than Civil War	Do.
566	Helms, John J., adjusted-compensation benefits	Do.
	(Total number of special acts incorporated in omnibus bills, 7,569.)	
	SEVENTY-FIRST CONGRESS	
22	Omnibus pension bill, Civil War widows and dependents	Apr. 18, 1930
30	Milner, Drinkard B., emergency officers' retirement benefits	May 14, 1930
32	Pettersson, Viktor, $1,500 insurance to heirs	May 16, 1930
35	Omnibus pension bill, Civil War veterans, widows, and dependents	May 19, 1930
38	Omnibus pension bill, veterans, widows, and dependents of veterans other than Civil War	May 23, 1930
64	Burke, Charles L., insurance to foster mother, Frances Linker	June 9, 1930
66	Omnibus pension bill, Civil War veterans	Do.
89	Omnibus pension bill, Regular Army soldiers and sailors	June 13, 1930
286	Hudson, James M., $50 pension and honorable discharge	Jan. 29, 1931
287	Manske, Henry, compensation for line-of-duty injuries	Do.
308	Chatkoff, Herman Lincoln, hospital treatment and compensation	Feb. 5, 1931
330	Cramton, Alonzo, $30 pension to widow, Lois Cramton	Feb. 13, 1931
342	Omnibus pension bill, Civil War veterans, widows, and children	Feb. 17, 1931
343	Omnibus pension bill, Civil War veterans	Do.
346	do	Do.
347	Omnibus pension bill, Regular Army, Navy, etc	Do.
475	Greene, Frank L., $150 per month pension to widow, Jesse R. Green	Mar. 4, 1931
	(Total number of special acts incorporated in omnibus bills, 5,743.)	
	SEVENTY-SECOND CONGRESS	
1	Omnibus pension bill, Civil War	Feb. 4, 1932
11	MacDonald, Harriet, compensation and hospitalization (citizenship)	Mar. 16, 1932
114	Ballard, Grover Cleveland, $246.72 reimbursement for reamputation of leg.	July 1, 1932
238	Thayer, Sydney, Jr. (C-1367324), emergency officers' retirement benefits.	Mar. 2, 1933
244	Eopolucci, John E., insurance to mother, Annie Eopolucci.	Do.
	(Total number of special acts incorporated in omnibus bill, 428.)	
	SEVENTY-THIRD CONGRESS	
194	Artz, Frank J. (SC-648836), Civil War veteran, pay estate $300 back pension.	June 6, 1934

Private pension bills, Seventieth, Seventy-first, Seventy-second, Seventy-third, and Seventy-fourth Congresses—Continued

Private	Subject	Date
	SEVENTY-FOURTH CONGRESS	
341	Cannell, John S. (XC-160793), to grant line of duty for death cause; allow adjusted compensation to dependents.	Aug. 29, 1935
435	Bingham, Wilson G. (C-1396225), emergency officers' retirement benefits.	Mar. 16, 1936
439	Spry, James Steward (XC-632516), insurance to widow, Lydia C. Spry.	Apr. 10, 1936
244	Cruikshank, Marcus S., pay E. Jeanmonod, undertaker, for expenses incurred in preparation of body for burial and shipping to United States.	Aug. 20, 1935

This table shows the number of pension bills passed during the Seventieth, Seventy-first, Seventy-second, Seventy-third, and Seventy-fourth sessions of the United States Congress.

The Seventieth Congress contained a majority of Republican Members in both the House and Senate, and at that time a Republican was President. The total number of bills passed during this session was 7,569.

The Seventy-first Congress also contained a majority of Republicans in both the House and the Senate, under a Republican President, and the number of pension bills passed was 5,743.

While a Republican President was in office during the Seventy-second Congress, the House contained a Democratic majority, and the Senate was but nominally Republican. The total pension bills passed by this Congress were 428.

The Seventy-third Congress, which took office under President Roosevelt, had a large Democratic majority in both the House and the Senate. The two sessions of that Congress were actively engaged in legislative matters for many months, but enacted only one pension bill for the veterans.

Likewise, the Seventy-fourth Congress, under President Roosevelt, had a membership containing three times as many Democrats as Republicans, but only four pension bills were passed during the many months this Congress was in session, and one of these bills was to reimburse a foreign undertaker.

To summarize the attitude of the Republican and Democratic Parties, by acts or deeds, rather than by campaign promises, it appears that the last two Congresses under Republican control—the Seventieth and Seventy-first Congresses—passed 13,312 pension bills for veterans or their dependents, or an average of 6,656 for each of the two Congresses.

The Seventy-second Congress was under the joint control of the Republican and Democratic Parties, and the number of special pension acts dropped to 428, about one-fifteenth of the average under the two preceding Republican Congresses.

The Seventy-third Congress, coming to power under Roosevelt, with a large Democratic majority in both the House and the Senate, passed just one pension bill.

The Seventy-fourth Congress, being the second Congress under Roosevelt, had more than three times as many Democratic as Republican Members in the House of Representatives, the Senate having even a greater proportion of Democratic power, and according to the table above submitted, passed just four pension bills.

To summarize the pension bills passed by the Democratic Seventy-third and Seventy-fourth Congresses bring forth a magnificient total of five bills, or an average of two and one-half from each Congress. It may be proper, although disappointing, to compare the Democratic average just mentioned, 2½, with the Republican average of 6,656—2,400 to 1.

It must be remembered that the foregoing figures have been compiled from tables furnished by officials of the present Democratic administration. So much for precise, definite facts.

While the same Seventy-third and Seventy-fourth Democratic Congresses, acting under the dictation of President Roosevelt, were refusing to consider many meritorious bills concerning errors in discharge papers and other technical bars against relief or aid for veterans, these same Democratic Congresses had ample time to appropriate huge sums of money for relief and employment of aliens, several hundred thousand, if not two or three million in number. Doubtless many of this number had served in enemy armies during the recent war. An American veteran would seldom obtain Federal employment unless he would take a pauper's oath, or could show he was the subject of relief.

It might be interesting, even humiliating, to add that the present administration during that last session of the Congress was able to defeat a proposal to exclude aliens here illegally from relief or employment. Notwithstanding the long-established policy of other nations in positively refusing to feed, clothe, or shelter noncitizens, Republicans were unable to write in a provision to prohibit alien relief and employment.

It will be recalled that the present administration sponsored and jammed through the Congress the so-called economy bill, which removed several hundred thousand veterans from the pension rolls and unfairly reduced allowances to other veterans. Harsh regulations were announced requiring evidence that could not possibly be obtained, thereby penalizing veterans who had served prior to the World War. New regulations requiring strict construction of evidence submitted by World War veterans were next required.

It was only a few months later that the National Recovery Act was inaugurated, and as soon as the many codes were promulgated and funds from assessments and penalties were pouring in, it was disclosed that some of the part-time N. R. A. officials were drawing salaries of twenty and even thirty and forty thousand dollars each for a few months' services each year, mainly in increasing the prices of the necessities of life. To date no one has heard of any reduction or reclaiming any portion of the exorbitant salaries paid to these temporary officials. The Government contractors, whether for battleships or public buildings, and all the big concerns enjoying guranteed or plus contracts, some with profits above wartime, received these preferences within a short time after the paring knife had been applied to the allowance of the veteran.

The foregoing contains only a few instances out of a great many that might be enumerated. Republicans invite veterans to examine the records of the two political parties in respect to this subject.

In closing, it might be pertinent to suggest that the veteran read the two messages written by President Roosevelt, accompanying his two veto messages on the bonus. These documents can be obtained from any Member of the Congress or from the Government Printing Office.

DIVISION OF WATER POLLUTION CONTROL IN THE BUREAU OF THE PUBLIC HEALTH SERVICE

Mr. MANSFIELD. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 12764) to create a Division of Water Pollution Control in the Bureau of the Public Health Service, and for other purposes, as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby established in the Bureau of the Public Health Service a Division of Water Pollution Control. Such division shall be in charge of a director, who shall be a commissioned engineer officer of the United States Public Health Service detailed by the Surgeon General of the Public Health Service. Such engineer officer, while serving as director, shall have the rank of an Assistant Surgeon General of the Public Health Service, subject to the provisions of law applicable to assistant surgeon generals in charge of administrative divisions in the District of Columbia of the Bureau of Public Health Service.

SEC. 2. (a) The Division of Water Pollution Control shall, after careful investigation and in cooperation with the agencies of the several States authorized or designated by law to deal with water pollution, prepare a comprehensive plan for eliminating or reducing the pollution and improving the sanitary condition of the navigable waters of the United States and streams tributary thereto. In the development of such comprehensive plan due regard shall be given to the improvements which are necessary to conserve such waters and promote their use for public water supplies, propagation of fish and aquatic life, recreational purposes, agricultural, industrial, and other legitimate uses and for this purpose the Division of Water Pollution Control is authorized to make joint investigations with the aforesaid agencies of any State or States of the condition of any waters either navigable or otherwise and the discharges of any sewage, industrial wastes, or deleterious substances which may adversely affect such waters.

(b) The Division of Water Pollution Control shall encourage cooperative activities by the several States for the prevention and abatement of water pollution; encourage the enactment of uniform State laws relating to water pollution; encourage compacts between the several States for the prevention and abatement of water pollution; collect and disseminate information; make available to State agencies the results of surveys, studies, and experiments conducted by it and other agencies, public and private; assign experts in its employ or, with the approval of the head of the department or agency concerned, in the employ of any other department or agency of the Government; and furnish such assistance to State agencies as may be authorized by law.

SEC. 3. The Division of Water Pollution Control, upon request of any State health authority or authorities and subject to the approval of the Surgeon General, shall conduct investigations and make surveys of any specific problem of water pollution confronting any State, drainage-basin authority, community, or municipality with a view to effecting a solution of such problem or problems, and shall make definite recommendations for the correction or elimination of the conditions found to exist.

SEC. 4. The Public Health Service shall prepare and publish, from time to time, reports of such studies, investigations, and surveys as shall be made under the authority of this act, together with appropriate recommendations with regard to the control of pollution of the waters of the United States.

SEC. 5. Any State, municipality, or other public body which is discharging untreated or inadequately treated sewage or waste into waters of any area is hereby declared to be eligible to Federal aid in the form of grants-in-aid and/or loans for the construction of necessary remedial-treatment works, in accordance with plans approved by the respective State board or department of health and by the Surgeon General of the Public Health Service. Such loans and grants-in-aid shall be made upon such terms and conditions as the President may prescribe, subject to the following limitations: (1) Loans or grants-in-aid shall be made only upon the certification of the State board or department of health having jurisdiction and with the approval of the Surgeon General of the Public Health Service and (2) no grant-in-aid shall be made in respect to any project of an amount in excess of 33⅓ percent of the cost of the labor and materials employed upon such project, including the cost of preparation of plans and the carrying of same into execution.

SEC. 6. Any person discharging untreated or inadequately treated sewage or waste deleterious to the waters within any area is hereby declared to be eligible to Federal aid in the form of loans for the construction of necessary remedial-treatment works in accordance with plans approved by the respective State board or department of health and with the approval of the Surgeon General of the Public Health Service. Such loans shall be made upon such terms and conditions as the President may prescribe, subject to the following limitation: Loans shall be made only upon the certification of the State board or department of health having jurisdiction and upon approval of the Surgeon General of the Public Health Service.

SEC. 7. The Surgeon General shall make estimates of the amount of money required each year for the extension, under the provisions of sections 5 and 6, of Federal aid in the form of grants-in-aid or loans to any States, municipalities, or other public bodies or in the form of loans to persons within any area. The Surgeon General shall transmit such estimates through the Secretary of the Treasury to the President, who shall transmit the same to the Congress, together with any recommendations he may deem advisable. There are authorized to be appropriated such amounts as may be necessary to carry out the purposes of sections 5 and 6. Grants and loans provided for in such sections shall be made by the Secretary of the Treasury in accordance with such rules and regulations as he may prescribe for projects approved under such sections provided they have been approved by the Surgeon General of the United States Public Health Service.

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year commencing July 1, 1936, and for each year thereafter the sum of $300,000 to defray the expenses of the establishment and maintenance of the Division of Water Pollution Control in the Bureau of the Public Health Service and to be used for the investigations made under this act.

SEC. 9. There is hereby authorized to be appropriated the sum of $700,000 annually for 10 fiscal years beginning with the fiscal year commencing July 1, 1936, to be paid to the States for expenditures by or under the direction of their respective State boards or departments of health in the promotion, investigation, surveys, and studies necessary in the prevention and control of water pollution; this sum to be allotted, under the supervision of the Surgeon General of the Public Health Service, to the States in accordance with rules and regulations prescribed by the Secretary of the Treasury.

SEC. 10. (a) For the administration of this act the Secretary of the Treasury may, upon recommendation of the Surgeon General, appoint, such engineers, attorneys, experts, research assistants, examiners, and consultants as may be necessary, and fix their compensation, in the manner provided by law for appointment and compensation of such personnel of the Public Health Service; and the Surgeon General is authorized to transfer, assign, or detail to the division, from any other division of the Public Health Service, such professional and scientific personnel as may be available.

(b) Such clerks, stenographers, and other employees as may be necessary to discharge the duties of said division shall be appointed by the Secretary of the Treasury, and he shall prescribe such rules and regulations with respect to their duties as he may find necessary.

(c) The Secretary of the Treasury with the consent of the Secretary of any other department of the Federal Government may utilize such officers and employees of said department to assist in carrying out the purposes of this act. The appropriation from which they are paid shall be reimbursed from the appropriations made pursuant to section 9 of this act to the extent of their salaries and allowances for service performed while so engaged.

SEC. 11. When used in this act the term "person" means an individual, a partnership, a private corporation, an association, a joint-stock company, trust, or estate.

SEC. 12. If any provision of this act is held invalid, the remainder of the act shall not be affected thereby.

SEC. 13. This act may be cited as the Water Pollution Act.

Mr. MARSHALL. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and ninety-three Members present, not a quorum.

Mr. O'CONNOR. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 133]

Amlie	Doutrich	Hollister	Nichols
Andrews	Drewry	Hook	Parks
Ayers	Duffey, Ohio	Imhoff	Peterson, Fla.
Bacharach	Duncan	Kee	Quinn
Bacon	Dunn, Miss.	Kennedy, Md.	Reed, N. Y.
Berlin	Eagle	Kerr	Robinson, Utah
Bolton	Eaton	Kleberg	Robsion, Ky.
Brennan	Englebright	Kocialkowski	Sadowski
Brewster	Faddis	Kopplemann	Sandlin
Brooks	Farley	Lanham	Sauthoff
Bulwinkle	Ferguson	Larrabee	Schneider, Wis.
Burdick	Fernandez	Lee, Okla.	Schuetz
Caldwell	Fiesinger	Lemke	Sears
Cannon, Wis.	Fish	Lesinski	Secrest
Carmichael	Fitzpatrick	McClellan	Steagall
Carter	Focht	McFarlane	Sumners, Tex.
Cary	Gambrill	McGrath	Taylor, Colo.
Chapman	Gasque	McGroarty	Taylor, S. C.
Claiborne	Gassaway	Maloney	Tobey
Collins	Gifford	Martin, Mass.	Tolan
Cooley	Green	Maverick	Weaver
Culkin	Haines	Monaghan	Wilcox
Cummings	Hamlin	Montague	Wilson, Pa.
Darden	Hancock, N. C.	Montet	Withrow
Dear	Hess	Moran	Wolfenden
Deen	Hill, Knute	Moritz	Wood
Dies	Hobbs	Mott	Zioncheck
Ditter	Hoeppel	Nelson	

The SPEAKER. Three hundred and twelve Members have answered to their names; a quorum.

Mr. O'CONNOR. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

FINAL ADJOURNMENT

Mr. O'CONNOR. Mr. Speaker, I offer the following resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Concurrent Resolution 63

Resolved by the House of Representatives (the Senate concurring), That the two Houses shall adjourn on Saturday, the 20th day of June 1936, and that when they adjourn on said day they stand adjourned sine die.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. O'CONNOR. Mr. Speaker, I offer the following resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 558

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate, to wait upon the President of the United States and inform him that the two Houses have completed the business of the session and are ready to adjourn, unless the President has some other communication to make to them.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER appointed Mr. O'CONNOR and Mr. SNELL to act as the committee to wait upon the President.

STREAM-POLLUTION CONTROL

The SPEAKER. Is a second demanded on the motion to suspend the rules and pass the bill H. R. 12764?

Mr. HOLMES. Mr. Speaker, I demand a second.

Mr. VINSON of Kentucky. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Kentucky is entitled to 20 minutes and the gentleman from Massachusetts to 20 minutes.

Mr. VINSON of Kentucky. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Speaker, we are now dealing with one of the most serious problems with which our country must deal within a very few years, if not now. There has been a tremendous demand all over the country for the past 4 or 5 years, if not longer, for some effective measure to be put in force that will eventually stop the pollution of inland waters. Of the hundreds and thousands of cities and towns all over this country, an average of not more than one out of a hundred has any means whatever of treating or controlling its sewage, and it is being entered into the streams to pollute the waterways for the towns and cities and people who reside on the river below them.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD. For a short question.

Mr. KNUTSON. Will the gentleman please explain section 6 of the bill?

Mr. MANSFIELD. I shall ask the gentleman from Kentucky, the author of the bill, to explain the details of the bill at the proper time. I have only 3 minutes. A number of bills have been presented. Industries in many cases have voiced their opposition to any measure that would put them to any extreme expense. The plan that is proposed here has been agreed to by all of the industries that have been represented before the Committee on Rivers and Harbors. The paper and pulp industry and all of them have agreed to make no opposition to this bill. It places the matter in the Public Health Department of the Government to work out plans with States, with counties, with municipalities, with industry, with agriculture, and all the elements all through the country that will be applicable to every navigable river and its tributaries in the United States.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. HOLMES. Mr. Speaker, this bill slumbered in the Interstate and Foreign Commerce Committee since the day it was introduced, May 19. A week ago last Monday the chairman of our committee asked that it be referred to the Committee on Rivers and Harbors. During the time the bill was pending before our committee I, and probably many other members of the committee, had communications in opposition to the legislation. The objection, in my opinion, is that this is just another entering wedge whereby another Federal Bureau is going to dictate to the various States of the Union the policies that they must carry out in connection with their rivers and lakes, and that it sets up another Federal aid unit which is innocent in its beginning but which may lead to an annual appropriation for years to come of several hundred million dollars, just the same as we are appropriating now under the Federal Highway Act.

Mr. FLETCHER. Mr. Speaker, will the gentleman yield?

Mr. HOLMES. I decline to yield at present. Personally I would have no objection to a bill of this kind and I would not voice anybody else's objection providing that it were more of a fact-finding board that would give to the States the necessary information the Government may find out in connection with its investigation of navigable streams.

When you say "navigable streams", that is as far as the Federal Government has any right to go.

Mr. MANSFIELD. And streams that pollute navigable streams.

Mr. HOLMES. Yes; I was coming to that. But in this bill you add tributaries thereto that pollute navigable streams.

I know each municipality and each State, and I think the majority of them have very efficient public health service. I think in years past they have taken a great deal of trouble in the development of their own rivers and in keeping from pollution the rivers and lakes within their own boundaries.

I am of the opinion that the Federal Government is going to dictate the policy of how that municipality or State shall plan its own development of its water supply, its purification plants, and many other things that enter into the question of the care of the streams and lakes within the boundaries of a State.

Mr. FLETCHER. Will the gentleman yield now for a question?

Mr. HOLMES. I yield for a brief question.

Mr. FLETCHER. How would the gentleman solve this problem, then, since he objects to the plan that is outlined here?

Mr. HOLMES. In the first place, I am absolutely opposed to establishing any more bureaucracies in Washington with dictatorial power over home rule and self-government of the 48 States.

Mr. FLETCHER. How would the gentleman solve this situation? The gentleman did not answer my question.

Mr. HOLMES. I believe each representative State should solve its own problem. I believe we have brains enough in our various States to clean up any pollution which may occur in any of our navigable streams.

Mr. FLETCHER. We have not been able to do it in Ohio.

Mr. HOLMES. That may be true in some instances, but I believe the public health commissioner of the State of Ohio has authority under the law. If they want to clean it up, then can clean it up.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HOLMES. I yield.

Mr. RICH. Do they not have a Democratic administration in the State of Ohio, and have they not had a Democratic administration for a number of years?

Mr. HOLMES. I would not want to say that that was responsible for their not being able to clean up the pollution in their streams.

Mr. MANSFIELD. Will the gentleman yield?

Mr. HOLMES. Yes; I yield.

Mr. MANSFIELD. For instance, in a river like the Ohio River there is no State which has jurisdiction to control that river. It is an interstate river, with some seven or eight States bordering on it. No one State can control it.

Mr. DIRKSEN. Will the gentleman yield for a question?

Mr. HOLMES. I am glad to yield.

Mr. DIRKSEN. In the exercise of the proper police power of the State, can it not say to these corporate industries that are discharging waste into the navigable streams that they must stop?

And as far as municipalities which are discharging their effluent and sewage into the streams everywhere, they are entitled under the provision made in the one and a quarter or one and a half billion dollar bill to get such relief as is necessary. Then they first ought to exhaust their bonding power to build treatment plants, sewage plants, and all that sort of thing, before they discharge this effluent into the streams.

Mr. MANSFIELD. All that can be worked out in this plan.

Mr. DIRKSEN. The trouble with the antipollution law is that it never has been enforced by any State agency. The States have too often blinked at the fact that there is pollution, and let it go on. The responsibility rests squarely upon the enforcing agencies of the States.

Mr. HOLMES. I thank the gentleman from Illinois for that observation. There is a great deal in what he says.

Section 5 of the bill provides—

> Any State, municipality, or other public body which is discharging untreated or inadequately treated sewage or waste into waters of any area is hereby declared to be eligible to Federal aid in the form of grants-in-aid and/or loans for the construction of necessary remedial treatment works.

We can go to almost any one of our smaller or larger streams and we will find there may be many industries along

the streams, discharging material into the rivers which pollute the rivers. At the same time we go along the various streams and we will find communities and towns themselves discharging sewage, a great deal like the city of Washington has done in the Potomac River. It happens right here in the great Capital of the United States, where they discharge raw sewage into the Potomac River. The blame for that pollution should be placed upon the municipality, but the commissioner of public health, under the public-health laws of the State, in my opinion, has authority to clean up those situations as they arise from time to time.

Mr. SPENCE. Will the gentleman yield?

Mr. HOLMES. I yield.

Mr. SPENCE. Does not the gentleman recognize that this is a national problem and that the States cannot handle it? Even the elimination of pollution at a certain point does not inure to the benefit of those who live there. For instance, the elimination of pollution at Cincinnati may not inure at all to the people of Cincinnati, but to the south, in Indiana and Kentucky and farther down the river. For that reason it becomes a national problem.

Mr. HOLMES. I appreciate that.

This bill also provides that any private person who has a factory on such a stream, which factory is discharging any residue into the river, also may obtain a loan from the Federal Government to build treatment works, and so forth, to clean up the situation.

I am not advised as to whether the committee has held hearings on this bill this past week. I have not seen anything to that effect.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. HOLMES. I yield.

Mr. MANSFIELD. We held hearings for several days.

Mr. HOLMES. This week?

Mr. MANSFIELD. No; on the 20th, and back there. The committee considered four or five bills. We had a hearing this week also, but I will explain this in my own time, for I do not want to take the gentleman's time.

Mr. HOLMES. I am glad to yield to the gentleman.

Mr. MANSFIELD. The gentleman from Ohio [Mr. HOLLISTER] and several others appeared—Members who had introduced bills—all of which were referred to the Committee on Rivers and Harbors. When we came to a consideration of the Vinson bill, we found it had not been referred to our committee, but we held hearings anyway.

Mr. HOLMES. From my correspondence with waterworks associations I was under the impression that the gentleman had not held hearings on this bill.

Mr. MANSFIELD. I hold a copy of the printed hearings in my hand.

Mr. HOLMES. The New England Water Works Association, at a meeting held on February 20 last, passed the following resolution:

Be it resolved, That the New England Waterworks Association, at its meeting held February 20, 1936, go on record as being opposed to any legislation placing the regulation of stream pollution under Federal control, and that the New England Waterworks Association advise each New England Senator and Representative in the United States Congress to this effect, and also to the effect that the New England Waterworks Association desires that Federal activities in matters of stream pollution be limited entirely to fact finding and cooperation with the State authorities.

[Here the gavel fell.]

Mr. HOLMES. Mr. Speaker, I yield myself 2 additional minutes.

The SPEAKER pro tempore (Mr. HILL of Alabama). The gentleman from Massachusetts is recognized for 2 additional minutes.

Mr. SIROVICH. Mr. Speaker, will my distinguished colleague yield for a question?

Mr. HOLMES. Yes; gladly, for a brief question.

Mr. SIROVICH. Does my distinguished friend realize that it was his namesake, the great Dr. Oliver Wendell Holmes, who almost 100 years ago started the principle of taking care of pollutions and infections, being the pioneer crusader in that work; and that typhoid, dysentery, and all other diseases that are today prevalent all over the United States are due to the fact that people drink this water that is contaminated with typhoid germs, dysentery bacillus, and other organisms?

Mr. HOLMES. Replying to the gentleman from New York, I may say that Massachusetts has tried to follow Dr. Holmes' example for many years.

Mr. SIROVICH. But we are talking of water whose source is contaminated, navigable streams flowing through the several States. It is the duty of the Nation under the general-welfare clause of the Constitution to help protect those States against such sources of danger to health.

Mr. HOLMES. I appreciate also, the fact that this is just the beginning of another great Federal-aid program which eventually will mean another wholesale raid on the Treasury when the respective States should handle this particular problem themselves.

[Here he gavel fell.]

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and forty-nine Members are present, not a quorum.

CALL OF THE HOUSE

Mr. O'CONNOR. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 134]

Amlie	Doutrich	Kee	Owen
Andrews	Drewry	Kerr	Palmisano
Ayers	Duffey, Ohio	Kleberg	Parks
Bacharach	Dunn, Miss.	Kocialkowski	Peterson, Fla.
Bacon	Eagle	Lambertson	Quinn
Berlin	Eaton	Lanham	Reed, N. Y.
Binderup	Englebright	Larrabee	Richards
Bolton	Faddis	Lee, Okla.	Robsion, Ky.
Brennan	Ferguson	Lemke	Sadowski
Brewster	Fernandez	Lesinski	Sanders, La.
Brooks	Fiesinger	Lord	Sandlin
Buckley, N. Y.	Fitzpatrick	McClellan	Sauthoff
Bulwinkle	Gambrill	McFarlane	Schneider, Wis.
Burch	Gasque	McGehee	Schuetz
Cannon, Wis.	Gassaway	McGrath	Scrugham
Cary	Gifford	McGroarty	Sears
Claiborne	Green	McLeod	Secrest
Clark, Idaho	Greenway	Maas	Taylor, Colo.
Collins	Haines	Maloney	Taylor, S. C.
Creal	Hamlin	Martin, Mass.	Tobey
Culkin	Harlan	Maverick	Tolan
Cummings	Hess	Mitchell, Ill.	Weaver
Darden	Hill, Knute	Monaghan	Werner
Dear	Hobbs	Montague	Wilcox
Deen	Hoeppel	Montet	Wilson, Pa.
Dies	Hollister	Moran	Withrow
Dingell	Hook	Moritz	Wolfenden
Disney	Hope	Nelson	Wood
Ditter	Imhoff	Nichols	Zioncheck

The SPEAKER pro tempore. Three hundred and seven Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

Mr. VINSON of Kentucky. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Speaker, I am very much in favor of this bill advocated by the gentleman from Kentucky. I have cooperated with Governor Curley, of Massachusetts, in trying for the past year to get funds from the Federal Government to do away with pollution of the Merrimack River in Massachusetts. There are four large Massachusetts cities on that river—Lowell, Lawrence, Haverhill, and Newburyport. These cities are vitally affected through the pollution of this river. The Massachusetts Congressmen, in cooperation with the Governor of Massachusetts, endeavored to get a trunk sewer put through which would do away with this pollution and purify the waters of the Merrimack, which is a navigable river and under the control of the United States Government.

If this bill, which is advocated by the gentleman from Kentucky, passes it will mean an opportunity for Massachusetts under Federal health and State health officers to obtain funds to do away with this pollution which should have been done away with long ago.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. MAY. As I understand, this bill applies to all the navigable streams of the United States.

Mr. CONNERY. Yes.

Mr. MANSFIELD. And their tributaries.

Mr. CONNERY. The public health should come first in this country. We must take care of the people's health. With the passage of this bill we can make a start toward that much-desired end in eliminating stream pollution and thereby protecting the health of our people, who must drink this water where in many cases it is their only water supply.

Mr. Speaker, I hope the bill passes.

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire [Mr. ROGERS].

Mr. ROGERS of New Hampshire. Mr. Speaker, I have listened with much interest to the comments of my colleague, the gentleman from Massachusetts [Mr. CONNERY], with reference to the situation pertaining to the Merrimack River, which flows from the State of New Hampshire into the Commonwealth of Massachusetts. We have another large river up there in the old Granite State, the Connecticut River, which flows in both Vermont and New Hampshire, and, notwithstanding some opposition rumors, I have tried in vain to find any logical argument against the passage of this bill.

I have heard it suggested that this bill takes away State rights. I yield to no Member of this House in my determination to preserve State rights to the fullest extent and to prevent the Federal Government's usurpation of such rights. As a matter of fact, this legislation fully and adequately preserves those rights. It simply provides for cooperation by the Federal Government with all the States in the preparation of a comprehensive plan for the reduction and elimination of pollution and the improvement of sanitary conditions in the navigable waters of the United States and streams tributary thereto.

Just as we know and appreciate the virtues of clean minds, souls, and bodies, let us show our appreciation of clean waters throughout the Nation by the prompt enactment of this legislation. It will encourage the enactment of uniform State laws relating to water pollution; encourage compacts between States for the prevention and abatement of water pollution and assist the people of America as a real health guaranty for generations yet unborn. Let us enact this bill into law today. It will make our navigable streams and the streams flowing thereto clean and pure and promote health and comfort throughout the length and breadth of this country.

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. WOODRUFF].

Mr. WOODRUFF. Mr. Speaker, in all the years I have been a Member of this body I have known no other measure as valuable, even remotely, to the health and the well-being of the people of this country as is the one pending before us at this time.

There is not a single water supply in the entire United States that is not menaced by pollution constantly passing into that water supply. Some of our friends on this side have expressed concern over the creation of another Federal bureaucracy within this Government. So far as I have been able to interpret the language in the bill, no such thing will occur. There is nothing in the bill that gives the Federal Government any control whatsoever over any State or any municipality in the entire United States. It simply provides for cooperation between municipalities, the States, and the Federal Government.

Mr. MANSFIELD. And also industries.

Mr. WOODRUFF. Yes, and industries.

Mr. Speaker, every Member of this House ought to know enough about the Bureau of Public Health to appreciate the fact that within that organization there are scientists who have devoted their entire careers to the solution of these problems which confront the people of practically every municipality and every State in this Union. There is no contribution which could be made which would be more valuable to them and to the generations to come than bringing about proper sanitary conditions and insuring an available and pure water supply in our lakes and streams. There are many cities located upon navigable streams, or tributaries thereof, which, through the splendid manufacturing institutions of various kinds, are by reason of the peculiar nature of their activities, compelled to dispose of certain refuse or byproducts in those streams.

I have in mind particularly chemical plants and sugar-beet processing plants, because such institutions are located in communities and upon rivers with which I am familiar.

I know, for instance, that at least one of the great chemical plants of the country, which is located in the district I represent, and at least one of the sugar factories located in the town in which I live, have for a considerable period of time been spending their money and cooperating in every possible way with the public-health authorities of the State of Michigan in seeking some solution of the problem brought about by the activities of these splendid institutions so necessary to the welfare and prosperity of the communities in which they exist.

Notwithstanding the most painstaking efforts of our local authorities, our State authorities, and the men at the head of these business organizations, the progress we had hoped to make has not been possible. This indicates to me that something more must be done. We must enlist the services of every department of this Government which can in any way contribute to the solution of these perplexing problems, and that is exactly what this bill proposes to do.

The bill expressly provides that the Federal Government, through the Bureau of Public Health, shall cooperate with the States and the municipalities. Such work as is done, such activities as are engaged in, will be supervised by the State authorities. The most scrupulous advocate of State rights can find nothing in this bill which will in any way conflict with his views on this subject. As a matter of fact, it seems to me through the encouragement given in the bill to the various States to cooperate with one another in the solution of this great problem, the Federal Government acts only as the liaison agency bringing about the coordination of the activities between the States.

I am informed by the chairman of the committee that every businessman familiar with the provisions of this bill is heartily in favor of its enactment. I can understand why this would be so.

Mr. Speaker, I give my complete and unqualified endorsement to this bill, and I trust the vote of the House in its behalf will be overwhelming.

Mr. VINSON of Kentucky. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, the elimination of water pollution, the object of the bill under consideration, is a matter of supreme national importance. I know of no legislation that could be enacted that would inure to the health and happiness of the people more than legislation of this character. The situation in reference to the elimination of pollution from our streams and waters is fast approaching a crisis.

Science has devoted much effort to the purification of water. Tomes have been written upon this subject and great advance has been made in this respect. The waterworks plants of our larger cities treat the water for turbidity in the great settling and coagulating basins. The water is filtered, aerated, chlorinated, and otherwise treated, and by the application of scientific processes we have made water potable which has contained a very large percentage of sewage. However, the time is fast approaching by reason of the increasing pollution of our streams when these scientific processes will no longer be able to meet the conditions that will exist. We must consider in the future not only methods of purification but to a far greater extent we must devote our time and effort to the elimination of stream pollution to meet the conditions that will confront us. Let me cite a specific instance which will indicate the great interest I have in this subject.

My district extends from approximately 40 miles above Cincinnati on the Kentucky side of the Ohio River to within a very short distance of the corporate limits of the city of Louisville, a distance of approximately 140 miles. Every county save one in the district I represent is bounded on the north by the Ohio River. Across from Cincinnati on the Kentucky side of the river there are 170,000 people. Cincinnati and its vicinity have a population of approximately 600,000. The Ohio River is one of the most highly improved rivers in the Nation for purposes of navigation. It is locked and dammed, and these dams constitute pools in the river—pools which in the summertime become stagnant and offensive. There is a pool at Cincinnati which extends from Coney Island 7 or 8 miles above the city, to Fernbank, a few miles below the city. Into that pool are drained the industrial waste and domestic sewage of 750,000 people, and out of that pool comes the water supply of those people.

The larger towns by the application of scientific processes, which are very costly, may to a certain extent overcome the effects of this pollution. But even they, if conditions continue to become worse, will not long be able to purify this sewage-impregnated water for drinking purposes. The great danger comes to the smaller towns, which are unable to maintain expensive and scientific water plants and which give the water insufficient treatment. Therein lies a great menace to the health of our people, and unless something is done before long epidemics may break out that will cost much in life and health and untold millions in money. The primary object of this legislation is to secure safe and potable water for our people, and this is a matter of supreme importance. However, the rivers and the waters of our Nation have other potential qualities that cannot be overestimated. Men have naturally sought the water courses to build their habitations. They sought them because of their beauty, because they furnished a means of transportation, because bathing in the clear streams brought cleanliness and refreshment. The rivers were attractive to wildlife. Here the animals of the forests and plains came to quench their thirst and to seek the refreshment the rivers afforded. I well remember as a boy how the migratory wild fowl stopped to rest on the waters of the Ohio River in their migrations north in the spring and south in the fall. Since the rivers have become polluted these wild fowl shun them. You may look in vain for them today.

Formerly the rivers were teeming with fish that furnished not only a fine food supply but also splendid sport to the fisherman, but the same causes that have driven away the wild fowl have destroyed the fish.

The solution of this problem is national in its scope. Frequently the elimination of stream pollution at the point where the money is expended and the improvement made will not inure to the benefit of the people who reside in that vicinity, but its beneficial effects will be felt by those who may reside at far-distant points. The object of this bill cannot be attained unless a comprehensive plan is adopted to eliminate the pollution of the entire stream or body of water.

To do this it may be necessary for the States to enter into compacts with each other for that purpose. The Constitution provides that no State shall, without the consent of Congress, enter into any agreement or compact with another State. This, of course, was a wise provision, because if there were no restrictions on the compacts into which States may enter they might supplant by their compacts the provisions of the Constitution itself. There certainly can be no objection to allowing States to enter into compacts for the general welfare of their citizens where the compacts are not in derogation of the powers of the National Government.

The things with which we come in daily contact always make the greatest impression upon us. The place I have called home since my childhood has been in sight of the Ohio River. I have often observed how wonderful that river is in its beauty, its recreational value, its attractiveness to wildlife, the recreation and pleasure it could afford the sportsman, the diversified recreation it could furnish to the people.

Thomas Jefferson, who was not only a profound philosopher but who had a deep appreciation of the beautiful, said:

> The Ohio is the most beautiful river on earth. Its current gentle, waters clear, and bosom smooth and unbroken by rocks and rapids.

When you see this beautiful river now turned into an open sewer because of the carelessness and indifference of our people it should inspire us to do everything we can to restore to it and the other rivers and waters of our country their great potential value for the health, the welfare, and the happiness of our people. This can be done.

It is undoubtedly true the Public Health Service of the Nation is deeply interested, but the physical prevention of the pollution of our rivers and waters in the last analysis must be met by a comprehensive plan prepared by competent civil engineers. I hope such a plan will be formulated and work started as soon as possible for this most meritorious and necessary purpose.

Irrespective of party affiliations or the districts we represent we would be recreant to our plain duty if we do not use every effort to eliminate stream and water pollution. Nothing should be of more interest to the people or more greatly involves their future health and happiness than the elimination of the pollution of the water that they are as dependent upon as upon the air they breathe.

Mr. VINSON of Kentucky. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. FLETCHER].

Mr. FLETCHER. Mr. Speaker, in considering this bill, H. R. 12764, providing for the Federal Government's cooperation with the States for the purpose of eliminating the deplorable health menace resulting from stream pollution, I am reminded of the "good neighbor" policy recently enunciated by President Roosevelt.

If ever there was an opportunity for the Members of this Congress, regardless of party affiliation, to legislate in the spirit of the policy of "the good neighbor", it is in this legislation we have now under consideration.

NO CAUSE FOR FEAR

Referring to the nervous concern of the gentleman from Massachusetts [Mr. HOLMES] relative to the fear of bureaucracy, which he conjures up in his overlurid imagination, certainly he should have no fear along that line, because this legislation makes no provision whatever for any new bureau. Furthermore, the gentleman's own party spokesman, the late Mr. Hoover, while serving as President, sponsored more bureaus and new commissions of all kinds than any previous occupant of the White House.

If I thought this legislation would create or encourage bureaucracy I would vote against it. I am fed up on bureaucracies and on tax-eating bureaucrats. But there is no new bureau contemplated in this bill at all, as I understand it. The so-called bureaucrats will not have anything to do with it.

RIVERS DO NOT STOP AT STATE LINES

The fallacious arguments that the States can handle this murderous stream-pollution menace answers itself when you consider the fact that sewage-polluted inland streams, carrying the poison of death from one community to another, do not stop at State boundary lines.

Streams like the Ohio River carry pollution collected from tributaries at Pittsburgh, Wheeling, and other towns and cities along its banks. These streams carry their germ-laden waters across State boundary lines into other States, and these States, in spite of all they have been able to do, have failed to control the menace of stream pollution. The result has been tragedy and death.

My own State, Ohio, has tried its very best to solve this problem. It should be obvious to anyone that States cannot do this job without the cooperation of the Federal Government.

STREAM POLLUTION A MURDEROUS MENACE

If the lives of our citizens were endangered by a foreign foe we would instantly rally every available resource necessary for their protection. This disease menace carries un-

seen poison in polluted streams that threatens entire communities with life-destroying epidemics, which, as the testimony shows, endanger the lives of thousands of defenseless people.

The problem is extremely serious. Its solution compels us to put into practice President Roosevelt's policy of the "good neighbor" as a matter of self-preservation, for the history of all epidemics has made it clear to us that epidemics, resulting from stream pollution or any other cause, are no respecters of State boundary lines.

President Roosevelt's "good neighbor" policy should be the motivating policy back of this type of legislation proposed in H. R. 12764 and the motivating policy back of all other types of legislation conceived in the interest of the common good.

WHAT THE PRESIDENT SAID

It was this idea which the President had in mind when making the speech he delivered at his home in Hyde Park. On that occasion President Roosevelt said:

I like to think of our country as one home in which the interests of each member are bound up with the happiness of all.

We ought to know by now that the welfare of your family or mine cannot be bought at the sacrifice of our neighbor's family; that our well-being depends in the long run upon the well-being of our neighbors.

The "good neighbor" idea as we are trying to practice it in our international relations needs to be put into practice in our community relationships.

That speech from which I have just quoted was made before the committee reported out this legislation we are now considering. But no argument has been made on the floor of the House today more directly applicable to the solution of this stream-pollution problem than are these words spoken by the President at Hyde Park.

I should like to see associations of good neighbors in every town and city and in every rural community of our land—

Said the President—

Such associations of sincere citizens, like-minded as to the underlying principles and ideas, would reach across the lines of creed or of economic status.

It would bring together men and women of all stations to share their problems and their hopes and discover ways of mutual and neighborly helpfulness.

PHILOSOPHY OF GOLDEN RULE ENACTED INTO LAW

In passing this legislation today, authorizing the Federal Government to cooperate with the States in protecting their citizens against the death-dealing menace of stream pollution, we will be legislating in the spirit of the President's own words, because we will be helping to "share the problems and the hopes" of those whose lives are endangered by stream pollution, and we will be making a practical application of the philosophy of "mutual and neighborly helpfulness."

The philosophy of the "good neighbor", expressed in the President's speech, has been the motivating philosophy dominating the personal relations and public service of President Roosevelt from the beginning of his great career of usefulness to his fellow men.

In the early youth of an individual it often is possible accurately to predict the type of person into which that individual will develop and foretell the kind of leader he will become in his manhood years ahead.

MR. SNYDER'S EXPERIENCE WITH ROOSEVELT AT HARVARD

That this is true of President Roosevelt in relation to the "good neighbor" philosophy which is being expressed in this legislation under consideration was vividly impressed upon me not long ago when a friend of my boyhood, Mr. Harvey R. Snyder, came to my office. Harvey R. Snyder and his brother, J. Royal Snyder, 1206 Williamson Building, Cleveland, are two of Ohio's best-known attorneys. Both are Harvard men. Harvey R. Snyder played right end on the Harvard football team.

Mr. Snyder is widely known in Ohio and throughout the country for his active fraternity work and his leadership in the Pythian and Masonic Orders. The day he related the following incident to me Mr. Snyder was in Washington to participate in the ceremonies initiating President Roosevelt into the Order of Knights of Pythias.

ROOSEVELT HAS ALWAYS LIVED THE "GOOD NEIGHBOR" PHILOSOPHY

Discussing President Roosevelt's philosophy of the good neighbor, Mr. Snyder, who, by the way, is a Republican, said:

When I first went to Harvard I had an interesting experience with Franklin D. Roosevelt, who was then a student there. Even then he demonstrated in his association with his fellow students that he was daily living the "good neighbor" philosophy which he is now living as President of the United States.

I was raised on a farm and entered Harvard with little money and practically no acquaintances or friends among the students, said Mr. Snyder. I was greatly handicapped in my efforts to keep up with the members of my class in French. I spoke German, but the French language seemed extremely difficult for me to learn. I was falling behind. My French professor was a native of France. He had a doctor's degree from the University of Paris. He talked French so rapidly that it sounded to me like the rat-ta-ta-tat of a machine gun. I had had only a very short period of intensive study in French in order to meet entrance requirements.

My failure to comprehend the questions asked by the French professor and the consequent embarrassment and inability to reply in French, created a sympathetic interest of a fellow-classmate who spoke French fluently. This tall, broad-shouldered, athletic fellow student possessed a most engaging personality. He had traveled in Europe during his vacations in the several preceding years. By his special study and his contact in travel he had attained a very keen ear for spoken French and he could also speak French fluently. My humiliation and embarrassment aroused within this other student, with the friendly smile and sympathetic understanding, a desire to assist me, his less fortunate neighbor. At the close of the class one day, he introduced himself and invited me to his room. Before the next recitation he had helped me with several hours in French discourse. He also arranged for the Berlitz School of Modern Languages to give me week-end instruction and daily instruction during the Christmas vacation. He insisted on advancing the cost of this special instruction out of his own pocket until I could get the necessary funds.

At the first meeting of the class after the holiday vacation, the professor was astonished at the improvement in my efforts to speak French, and inquired: "Have you been to France during this vacation?" I replied, "No, professor, but a member of this class has taken a friendly interest in me during the last month and has helped me to overcome my handicap."

That friendly, neighborly student who helped me out did so with nothing to gain for himself, because, coming from the farm in Ohio, with little money and no acquaintances or friends at Harvard, I could be of no service to him in return for his great thoughtfulness and kindness to me in my hour of difficulty. Of course, I paid back the money he advanced for the special instruction arranged for me, but never can I fully repay him for the neighborly kindness he did for me in my hour of discouragement and need.

Thus, it was as the "good neighbor" that I first learned to know Franklin D. Roosevelt, who, seeing my difficulty, introduced himself, took me to his room, helped me with my French lessons, and, at his own expense, secured special instruction for me. So, even in his younger days as a student in Harvard, Franklin D. Roosevelt lived the philosophy of the "good neighbor", which he is now living as President of the United States, serving all of us as one of the most courageous, kindly, humanitarian Presidents who has ever occupied the White House.

THE PRESIDENT BECOMES MEMBER OF PYTHIAN ORDER FOUNDED UPON PHILOSOPHY OF THE "GOOD NEIGHBOR"

In my office that day on his way to the White House to participate in the impressive ceremonies initiating President Roosevelt into the Pythian Order, my lifelong friend, Harvey R. Snyder, recounted many similar Roosevelt acts of helpfulness and kindness toward his student neighbors. From these early incidents thoughtful observers might accurately have predicted that Roosevelt, the student, when he became Roosevelt, the statesman, would build his leadership and his service to humanity on the same principle—philosophy and policy of the "good neighbor"—which, I am glad to say, is the spirit in which most measures considered by this Congress have been conceived and enacted into the law of the land.

SELFISHNESS OF GREEDY MEN POISONS THE STREAM OF ECONOMIC LIFE FOR UNDERPRIVILEGED MILLIONS

As the indifference, selfishness, and unneighborly attitude of communities located along the inland streams and rivers endanger the happiness, homes, and health of their neighbors living miles below, so overprivileged, greedy, selfish men of wealth and power, controlling the natural resources of the country and exploiting the people of the Nation, have polluted the stream of economic life with disaster, unemployment, insecurity, and unhappiness for underprivileged millions of their less-fortunate fellow men to whom opportunity is denied.

It is this unneighborlike attitude of selfish individuals and selfish groups, lacking in social intelligence, which makes necessary legislation like this we are considering today and which will make necessary still other humanitarian legislation in the interest of social justice, democracy of opportunity, and financial security for the masses of Americans who will ever be grateful for having in the White House a sympathetic and helpful friend whose kindness and usefulness to his fellow men is that of the "good neighbor", devoting his life to the service of mankind.

Mr. VINSON of Kentucky. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. Speaker, I am very happy to have the opportunity to support a measure that will help my friends in Michigan and my friends in New York more than it will the people of the State of Virginia. We have no great pollution problem in Virginia. We have 2,000 miles of good bass waters and 1,000 miles of trout streams. But I know what you are up against in the industrial centers. Dr. Wollman, of the National Resources Board, testified before us it would require $4,000,000,000 to provide for adequate treatment plants for domestic sewage and industrial waste. The manner in which we have made open sewers of once beautiful streams is a national disgrace.

Mr. Speaker, there are 7,000,000 licensed fishermen in this Nation. They have been writing me about pollution of our streams. The health problem of our people is also involved. We are spending millions annually to kill the germs in our drinking water.

This bill will give an opportunity to study the matter scientifically. It will promote the passage of uniform State laws and develop cooperation between the various States and with the Federal Government. It will help to finance the installation of treatment plants.

It also provides a worth-while public-works program on a reasonable scale, to be spread over a number of years.

As I stated previously, Mr. Speaker, I am glad to have the opportunity of supporting a measure that will help the industrial centers of this Nation more than it will agricultural States, like Virginia. I hope this bill will pass.

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. PFEIFER].

Mr. PFEIFER. Mr. Speaker, this is not a new matter. Pollution of navigable streams has been a bugbear for many years. It not only causes disease throughout this land of ours, but also brings about destruction of aquatic life and everything pertaining thereto.

Let me cite just one instance. In my district there is a body of water known as Newtown Creek, approximately 5 miles long, on which commerce is carried to a greater extent than on the father of all rivers, the Mississippi. Connected with Newtown Creek there are 20 untreated domestic sewers emptying into this body of water, not counting the hundreds of other sewers that empty into the creek from industrial sources. This sewage is carried into the East River, which in turn empties into Long Island Sound, which borders the shores of the district represented by the gentleman from Massachusetts who is opposed to the bill. It also goes along the shores of New Jersey and Connecticut, and New Jersey today has a suit pending against the city of New York for stream pollution. This is a vital proposition and it is up to each and every one of us to do what we can to help pass this bill. [Applause.]

Mr. HOLMES. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I may say to the membership of the House that I do not yield to anyone insofar as the importance of clean streams is concerned or insofar as the health of the Nation is concerned, but I wonder whether you know what this bill calls for. If you will read carefully sections 5 and 6, and then read section 7, which authorizes the amount of money necessary to carry out sections 5 and 6, I question whether any of you know what the amount involved will be. It evidently will be quite expensive.

In section 7 you authorize the amount of $700,000 annually for 10 years, which is a total of $7,000,000 to make this survey.

If you will look at your statement of the Treasury Department, which all of you have received at your offices, you will see that this year you have spent $4,687,000,000 more than you have received and that you are now in debt $34,345,000,000. I wonder where in the world the limit of expenditures is going to be by this great spending Congress. None of you can tell us what the ultimate cost of this bill will be. I think you ought to provide a definite and specific sum to be set aside for this purpose and not leave the amount indefinite so that no one knows what the eventual cost may be. That is only business of inefficient men.

I think there is another question involved in connection with this survey that should be considered, and that is the fact that we have streams used largely for the sportsmen of this country. I am interested in the sportsmen of the country, and I want to help them have streams where they can take their families and enjoy the pleasures that one gets with a fishing line. We also have what may be termed manufacturing streams, and the gentleman from Virginia [Mr. ROBERTSON] just a moment ago stated that to clean up these manufacturing streams would cost $4,000,000,000. Is there anybody in this House today who is willing to spend $4,000,000,000 on streams, when we have the great national debt we have and our present conditions with respect to getting employment for the people on relief. You must get it from industry. Kill industry and you kill employment. I think we have got to give consideration to the manufacturers as well as the sportsmen; they are both essential, and I want to protect both, and this bill has been brought in here without any consideration of all these facts, and I am wondering whether we ought to pass it at this time or not. We have the health departments who look after the purity of the water in the States for the purpose of health. Then we have the Department of Fisheries who look after the fish, and in Pennsylvania our State commissioner of fisheries, O. M. Deibler, is a peer of fish commissioners in this country. He is doing a great work in getting streams cleaned for fish culture.

Mr. VINSON of Kentucky. Mr. Speaker, the gentleman from Pennsylvania inquires about the amount of money to be expended. I want to ask him, in all seriousness, what the expense in suffering and in sickness and in death would be of an epidemic that might come to any section of this country through a failure of government to meet its responsibilities.

Mr. RICH. I am going to answer that.

Mr. VINSON of Kentucky. I may say to my friends in this House that this is one bill that is nonpartisan, nonpolitical, and nonsectional.

Mr. RICH. The gentleman has asked me a question.

The SPEAKER pro tempore (Mr. HILL of Alabama). Does the gentleman from Kentucky yield to the gentleman from Pennsylvania?

Mr. VINSON of Kentucky. I decline to yield at this time, Mr. Speaker.

I repeat that this is one measure that is nonpartisan, nonpolitical, and nonsectional. There ought not to be a single vote in this House against this bill.

The only thing I can see that has brought any opposition to this bill is erroneously mixing it with another bill in which the coercive powers of the Federal Government would be exerted against the industrial life of the country. There is no coercion in this bill. This bill proceeds upon the theory of cooperation—cooperation between the States and the Federal Government, cooperation between the public health departments of the States and the Public Health Service of the Federal Government. There is not an iota of coercion in this bill.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Kentucky. I yield to my good friend from Ohio, who knows the need of this legislation and who has rendered such valiant service in its consideration.

Mr. JENKINS of Ohio. Is not this the fact, that this bill cannot work at all unless the welfare of the States is considered from every angle?

Mr. VINSON of Kentucky. Undoubtedly. Everything that is done under sections 5 and 6 has to be done under the supervision and with the approval of the States and their health departments before it is approved by the Federal Government.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Kentucky. Yes.

Mr. SIROVICH. I call the attention of the gentleman to the fact that my good friend Mr. RICH, of Pennsylvania, said it would help the sporting element, whom he wants to protect. This would help humanity who use and bathe in the water from getting infections of the eye and ear and typhoid fever and dysentery and abscess of the liver and countless other diseases.

Mr. VINSON of Kentucky. And these diseases do not come with a great warning, they slip on one unawares. When Cincinnati alone deposits 450 tons of sewage per day in the Ohio River, it is time to stop, look, and listen. That is the reason that JOHN HOLLISTER, of Cincinnati, and HESS, of Cincinnati, BRENT SPENCE, of the Covington district, O'NEAL, of the Louisville district, CREAL, CARY, and GREGORY, of Kentucky, BOEHNE, CROWE, PARSONS, KELLER, and all other members on the lower Ohio are vitally interested in stream-pollution control and eradication. I trust, now that Members who know this bill does not have the coercive effect they thought it had in the beginning, that we may have a unanimous vote on the passage of the bill. I feel it is a most forward-looking piece of legislation in behalf of men, women, and children. It is very pleasing to see the membership, upon consideration of the measure, rallying to its support.

The SPEAKER pro tempore (Mr. HILL of Alabama). The time of the gentleman from Kentucky has expired. All time has expired.

Mr. RICH. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and twenty-one Members are present, a quorum. The question is on the motion to suspend the rules and pass the bill.

The question was taken.

Mr. HOLMES. Mr. Speaker, I demand the yeas and nays.

The SPEAKER pro tempore. All in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Fifteen Members have risen, not a sufficient number, and the yeas and nays are refused.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed, and a motion to reconsider the vote by which the bill was passed was laid on the table.

BLUE RIDGE PARKWAY

Mr. O'CONNOR. Mr. Speaker, by the direction of the Committee on Rules I submit the following privileged report, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 559

Resolved, That immediately upon the adoption of this resolution the bill H. R. 12455, entitled "A bill to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes", shall be considered as having been engrossed and read a third time, and the House shall immediately proceed to vote upon the passage of said bill without any intervening motion except one motion to recommit, with or without instructions.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RICH. Is it permissible under the rules, after a bill has been defeated on the Private Calendar and this very day defeated on a motion to suspend the rules, to then have the Committee on Rules come in with a resolution or order and bring it up with the idea of trying to pass it, virtually by Executive order, and shoving it through?

The SPEAKER. Is that a parliamentary inquiry?

Mr. RICH. I think it is. We want to know whether we are going to have this "logrolling" legislation.

The SPEAKER. The Chair knows nothing about "logrolling" legislation, but, according to all the rules of the House with which the Chair is familiar, it is within the power of the Rules Committee to bring in this rule.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. RANSLEY].

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, it is not very often that I take the floor of the House to criticize anything that the Committee on Rules has done. I am about as good a friend of that committee as any Member on the floor, but I do feel that in bringing in this rule at this time the committee has gone beyond all limits. I have seen various rules, some that are called gag rules. I do not know that I would even call this a gag rule, but I do say that it is the acme of all tight rules that I have seen in 20 years' experience in this House.

Let me say to the distinguished chairman of the Rules Committee that if I had a piece of legislation which had been brought up this afternoon, and had over a three to one majority, and could not pass it under suspension, I would not consider it was a very popular piece of legislation and force the House to consider it at this time.

Furthermore, considering the fact that we have already passed an adjournment resolution and expect to adjourn within the next few hours, there is certainly no possible opportunity for passing this legislation in the other body before we adjourn.

I do not care to enter into a general discussion of this bill further than to say that this is the rankest operation of the Rules Committee I have ever known in the House of Representatives. I defy any man on the Democratic side, which is always talking about generosity and liberal rules, to find a similar example in history equal to the rule that has just been presented by the gentleman from New York [Mr. O'CONNOR.] [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, what the distinguished Minority Leader has said might at first blush carry some impression to the House, but the fact is that this bill has already been debated for 40 minutes. It was brought up under suspension where no amendment was permitted. All this rule does is to carry out that situation exactly, there having been debate on the bill, and this rule does not change the situation at all.

Mr. SNELL. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. SNELL. Did the gentleman ever see a rule presented in this House which provided that a bill should be considered as engrossed and read a third time?

Mr. O'CONNOR. Not before it had been considered under suspension of the rules.

Mr. SNELL. I defy the gentleman to find a single example of that kind in history.

Mr. O'CONNOR. I never saw such a rule brought in the original instance, but this bill has already been debated.

Mr. SNELL. And you say you are liberal. Where are all these people who talked about liberal rules?

Mr. O'CONNOR. We are the great liberal party.

Mr. SNELL. Yes; you are a great liberal party. You are progressing pretty fast in the wrong direction.

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, let us see what we are doing here and consider this very extraordinary procedure without heat and without passion. The rules of the House provide for what is known as suspension of the rules; that is, on certain specified times the Speaker of the House is permitted to recognize a Member to make a motion to suspend all rules of the House and pass a bill. In the beginning it was intended that this procedure should be resorted to only on rare occasions and really as a matter of emergency. In

drafting this rule the Congress was very careful to provide that a two-thirds vote of those present and voting was necessary to pass the bill. When this method is adopted the proponents of the bill are given 20 minutes to present their case under the rule, and the opponents are allowed but 20 minutes of debate. Then the bill comes to a vote without any opportunity to amend. This rule is a regular gag rule, if there is any such thing in the regular rules of the House.

Of late passing bills under the suspension process has become very common. A number of days ago a resolution passed the House permitting the Rules Committee to bring in rules without notice, and immediate consideration is given to such rules. This is an innovation, because under the general rules of the House the Rules Committee must present a rule the day preceding its consideration, and in this way the House has an opportunity to have before it a copy of the rule before it is asked to vote.

A few minutes ago the House considered this parkway bill under suspension of the rules. Two-thirds failed to vote for the bill. While the bill deals with a project costing approximately $50,000,000, yet the House was given but 40 minutes' debate. Because the bill failed of passage the Rules Committee was immediately convened and brings before us the rule which we are now asked to vote upon. I have been in Congress for many years, and I have no fear of successful contradiction when I say that a proceeding of this type has never heretofore been resorted to.

The Rules Committee has brought in a rule making a second consideration of this same bill in order within less than 1 hour's time. Do not forget that we voted on this same proposition under the rules of the House less than 1 hour ago and defeated the bill. There is but one copy of the rule which we are asked to vote upon in existence, and we heard that read from the Clerk's desk. It provides that the parkway bill "shall be considered as having been engrossed and read a third time" and that the House shall immediately proceed to vote upon the passage of said bill. In short, it changes the suspension rule from a two-thirds vote to a majority vote without even reading the bill.

Now, we have heard much about gag rules. My colleagues, this is the "gaggiest" gag rule ever presented to this body. In polite terms, we might call it a supergag rule. Think of the Congress being required to vote upon a proposition involving $50,000,000 without any consideration other than as above indicated!

The splendid chairman of the Rules Committee, the gentleman from New York [Mr. O'CONNOR], knows the rules of the House. He is a good parliamentarian and understands the precedents. I served on the Rules Committee with him for several years and am convinced that he is too familiar with parliamentary procedure and has too much respect for fair leadership to bring in a rule like this unless somewhere there was an urge that induced the action.

Now, I am not going to discuss the merits of this bill. From what I have been able to learn, this parkway is a roadway, approximately 450 miles long, connecting two great national parks. This roadway is to be 800 feet wide, will be beautiful and scenic, and will be paid for out of the Treasury of the United States. This bill will give the Department of the Interior the control, which carries with it the maintenance of this parkway.

The improvement is not necessary at this time. In the beginning, it was not authorized by Congress. This is one of those projects where either under the P. W. A. or the W. P. A. $6,000,000 of relief money was appropriated, the purpose of which was to eventually accomplish some local benefit. I live in Michigan, and when I think that this 800-foot driveway, which the Government is to construct and pay for, represents just about the distance from my home to Washington, then I wonder whether it might be well, if we are going to spend this $50,000,000, to spend it through the regular channels whereby Federal-aid roads are built. We can do much better by building farm-to-market roads or improved post roads, rather than developing this splendid scenic driveway in two States of the Union.

Much has been said here about sectionalism. No one will accuse me of sectionalism. However, up in our part of the country, some people are beginning to wonder if the administration is not bearing down just a little hard, when projects like the T. V. A. and these other great developments in certain localities are being connected up with scenic driveways, to be paid for by the taxpayers throughout the length and breadth of the land, who are not only overburdened with taxation, but who, in many cases, have almost impossible highways leading from their homes to their markets.

Remember that the passage of this rule, because that would eventually mean the passage of the bill, means that the Government is taking over this highway and becoming responsible for its maintenance for all time. If, perchance, the majority of those present should not vote to pass the bill on this, its second trial within an hour, I am wondering what unheard of, ruthless parliamentary procedure will next be resorted to. It seems that in these closing days there is no limit.

The SPEAKER. The time of the gentleman from Michigan [Mr. MICHENER] has expired.

Mr. RANSLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, I do not see how anybody can take any particular pride in considering a bill in this manner, which has been before the House on three occasions, and has been defeated on each of those occasions. I do not, however, think we should spend too much time on that. If the gentleman sponsoring this bill feel this is the proper way to legislate, the responsibility is theirs. It is our responsibility, however, when we vote to do so upon the merits of the measure.

Let me call your attention to this fact that in these projects, of which this is one, there are involved $48,000,000. Now, $48,000,000 is almost one-half the amount we appropriate and allocate each year for highway purposes under the highway act to all of the 48 States. Forty-eight million dollars is eight times the amount allocated to the State of Michigan and several other States having comparable road mileage.

When you gentlemen adopt your platform and reiterate that you are in favor of relief, when you reiterate that you are in favor of balancing the Federal Budget, when you state that it will not be necessary any more to pass $700,000,000 tax bills because you promise to reduce expenditures, remember that here today you voted to increase the burden of taxation on the people of this Nation $48,000,000 for an unjustifiable, unwarranted, unsound proposition. You cannot go back to your constituents and say "We are in favor of economy, we are in favor of relief, we are in favor of balancing the Federal Budget, we are in favor of reducing the cost of goverment" and vote for this measure with consistency. The two things are incongruous, they are as far apart as the poles. You cannot be consistent with your platform and vote for this.

Gentlemen, as competent legislators, I want you to consider this in the light of the fact that this amount is one-tenth of the amount we appropriated to take care of every poor person in the United States for the fiscal year 1934; one-tenth of that amount, and for what purpose? To build a beautiful parkway across two States, and two States only are going to benefit by this. Remember, there are millions of people in these United States today going without proper nourishment, without proper clothing, and without a proper roof over their heads while we are down here legislating $48,000,000 for the purpose of building a beautiful parkway through two States.

I entreat you gentlemen to use some common sense in the consideration of the merits of this bill and vote it down as you have on three different occasions. Let us not go home from this Congress without voting for at least one measure which is in the interest of the taxpayers, the merchants, the industrialists, and the agriculturists of this Nation. [Applause.]

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, the question of road building on the part of the United States Government is a

comparatively new matter. It was only about 30 years ago, I think, that the Government first launched upon any program of road building. At that time the Government approached the subject with great timidity because the principal opposition came from those who were jealous of the rights of the States. They insisted that the Federal Government had no right to enter the field of the construction of roads, but gradually that feeling faded away with the coming of the automobile. Today we see Congressmen on this floor demanding great sums of money from the Government, whose predecessors would have opposed this program most strenuously. First, as I remember, the Government paid only about $5,000 a mile as its contributory part, and that had to be matched by the States. In most cases the State's part was twice as much as that of the Government. I am not trying to give exact figures. But since that time it has been increased very much.

Many of you will remember, especially the Members from the South, the battle we had 2 years ago to allocate Federal contribution for public roads so as to provide that 25 percent of the appropriation should be used for the construction of country roads such as rural-mail routes and school-bus routes. Now, listen to me. The money you are going to vote here this afternoon for the construction of this one highway, $48,000,000, as I understand it, is enough money to build a farm-to-market road or a school-bus road such as we provided for 2 or 3 years ago clear around the world. This much money would build such a road 24,000 miles in length.

I am calling upon the Members to be sensible about this matter. You are about to undertake the most gigantic step in connection with road building that anybody ever thought of. The Shenandoah Park is a beautiful place. I have been through it. The Smoky Mountains Park is a beautiful place. I have been through that, also. Now, they want to build a highway 477 miles long and 800 feet wide. Think of it, the parkway is to be 800 feet wide, with a minimum width of 200 feet to connect these two parks. Of course, this highway will have to be built over the mountains. This will be very expensive construction. You will have to go from this mountain section to the other mountain section. The expense of construction will be enormous. The maintenance will also be enormous. How can you who come from Ohio vote for this, where we have built the highways for all the automobiles of the world as they fly hither and yon through our great State. We have built our own roads in Ohio. We have matched dollar for dollar with the Government in connection with the construction of our main market roads and our thousands of miles of other State highways. We have paid every cent of the money for the construction of these fine State highways. In Michigan they have done the same thing. In California they have built thousands of miles of roads and paid for them. This is the case everywhere.

How can you on the Democratic side justify the building of this superhighway and make it one of the show-place highways of all the world and the Government pay every nickel of the expense? How can you do it in the face of the terrific outlay of money on every hand. Gentlemen, your conduct, if you pass this bill, will call down upon your heads the retribution that must come from an outraged public.

This is only the original expense. How much is it going to cost to maintain that parkway? No doubt many millions. So long as the Republic stands, our successors will be appropriating money to maintain this show place. Why do we need a parkway 800 feet wide between these two parks? Are not the parks themselves sufficient? The Smoky Mountains Park contains many thousands of acres; I am not sure how many, but I think enough to comprise several counties. I do not know the exact acreage, but it is tremendous. The same is true of the Shenandoah Park. I think the parkway through this park is about 40 miles long.

We can with as much propriety build a parkway from Niagara Falls, a show place in the East, to Yellowstone Park, a show place in the West.

Ladies and gentlemen, you should not submit yourselves under pressure in the last days of this session. I call on you to do your duty and protect the depleted Treasury. It is little short of criminal to waste the people's money in this fashion. I call upon the Democratic Members and the Members from the rural sections and the urban sections to stand together and do what is manifestly your duty. [Applause.]

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. GREENWOOD].

Mr. GREENWOOD. Mr. Speaker, I have listened to the speeches made by the gentlemen on the opposition, and it seems like in the closing hours they are developing a case of jitters about something.

There is no money involved in this bill for the construction of the highway. That has already been provided. It is simply a question of the maintenance and management of the parkway in one Government department, whereas now two departments are administering this project. Everyone recognizes these national parks are within driving distance of millions of the population of the United States. This parkway is not located away off in some remote section. It is close to the big cities of this Nation. By Executive order proper authorization has already been made to build this highway, and this bill covers the maintenance and administration thereof. We are bringing in the bill at this time because an emergency exists relative to the administrative features of the bill.

Something has been said about this being a gag rule. The matter has already been debated for 40 minutes as an emergency measure, and has been sustained by a clear majority of the Members of the House of Representatives.

The Rules Committee above everything else is organized to serve this House, and when the House has spoken by a majority, why should anyone rise on the floor of this House and say this is a gag rule? This House may exercise its own will.

Mr. Speaker, I want to answer some of the extreme speeches that have been made by the opposition. The Rules Committee proposes to serve the House where a majority has demonstrated it is in favor of certain emergency legislation. That is what the Rules Committee is for, and the gentlemen on that side of the House have many times used the Rules Committee for similar purposes. That is the function of that committee.

This House can speak on this bill and if a majority is in favor of its passage, the bill will be in the same position as any other legislation favored by a majority of the House. That is all there is involved, and there is no use getting excited at the eleventh hour about it.

Mr. RICH. Will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman says this has been authorized by Congress?

Mr. GREENWOOD. The construction of the highway has been authorized, and it is being built now.

Mr. RICH. What authority has the gentleman for making that statement? Where is the law?

Mr. GREENWOOD. It has been authorized by the Congress. The Congress has appropriated millions of dollars which are being administered by the Chief Executive on all kinds of similar projects in the United States. This one is just the same.

Mr. RICH. It has been authorized by Executive order of the President of the United States only.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the resolution.

Mr. SNELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 146, nays 139, not voting 138, as follows:

[Roll No. 135]

YEAS—146

Barden	Dickstein	Lewis, Colo.	Ryan
Barry	Dingell	Lewis, Md.	Sabath
Beam	Doughton	Lucas	Sanders, Tex.
Bell	Doxey	McGehee	Scrugham
Bland	Driver	McLaughlin	Sirovich
Blanton	Duffy, N. Y.	McMillan	Smith, Va.
Boehne	Duncan	McReynolds	Smith, W. Va
Boland	Dunn, Pa.	McSwain	Snyder, Pa.
Boykin	Eckert	Mansfield	Somers, N. Y.
Boylan	Edmiston	May	South
Brown, Ga.	Evans	Mead	Spence
Brown, Mich.	Farley	Merritt, N. Y.	Starnes
Buchanan	Flannagan	Miller	Steagall
Buck	Ford, Calif.	Mitchell, Tenn.	Sutphin
Burch	Ford, Miss.	Murdock	Tarver
Cannon, Mo.	Frey	O'Connell	Taylor, Tenn.
Carmichael	Fuller	O'Connor	Terry
Castellow	Gasque	O'Day	Thom
Chandler	Gildea	O'Leary	Thomason
Chapman	Gingery	Oliver	Tonry
Clark, N. C.	Goldsborough	O'Malley	Turner
Colden	Greenwood	Owen	Umstead
Colmer	Greever	Patman	Utterback
Connery	Hancock, N. C.	Patton	Vinson, Ga.
Cooley	Hart	Pearson	Vinson, Ky.
Cooper, Tenn.	Harter	Peterson, Ga.	Wallgren
Cox	Hill, Ala.	Pfeifer	Walter
Crosby	Hill, Samuel B.	Ramsay	Warren
Cross, Tex.	Johnson, Tex.	Randolph	Werner
Crowe	Johnson, W. Va.	Rankin	West
Cullen	Jones	Rayburn	Whelchel
Curley	Keller	Reece	White
Daly	Kerr	Reilly	Whittington
Darden	Knutson	Richards	Williams
Delaney	Kramer	Robertson	Zimmerman
Dempsey	Kvale	Rogers, Okla.	
DeRouen	Lambeth	Romjue	

NAYS—139

Adair	Engel	Lemke	Polk
Amlie	Fenerty	Lord	Powers
Andresen	Fletcher	Luckey	Quinn
Arends	Fulmer	Ludlow	Ramspeck
Ashbrook	Gavagan	Lundeen	Ransley
Beiter	Gearhart	McAndrews	Reed, Ill.
Biermann	Gehrmann	McCormack	Rich
Binderup	Gilchrist	McKough	Risk
Blackney	Gillette	McLean	Rogers, Mass.
Bolleau	Goodwin	Maas	Rogers, N. H.
Buckler, Minn.	Gray, Ind.	Mahon	Russell
Burdick	Gray, Pa.	Main	Schaefer
Burnham	Griswold	Mapes	Schulte
Carlson	Guyer	Marcantonio	Seger
Casey	Gwynne	Marshall	Shanley
Cavicchia	Halleck	Martin, Colo.	Shannon
Christianson	Hancock, N. Y.	Mason	Sisson
Church	Harlan	Massingale	Smith, Conn.
Coffee	Hartley	Meeks	Smith, Wash.
Cole, N. Y.	Hennings	Merritt, Conn.	Snell
Cooper, Ohio	Higgins, Conn.	Michener	Stefan
Costello	Hildebrandt	Millard	Stewart
Cravens	Hoffman	Mitchell, Ill.	Sweeney
Crawford	Holmes	Moritz	Taber
Crosser, Ohio	Houston	Mott	Thompson
Crowther	Huddleston	Norton	Thurston
Culkin	Hull	O'Brien	Tinkham
Darrow	Jenckes, Ind.	O'Neal	Treadway
Dietrich	Jenkins, Ohio	Palmisano	Turpin
Dirksen	Kahn	Parsons	Wearin
Dobbins	Kelly	Patterson	Wigglesworth
Dondero	Kenney	Pettengill	Wolcott
Eicher	Kinzer	Pierce	Wolverton
Ekwall	Kloeb	Pittenger	Woodruff
Ellenbogen	Kopplemann	Plumley	

NOT VOTING—138

Allen	Corning	Gassaway	Lambertson
Andrews	Creal	Gifford	Lamneck
Ayers	Cummings	Granfield	Lanham
Bacharach	Dear	Green	Larrabee
Bacon	Deen	Greenway	Lea, Calif.
Berlin	Dies	Gregory	Lee, Okla.
Bloom	Disney	Haines	Lehlbach
Bolton	Ditter	Hamlin	Lesinski
Brennan	Dockweiler	Healey	McClellan
Brewster	Dorsey	Hess	McFarlane
Brooks	Doutrich	Higgins, Mass.	McGrath
Buckley, N. Y.	Drewry	Hill, Knute	McGroarty
Bulwinkle	Driscoll	Hobbs	McLeod
Caldwell	Duffey, Ohio	Hoeppel	Maloney
Cannon, Wis.	Dunn, Miss.	Hollister	Martin, Mass.
Carpenter	Eagle	Hook	Maverick
Carter	Eaton	Hope	Monaghan
Cartwright	Englebright	Imhoff	Montague
Cary	Faddis	Jacobsen	Montet
Celler	Ferguson	Johnson, Okla.	Moran
Citron	Fernandez	Kee	Nelson
Claiborne	Fiesinger	Kennedy, Md.	Nichols
Clark, Idaho	Fish	Kennedy, N. Y.	Parks
Cochran	Fitzpatrick	Kleberg	Peterson, Fla.
Cole, Md.	Focht	Kniffin	Peyser
Collins	Gambrill	Kocialkowski	Rabaut
Reed, N. Y.	Schuetz	Taylor, Colo.	Wilson, Pa.
Richardson	Scott	Taylor, S. C.	Withrow
Robinson, Utah	Sears	Tobey	Wolfenden
Robsion, Ky.	Secrest	Tolan	Wood
Sadowski	Short	Wadsworth	Woodrum
Sanders, La.	Stack	Weaver	Young
Sandlin	Stubbs	Welch	Zioncheck
Sauthoff	Sullivan	Wilcox	
Schneider, Wis.	Sumners, Tex.	Wilson, La.	

So the resolution was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Drewry (for) with Mr. Reed of New York (against).
Mr. Montague (for) with Mr. Ditter (against).
Mr. Weaver (for) with Mr. Martin of Massachusetts (against).
Mr. Monaghan (for) with Mr. Gifford (against).
Mr. Bulwinkle (for) with Mr. Eaton (against).
Mr. Woodrum (for) with Mr. Bacon (against).

Until further notice:

Mr. Gregory with Mr. Focht.
Mr. Cochran with Mr. Short.
Mr. Maverick with Mr. Allen.
Mr. Corning with Mr. Fish.
Mr. Green with Mr. Carter.
Mr. Wilcox with Mr. Lambertson.
Mr. Lamneck with Mr. Welch.
Mr. Healey with Mr. Hollister.
Mr. Granfield with Mr. Lehlbach.
Mr. Cartwright with Mr. Brewster.
Mr. Disney with Mr. Englebright.
Mr. Dorsey with Mr. Sauthoff.
Mr. Fernandez with Mr. Hope.
Mr. Scott with Mr. Higgins of Massachusetts.
Mr. Bloom with Mr. Young.
Mr. Imhoff with Mr. Driscoll.
Mr. Richardson with Mr. Stack.
Mr. Kennedy of Maryland with Mr. Faddis.
Mr. Rabaut with Mr. Schuetz.
Mr. Fitzpatrick with Mr. Carpenter.
Mr. Haines with Mr. Cary.
Mr. Kniffin with Mr. Clark of Idaho.
Mr. Secrest with Mr. Ferguson.
Mr. Larrabee with Mr. Cole of Maryland.
Mr. Buckley of New York with Mr. Johnson of Oklahoma.
Mr. Lea of California with Mr. Kennedy of New York.
Mr. Moran with Mr. Dockweiler.
Mr. Robinson of Utah with Mr. Stubbs.
Mr. Gambrill with Mr. Sandlin.
Mr. Peterson of Florida with Mr. Wilson of Louisiana.

Mr. O'BRIEN and Mr. KOPPLEMANN changed their votes from "aye" to "no."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. SNELL. Mr. Speaker, I demand the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

The question was taken; and there were—yeas 145, nays 131, not voting 147, as follows:

[Roll No. 136]

YEAS—145

Barden	Doxey	Lewis, Md.	Shanley
Barry	Driver	Lucas	Shannon
Beam	Duffy, N. Y.	McGehee	Sirovich
Beiter	Dunn, Miss.	McLaughlin	Smith, Va.
Bell	Dunn, Pa.	McMillan	Smith, Wash.
Bland	Eckert	McReynolds	Smith, W. Va.
Blanton	Edmiston	Mansfield	Snyder, Pa.
Boehne	Evans	May	Somers, N. Y.
Boland	Farley	Mead	South
Brown, Ga.	Flannagan	Miller	Spence
Brown, Mich.	Ford, Miss.	Mitchell, Tenn.	Starnes
Buck	Frey	Murdock	Steagall
Burch	Fuller	O'Connell	Sutphin
Cannon, Mo.	Gavagan	O'Connor	Tarver
Carmichael	Gildea	O'Day	Taylor, Tenn.
Castellow	Goldsborough	O'Leary	Terry
Chandler	Greenwood	Oliver	Thom
Clark, N. C.	Greever	O'Malley	Thomason
Cochran	Griswold	Owen	Tonry
Colden	Hancock, N. C.	Patman	Turner
Colmer	Hart	Patton	Umstead
Cooley	Harter	Pearson	Utterbach
Cooper, Tenn.	Hennings	Peterson, Ga.	Vinson, Ky.
Cox	Hill, Ala.	Pfeifer	Wallgren
Crosby	Hill, Samuel B.	Rabaut	Walter
Cross, Tex.	Jenckes, Ind.	Ramsay	Warren
Crosser, Ohio	Johnson, Okla.	Randolph	Wearin
Crowe	Johnson, Tex.	Rankin	Werner
Cullen	Johnson, W. Va.	Rayburn	West
Curley	Keller	Reilly	Whelchel
Daly	Kerr	Richards	White
Darden	Knutson	Robertson	Whittington
Delaney	Kramer	Rogers, Okla.	Williams
Dempsey	Kvale	Romjue	Zimmerman
DeRouen	Lambeth	Ryan	
Dingell	Lea, Calif.	Sanders, Tex.	
Doughton	Lewis, Colo.	Scrugham	

NAYS—131

Adair	Ekwall	Lambertson	Pittenger
Andresen	Ellenbogen	Lemke	Plumley
Arends	Engel	Lord	Polk
Ashbrook	Fenerty	Luckey	Powers
Biermann	Fletcher	Ludlow	Ramspeck
Binderup	Focht	Lundeen	Ransley
Blackney	Fulmer	McAndrews	Reed, Ill.
Bolleau	Gearhart	McCormack	Rich
Buckler, Minn.	Gehrmann	McKeough	Risk
Burdick	Gilchrist	McLean	Rogers, Mass.
Burnham	Gillette	Maas	Rogers, N. H.
Carlson	Goodwin	Mahon	Russell
Carpenter	Gray, Ind.	Main	Schaefer
Casey	Guyer	Mapes	Seger
Cavicchia	Gwynne	Marcantonio	Short
Christianson	Halleck	Marshall	Sisson
Church	Hancock, N. Y.	Martin, Colo.	Smith, Conn.
Citron	Harlan	Mason	Snell
Coffee	Hartley	Massingale	Stefan
Cole, N. Y.	Higgins, Conn.	Meeks	Stewart
Connery	Higgins, Mass.	Merritt, Conn.	Sweeney
Cooper, Ohio	Hildebrandt	Michener	Taber
Costello	Hoffman	Millard	Thompson
Cravens	Holmes	Mitchell, Ill.	Thurston
Crawford	Houston	Moritz	Tinkham
Culkin	Huddleston	Mott	Treadway
Darrow	Hull	Norton	Turpin
Dickstein	Jenkins, Ohio	O'Brien	Wigglesworth
Dirksen	Kahn	O'Neal	Wolcott
Dobbins	Kelly	Parsons	Wolverton
Dondero	Kinzer	Patterson	Woodruff
Dorsey	Kloeb	Pettengill	Young
Eicher	Kopplemann	Pierce	

NOT VOTING—147

Allen	Ditter	Imhoff	Reece
Amlie	Dockweiler	Jacobsen	Reed, N. Y.
Andrews	Doutrich	Jones	Richardson
Ayers	Drewry	Kee	Robinson, Utah
Bacharach	Driscoll	Kennedy, Md.	Robsion, Ky.
Bacon	Duffey, Ohio	Kennedy, N. Y.	Sabath
Berlin	Duncan	Kenney	Sadowski
Bloom	Eagle	Kleberg	Sanders, La.
Bolton	Eaton	Kniffin	Sandlin
Boykin	Englebright	Kocialkowski	Sauthoff
Boylan	Faddis	Lamneck	Schneider, Wis.
Brennan	Ferguson	Lanham	Schuetz
Brewster	Fernandez	Larrabee	Schulte
Brooks	Fiesinger	Lee, Okla.	Scott
Buchanan	Fish	Lehlbach	Sears
Buckley, N. Y.	Fitzpatrick	Lesinski	Secrest
Bulwinkle	Ford, Calif.	McClellan	Stack
Caldwell	Gambrill	McFarlane	Stubbs
Cannon, Wis.	Gasque	McGrath	Sullivan
Carter	Gassaway	McGroarty	Sumners, Tex.
Cartwright	Gifford	McLeod	Taylor, Colo.
Cary	Gingery	McSwain	Taylor, S. C.
Celler	Granfield	Maloney	Tobey
Chapman	Gray, Pa.	Martin, Mass.	Tolan
Claiborne	Green	Maverick	Vinson, Ga.
Clark, Idaho	Greenway	Merritt, N. Y.	Wadsworth
Cole, Md.	Gregory	Monaghan	Weaver
Collins	Haines	Montague	Welch
Corning	Hamlin	Montet	Wilcox
Creal	Healey	Moran	Wilson, La.
Crowther	Hess	Nelson	Wilson, Pa.
Cummings	Hill, Knute	Nichols	Withrow
Dear	Hobbs	Palmisano	Wolfenden
Deen	Hoeppel	Parks	Wood
Dies	Hollister	Peterson, Fla.	Woodrum
Dietrich	Hook	Peyser	Zioncheck
Disney	Hope	Quinn	

So the bill was passed.

The Clerk announced the following additional pairs:

On this vote:

Mr. Drewry (for) with Mr. Reed of New York (against).
Mr. Montague (for) with Mr. Ditter (against).
Mr. Weaver (for) with Mr. Martin of Massachusetts (against).
Mr. Monaghan (for) with Mr. Gifford (against).
Mr. Bulwinkle (for) with Mr. Eaton (against).
Mr. Woodrum (for) with Mr. Bacon (against).

Until further notice:

Mr. Vinson of Georgia with Mr. Crowther.
Mr. Buchanan with Mr. Reece.
Mr. Jones with Mr. Amlie.
Mr. Lamneck with Mr. Dietrich.
Mr. Gingery with Mr. Ford of California.
Mr. Sabath with Mr. Chapman.
Mr. Boylan with Mr. McSwain.
Mr. Schulte with Mr. Palmisano.
Mr. Merritt of New York with Mr. Gray of Pennsylvania.
Mr. Kenney with Mr. Duncan.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PORTRAIT OF THE LATE MR. RAINEY

Mr. KELLER. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KELLER. Mr. Speaker, this morning the Committee on the Library met and, finally, selected the portrait of Henry T. Rainey painted by Howard Chandler Christy. The committee was in session at the time my good friend from Illinois [Mr. LUCAS] spoke here this morning criticizing the delay, and I accept in perfectly good faith his sincerity in the matter.

I had called in four of the noted artists and critics of our country who agreed unanimously upon this portrait as the best of the 16 submitted.

Every opportunity was given to the painters of the country to enter this contest. It was the hope of the committee that this contest might bring out a portrait as individual, as great, and as outstanding in portraiture as is the wonderful head of Abe Lincoln in the rotunda of the Capitol. Such was not our good fortune because Mr. Rainey had neglected to have his marvelous head painted from life at a time when he still retained his physical powers in full. All the portraits except one were painted from photographs. Nevertheless a number of excellent portraits were offered. This made it most difficult for the committee to make its decision. It could not be hoped to make a selection acceptable to all. There was very wide divergence of opinion. It was for this reason that I thought it wise to call in men of such distinction in the art world to advise us. In view of all this I feel it incumbent upon me to appeal to the men who approach greatness to have the painters portray them while at their best, so that when a Speaker passes there will be portraits that express him at his best. That is the hope I have, so that in the future men will not be compelled to guess at what is the best expression of our great men to be passed on to posterity.

ELECTION CASE—LANZETTA *v.* MARCANTONIO

Mr. WEST. Mr. Speaker, I submit a report from the Committee on Elections No. 1 in the contested-election case of Lanzetta against Marcantonio and ask for the immediate consideration of the accompanying resolution.

The Clerk read as follows:

House Resolution 560

Resolved, That James J. Lanzetta is not entitled to a seat in the House of Representatives of the Seventy-fourth Congress from the Twentieth Congressional District of the State of New York; and be it further

Resolved, That Vito Marcantonio is entitled to a seat in the House of Representatives of the Seventy-fourth Congress from the Twentieth Congressional District of the State of New York.

The resolution was agreed to.

CLAIMS OF OWNERS OF CERTAIN VESSELS

Mr. BEITER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 4773) to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction be, and is hereby, conferred upon the Court of Claims, notwithstanding any lapse of time or any statutes of limitations, to hear, examine, and adjudicate claims against the United States on the part of owners of certain Finnish sailing vessels, to wit: *Glenard, Kensington, Vidylia, Parchim, Woodburn, Port Patrick, Grace Harwar, Professor Koch, Prompt, Albyn, Rowena, Fahrwohl,* and *Pampa,* for damages said to have been sustained as a result of the alleged refusal of representatives of the United States to permit said vessels to sail from United States ports during the period between March 18, 1918, and November 26, 1918: *Provided,* That such suit or suits shall be brought within 3 months after the date of the approval of this act.

SEC. 2. In determining the said claims, the Court of Claims shall pass solely on the following questions:

1. Were the 13 Finnish sailing vessels named herein, or any one or more of them, detained by the United States?

2. If the preceding question is answered in the affirmative, was such detention unlawful?

3. If the second question is answered in the affirmative, is the United States obligated to indemnify the owner or owners, or

their successors in interest, of the vessel or vessels found to have been unlawfully detained?

4. If the third question is answered in the affirmative, what indemnity should be paid by the United States with respect to each vessel found to have been unlawfully detained?

SEC. 3. The claims shall be prosecuted in the name of the owner or owners or managing owner or owners of the said several ships. If the Court of Claims, or the Supreme Court on appeal, decides that the United States is obligated to indemnify the owner or owners, or their successors in interest, the amount of the indemnity shall be paid by the United States to the Envoy Extraordinary and Minister Plenipotentiary of the Republic of Finland then resident in the United States, for the use and benefit of the owner, owners, or their successors.

SEC. 4. In determining the aforesaid claims, the Court of Claims shall receive and consider the evidence and arguments contained in (a) the record mentioned in the note of the Minister of Finland to the Secretary of State, dated February 1, 1935; (b) the answer mentioned in the note of the Secretary of State to the Minister of Finland, dated March 4, 1935; and (c) the reply and additional material mentioned in the note of the Minister of Finland to the Secretary of State, dated April 12, 1935, relating to said claims.

Neither party shall be entitled as of right to present as evidence documents other than those specified herein, except copies of other correspondence pertinent to the case exchanged between the Department of State and the Legation of Finland: *Provided*, That the court shall be authorized to require the production of such additional evidence as the court deems material.

SEC. 5. A copy of the petition or petitions of the owner or owners of each of the said sailing vessels shall be served upon the Attorney General of the United States, and he, or some attorney or attorneys designated by him, shall appear and defend the interests of the United States in such case or cases. Jurisdiction is hereby conferred on the Supreme Court to grant a writ of certiorari to the Court of Claims on the petition of any party to any of the aforesaid cases, to review any determination that may be rendered by the Court of Claims under the terms of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a brief statement by the War Department.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

AMENDMENT OF THE CANAL ZONE CODE

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6719) to amend the Canal Zone Code, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

Mr. RANKIN. Mr. Speaker, reserving the right to object——

Mr. BLAND. Mr. Speaker, if I may make a statement about the measure, the Senate struck out one of the sections in the bill which covered a number of different bills and that one section was the only one that was in dispute. The bill passed here all right, but there was some controversy over there, because it was claimed by laborers and some of the union organizations in the Canal Zone that if the bill passed it would do away with their 30-hour week. There are other beneficial matters in the bill pertaining to retirement and things of that kind and it was thought better to strike out the amendment and let the bill go through.

Mr. RANKIN. Does it increase the tolls in any way?

Mr. BLAND. Not at all; there is nothing in the measure about tolls.

The Clerk read the Senate amendments, as follows:

Page 2, strike out lines 3 to 24, inclusive.
Page 3, line 1, strike out "3" and insert "2."
Page 4, line 1, strike out "4" and insert "3."
Page 5, line 3, strike out "5" and insert "4."
Page 5, line 24, strike out "6" and insert "5."
Page 6, line 14, strike out "7" and insert "6."
Page 6, line 22, strike out "8" and insert "7."
Page 7, line 22, strike out "9" and insert "8."
Page 9, line 1, strike out "10" and insert "9."
Page 9, line 13, strike out "11" and insert "10."
Page 9, line 15, strike out "12" and insert "11."
Page 10, line 15, strike out "13" and insert "12."
Page 11, line 9, strike out "14" and insert "13."

The Senate amendments were concurred in.

A motion to reconsider was laid on the table

SAFETY AT SEA

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 4648, to promote safety at sea in the neighborhood of ice and derelicts, and for other purposes, and consider the same at this time.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc.

INTERNATIONAL AGREEMENTS ON ICE PATROL AND DERELICT DESTRUCTION

SECTION 1. The President is authorized to conclude agreements with interested maritime nations (a) to maintain in the north Atlantic Ocean a service of ice patrol, of study and observation of ice and current conditions, and of assistance to vessels and their crews requiring aid within the limits of the patrol; (b) to maintain a service of study and observation of ice and current conditions in such waters as may affect the set and drift of ice in the north Atlantic Ocean; and (c) to undertake all practicable steps to insure the destruction or removal of derelicts in the northern part of the Atlantic Ocean, east of the line drawn from Cape Sable to a point in latitude 34° north, longitude 70° west, if this destruction or removal is necessary. The President is further authorized to include in such agreements a provision for payment to the United States by the countries concerned, of their proportionate share of the expense for maintenance of the services named, or for the United States to contribute proportionate share should it be agreed that another country was to maintain the patrol.

PATROL SERVICES

SEC. 2. (a) Unless the agreements made in accordance with section 1 provide otherwise, an ice patrol shall be maintained during the whole of the ice season in guarding the southeastern, southern, and southwestern limits of the region of icebergs in the vicinity of the Grand Banks of Newfoundland, and the patrol shall inform trans-Atlantic and other passing vessels by radio and such other means as are available of the ice conditions and the extent of the dangerous region. A service of study of ice and current conditions, a service of affording assistance to vessels and crews requiring aid, and a service of removing and destroying derelicts shall be maintained during the ice season and any or all such services may be maintained during the remainder of the year as may be advisable.

(b) The ice-patrol vessels shall warn vessels known to be approaching a dangerous area and recommend safe routes.

(c) The ice patrol vessels shall record the name, together with all the facts in the case, of any ship which is observed or known to be on other than a regular recognized or advertised ship route crossing the North Atlantic Ocean, or to have crossed the fishing banks of Newfoundland north of latitude 43° north during the fishing season, or, when proceeding to and from ports of North America to have passed through regions known or believed to be endangered by ice. The name of any such ship and all pertinent information relating to the incident shall be reported to the government of the country to which the ship belongs, if the government of that country so requests.

(d) The Commandant of the Coast Guard, under the direction of the Secretary of the Treasury, shall administer the services provided for in this section and shall assign thereto such vessels, material, and personnel of the Coast Guard as may be necessary. Any executive department or agency may upon the request of the Secretary of the Treasury detail personnel, loan or contribute material or equipment, or otherwise assist in the carrying out of the services named.

(e) The Commandant of the Coast Guard shall publish each year a report of the activities of the services provided for in this section, a copy of which shall be furnished to each interested foreign government and to each agency assisting in the work.

NORTH ATLANTIC ROUTES

SEC. 3. (a) The owner, or operating agent, of any passenger vessel of the United States crossing the North Atlantic Ocean shall give public notice, in such manner as may be prescribed by the Secretary of the Treasury, of the regular routes which he proposes such vessel will follow and of any changes made in a route, and shall require the vessel to follow the published route as far as circumstances will permit. Any passenger vessel of the United States crossing the North Atlantic Ocean shall follow, as far as circumstances will permit, the recognized ship routes; it shall avoid, as far as practicable, the fishing banks of Newfoundland, north of latitude 43° north during the fishing season; and shall, as far as circumstances will permit, pass outside of the regions reported or known to be endangered by ice.

(b) If the owner, or operating agent, of any such passenger vessel fails to comply with this section, he shall for each offense be liable to a fine not exceeding $100.

SEC. 4. (a) The master of every vessel of the United States, when ice is reported on or near his course, shall proceed at a moderate speed or alter his course so as to go well clear of the danger zone.

(b) If the master of any such ship fails to comply with this section, he shall for each offense be liable to a fine not exceeding $500.

PUBLICATION

SEC. 5. All rules and regulations, except such as have no general applicability and legal effect or are effective only against Federal agencies or persons in their capacity as officers, agents,

or employees thereof, issued, prescribed, or promulgated pursuant to authority contained herein, shall be forwarded forthwith to the Division of the Federal Register in The National Archives for filing and publishing in the Federal Register.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to make a brief statement.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BLAND. Mr. Speaker, this is simply to give legislative sanction to the ice patrol now being carried on for the United States and other governments. It is provided for in the treaty of 1929, the Convention of Safety of Life at Sea. It is felt that this legislation is necessary in order that certain restrictions and requirements contained in the 1929 convention may be applied in the same manner to American vessels as to other vessels.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. BLAND. Yes.

Mr. SNELL. Has a similar bill been passed in the House?

Mr. BLAND. A similar bill in the House has been reported and it is now on the calendar.

Mr. SNELL. It comes unanimously from the gentleman's committee?

Mr. BLAND. Yes.

Mr. SNELL. Is there any difference in the bills?

Mr. BLAND. No; it is identically the same bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ONE HUNDREDTH ANNIVERSARY, TRI-STATE TERRITORY

Mr. SOMERS of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8107) to authorize the coinage of 50-cent pieces in connection with the celebration of the one hundredth anniversary of the opening of the tri-State territory of east Texas, north Louisiana, and south Arkansas by Capt. Henry Miller Shreve, to be held in Shreveport, La., and surrounding territory, in 1935 and 1936, and concur in the Senate amendments.

The SPEAKER pro tempore. The Clerk will report the Senate amendments.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That in commemoration of the one thundredth anniversary of the founding of the city of Shreveport, La., and of the opening to navigation of the Red River of the West by the United States Government, resulting in the development of the tri-State territory of north Louisiana, east Texas, and southwest Arkansas, there shall be struck at a mint of the United States to be designated by the Director of the Mint 25,000 commemorative medals of a special appropriate single design, size, weight, and composition to be fixed by the Director of the Mint with the approval of the Secretary of the Treasury.

"SEC. 2. Such commemorative medals shall be delivered to the duly authorized officers of the Shreveport Centennial, Inc., upon payment to the Director of the Mint of an amount to be fixed by the Director of the Mint not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such cost.

"SEC. 3. Whoever shall falsely make, forge, or counterfeit or cause or procure to be falsely made, forged, or counterfeited or shall aid in falsely making, forging, or counterfeiting any medal issued under the provisions of this act, or whoever shall sell or bring into the United States or any place subject to the jurisdiction thereof from any foreign place, or have in his possession any such false, forged, or counterfeited medal, shall be fined not more than $1,000 or imprisoned not more than 2 years, or both."

Amend the title so as to read: "An act to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the founding of the city of Shreveport, La., and the opening of the Red River of the West to navigation."

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Senate amendments were agreed to.

THREE HUNDREDTH ANNIVERSARY, YORK COUNTY, MAINE

Mr. SOMERS of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 4608) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of York County, Maine, and consider the same at this time.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent for the present consideration of the bill, S. 4608, which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That in commemoration of the three hundredth anniversary of the founding of York County, Maine, there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 30,000 silver 50-cent pieces of standard size, weight, and composition and of special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

SEC. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the Committee for the Commemoration of the Founding of York County upon payment by it of the par value of such coins, but not less than 25,000 such coins shall be issued to it at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such committee, and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event.

SEC. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The SPEAKER pro tempore. Is there objection?

Mr. YOUNG. Mr. Speaker, I reserve the right to object. It is my understanding that the important housing and slum-clearance bill, which many of us favor and which should by all means be enacted into law before the adjournment of this Congress, is being held in committee, and, instead of considering an important bill like that for the welfare of the people, we are asked to pass a bill of the nature now under consideration, and I object.

Mr. SOMERS of New York. Oh, I wish the gentleman would withhold his objection. The gentleman ought not to hold that against me. I have nothing to do with the bill to which the gentleman refers. Possibly if it came before my committee I would give it consideration.

Mr. YOUNG. This is the important housing bill to which I refer.

Mr. SOMERS of New York. I sympathize entirely with the gentleman.

Mr. YOUNG. It is of immense importance not only to the city dwellers but to the people of rural America.

Mr. SOMERS of New York. I sympathize entirely with the gentleman and would support that policy.

Mr. YOUNG. It should be enacted into law.

Mr. SOMERS of New York. I think the gentleman is right.

The regular order was directed.

Mr. SNELL. Mr. Speaker, if the gentleman is going to object to that after we have let a lot of other bills go through, I give notice that there will be a lot of other things objected to.

Mr. YOUNG. Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PROTECTION OF BEACHES ALONG THE SHORES OF THE UNITED STATES

Mr. SUTPHIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3505) for the improvement and protection of the beaches along the shores of the United States, and consider the same at this time.

The SPEAKER pro tempore. The gentleman from New Jersey asks unanimous consent to take from the Speaker's table for present consideration the bill S. 3505, which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That it is hereby declared to be the policy of the United States to assist in the construction, but not the maintenance, of works for the improvement and protection of the beaches along the shores of the United States, and to prevent erosion due to the action of waves, tides, and currents, with the purpose of preventing damage to property along the shores of the United States, and promoting and encouraging the healthful recreation of the people. As used in this act, the word "beaches" includes all those situated on the coasts of the Atlantic and Pacific Oceans, the Gulf of Mexico, and the shores of the Great Lakes, and all estuaries and bays directly connected therewith.

SEC. 2. (a) It shall be the duty of the Secretary of War, through the Beach Erosion Board, organized under the provisions of section 2 of the Rivers and Harbors Act, approved July 3, 1930, to make investigations with a view to determining the most suitable methods of beach protection and restoration of beaches in different localities; to advise the States, counties, municipalities, or individuals of the appropriate locations for recreational facilities; and to publish from time to time such useful data and information concerning the protection of beaches as the Board may deem to be of value to the people of the United States.

(b) All provisions of existing law relating to examinations and surveys and to works of improvement of rivers and harbors shall apply, insofar as practicable, to examinations and surveys and to works of improvement relating to shore protection; except that all projects having to do with shore protection shall be referred for consideration and recommendation to the Beach Erosion Board instead of to the Board of Engineers for Rivers and Harbors.

SEC. 3. The Beach Erosion Board, in making its report on any work or project relating to shore protection shall, in addition to any other matters upon which it may be required to report, state its opinion as to (a) the advisability of adopting the project, (b) what Federal interest, if any, is involved in the proposed improvement, and (c) what share of the expense, if any, should be borne by the United States.

With the following committee amendments:

Line 4, page 1, after the word "construction" insert "where Federal interests are involved"; page 2, line 14, strike out the period at the end of the line and insert the following: "*Provided*, That not more than 75 percent of the cost of any specific investigation shall be borne by the United States"; page 3, add a new section, reading as follows:

"SEC. 4. Any expenses incident to the United States in the undertaking of the investigations and studies authorized herein may be paid from funds hitherto or hereafter appropriated for examinations, surveys, and contingencies for rivers and harbors."

The SPEAKER pro tempore. Is there objection?

There was no objection.

The amendments were agreed to and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SELECTION OF LANDS OF STATE PARK SYSTEM IN CALIFORNIA

Mr. BURNHAM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4633) to provide for the selection of certain lands in the State of California for the use of the California State park system.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection the Clerk read as follows:

Be it enacted, etc., That subject to valid rights existing on the date of this act, the State of California may, within 5 years, select for State park purposes by legal subdivisions all or any portion of the public land not reserved for public purposes in the following townships:

Township 13 south, range 4 east, San Bernardino meridian, sections 25, 26, 35, and 36; township 13 south, range 5 east; township 13 south, range 6 east; township 13 south, range 7 east; township 13 south, range 8 east; township 13 south, range 9 east.

Township 14 south, range 4 east, sections 1 and 12; township 14 south, range 5 east, sections 1 to 26, inclusive, 35, and 36; township 14 south, range 6 east; township 14 south, range 7 east; township 14 south, range 8 east; township 14 south, range 9 east.

Township 15 south, range 6 east, sections 1 to 18, inclusive; township 15 south, range 6 east, sections 21 to 27, inclusive; township 15 south, range 6 east, sections 34, 35, and 36; township 15 south, range 7 east; township 15 south, range 8 east; township 15 south, range 9 east; township 15 south, range 10 east, sections 29, 30, 31, and 32.

Township 16 south, range 6 east, sections 1, 2, 3, 4, 9, 10, 11, 12, 13, 14, 15, and 16; township 16 south, range 7 east; township 16 south, range 8 east; township 16 south, range 9 east, sections 1 to 12, inclusive; township 16 south, range 10 east, sections 5, 6, 7, and 8.

Township 17 south, range 8 east, San Bernardino meridian: *Provided*, That the Secretary of the Interior may set aside lands of approximately 42,000 acres of the above-described area, and may in his discretion, and under such rules and regulations as he may prescribe, transfer complete title to all or any part of the same to the State of California on the basis of acre for acre in consideration of the transfer by the State of California to the United States of the complete title to lands owned by said State within the area withdrawn by Executive Order No. 6361 of October 25, 1933, and the provisions of section 2 of this act shall not apply thereto.

SEC. 2. Upon the submission of satisfactory proof that the land selected contains characteristic desert growth and scenic or other natural features which it is desirable to preserve as a part of the California State park system, the Secretary of the Interior shall cause patents to issue therefor: *Provided*, That there shall be reserved to the United States all coal, oil, gas, or other mineral contained in such lands, together with the right to prospect for, mine, and remove the same at such times and under such conditions as the Secretary of the Interior may prescribe: *Provided further*, That any patent so issued shall contain a provision for reversion of title to the United States upon a finding by the Secretary of the Interior that for a period of more than 1 year the land has not been used by the State for park purposes: *And provided further*, That in order to consolidate park areas or to eliminate private holdings therefrom, lands patented hereunder may be exchanged with the approval of and under rules prescribed by the Secretary of the Interior for privately owned lands in the area hereinbefore described of approximately equal value containing the natural features sought to be preserved hereby. The lands so acquired to be subject to all the conditions and reservations prescribed by this act, including the reversionary clause hereinbefore set out.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PASSAIC VALLEY SEWERAGE COMMISSIONERS

Mr. SEGER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3143) for the relief of the Passaic Valley Sewerage Commissioners.

The SPEAKER pro tempore. Is there objection?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $109,088.03 to the Passaic Valley Sewerage Commissioners, a body politic and corporate, created by and under the laws of the State of New Jersey, and by said laws vested with the title to the Passaic Valley sewer, for damage done to the outlet of said sewer at or near Robbins Reef in the harbor of New York by the steamship *Leviathan*, a passenger vessel owned by the Government of the United States and operated under the direction and control of the United States Shipping Board and the United States Shipping Board Emergency Fleet Corporation, on the 21st day of December 1923: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOSSES SUSTAINED BY COOPERATIVE MARKETING ASSOCIATIONS

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution (S. J. Res. 38) for the adjustment and settlement of losses sustained by the cooperative marketing associations.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection?

There being no objection, the Clerk read as follows:

Resolved, etc., That for the purpose of adjustment and settlement of losses sustained by the cooperative marketing associations dealing in grain during the stabilization operations of the Federal Farm Board in the years 1929 and 1930 when such cooperative marketing associations were induced and requested by the Federal Farm Board to withhold grain from the market and to make advances to their members in order to stabilize prices, the Federal Farm Credit Administration is hereby authorized and directed to make such adjustments and settlements in accordance with the understanding that such cooperative marketing associations had with the Federal Farm Board, and on the basis of a price or a sum equal to the amount directly loaned or advanced to such associations plus carrying charges and operation costs in connection with such grain from the date of the loans or advances to the date that such grain was finally taken over by the Federal Farm Board or delivered pursuant to its instructions.

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause, down to and including line 10 on page 2, and insert the following:

"That the Court of Claims, in accordance with such rules as it may adopt, shall investigate losses sustained during the stabilization operations of the Federal Farm Board in 1929 and 1930,

by cooperative associations to which loans were made, either directly or indirectly, by the Federal Farm Board, through withholding grain from the market and making advances to their members in order to stabilize prices, for the purpose of determining—

"(1) The amount of loss, if any, in the case of each such association and the facts and circumstances relating to such loss; and

"(2) Whether, because of any agreement or understanding between such associations, or any of them, and the Federal Farm Board (or any member, officer, or employee thereof) or because of any other facts or circumstances, there is any legal, equitable, or moral obligation on the part of the United States to reimburse such associations, or any of them, for the whole or any part of any such loss.

"The court shall report to Congress, at the earliest practicable date, the results of its investigation and determinations, together with such recommendations as it deems appropriate."

The committee amendment was agreed to.

The Senate joint resolution as amended was ordered to be read a third time, was read the third time, and passed.

The title was amended to read: "Joint resolution to provide for an inquiry by the Court of Claims with respect to losses sustained by cooperative marketing associations in connection with stabilization activities in grain."

A motion to reconsider was laid on the table.

INVESTIGATION BY COMMITTEE ON THE POST OFFICE AND POST ROADS

Mr. MEAD. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 551.

The Clerk read the House resolution, as follows:

Resolved, That the Committee on the Post Office and Post Roads, as a whole or by subcommittee, is authorized and directed to conduct an investigation to determine (1) the fair and proper basis of compensation for postmasters of the fourth class, and (2) the fair and proper basis of compensation for carrying mail on star routes. The Post Office Department shall make available to the committee such material and such information as it has in its possession with respect to the subjects under investigation by the committee.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable the results of its investigation, together with such recommendations for legislation as it deems advisable.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress, at such times and places within or outside the District of Columbia, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, to take such testimony, and to have such printing and binding done as it deems necessary.

The SPEAKER pro tempore. Is there objection to the immediate consideration of the resolution?

Mr. SNELL. Mr. Speaker, reserving the right to object, to ask a question. As I understand, the gentleman simply proposes to do some work with his own committee, at no expense whatever to the Government? It is simply to prepare the committee for legislation at the next session?

Mr. MEAD. Further than that, our committee has requested the Post Office Department to conduct these two investigations, and we merely call upon them to turn over their findings to us for review. During the interim, and until Congress convenes, without any expense to the Government, we intend to use that material for the purpose of legislation.

Mr. BLANTON. Reserving the right to object—and I do not intend to object—these hearings are to be in Washington, D. C.?

Mr. MEAD. Yes; except such hearings as the Post Office Department itself conducts. As far as the committee or subcommittee is concerned, there will be no hearings outside of Washington.

Mr. BLANTON. None at all?

Mr. MEAD. None at all.

Mr. BLANTON. And there will be no expense whatever?

Mr. MEAD. None whatever.

Mr. BLANTON. The Post Office Department can conduct this investigation through their own investigators in different places?

Mr. MEAD. We have requested them to do so and they have agreed.

Mr. FLETCHER. Reserving the right to object, is this study being made with the objective of increasing salaries?

Mr. MEAD. None whatever. The idea is to improve the service. As a result of the evolution in transportation we find about 40,000 communities which were formerly served by railway service are now without such service. We feel that these two investigations, conducted at our request by the Department, will result in the improvement of the service, and no additional expense, as far as we are concerned.

Mr. FLETCHER. Do you propose to lower the population requirement of the towns in relation to the carrier service?

Mr. MEAD. No. We have no intention whatever of doing anything like that. It may be necessary to augment existing service with star-route service or rural service or motor-truck service, if it will be beneficial where the railroad or bus service has been withdrawn.

Mr. FLETCHER. There is no additional cost to the Government?

Mr. MEAD. None whatever, except for new service required from time to time.

Mr. FLETCHER. There is no contemplation of increasing salaries?

Mr. MEAD. None whatever. We may suggest changes in the present system.

Mr. BLANTON. Mr. Speaker, one further question, if the gentleman will yield.

Mr. MEAD. I yield.

Mr. BLANTON. I should like to get the gentleman's attitude on this matter. There has been a disposition on the part of certain inspectors in order to get a record for economy to recommend the abolition of certain little post offices and put those communities on rural routes.

This is detrimental to the interests of the people living in the communities. It means everything to people living out in the country to have a post office. They want to get money orders; they want to use the parcel post; they want this, that, and the other from the post office; and they are entitled to have a post office. These inspectors ought to be instructed that there is something besides economy in furnishing postal service to the country people of the United States.

Mr. MEAD. I hope the gentleman from Texas will come before our committee on that subject.

Mr. BLANTON. I shall do so, without doubt, and give the committee the benefit of some specific evidence I have in my office files.

Mr. MEAD. I thank the gentleman from Texas.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

BAUSCH & LOMB OPTICAL CO.

Mr. DUFFY of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2268) for the relief of Bausch & Lomb Optical Co.

Mr. YOUNG. Mr. Speaker, reserving the right to object, it seems to me that in the final hours of this session of Congress, after we have been here since January, we could do much better than spend our time on private bills for the relief of some individuals or corporations. If we would consider an important measure such as the Wagner housing and slum-clearance bill and enact it into law, we would render real and needful service to the people of rural America and to the underpriviliged people living in insanitary and overcrowded dwellings in the cities throughout this Nation. It seems to me it is a disgraceful performance that this important measure is held pigeonholed in the Committee on Banking and Currency. The Seventy-fourth Congress will evade a major responsibility if it adjourns without enacting this important measure into law.

I know nothing about the particular bill under consideration, of course, and do not object to it; but I feel that we should be spending our time upon more important matters. What could be more important than to provide decent, safe, and sanitary dwellings for families of low income?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, by way of answer to the gentleman's statement in reference to the Wagner-Ellenbogen bill, I may say that the parliamentary situation is such that the gentleman may get the consent of the Speaker to be recognized to suspend the

rules and pass the bill, and we shall be pleased to meet the issue.

Mr. YOUNG. I wish we could suspend the rules and pass it. Recognition would not be accorded to me for the purpose of making such a motion. Also, I am not a member of the Banking and Currency Committee.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Bausch & Lomb Optical Co., a corporation, of Rochester, N. Y., the sum of $33,487.34, in full settlement of all claims against the Government of the United States on account of expenditures made by said Bausch & Lomb Optical Co., pursuant to an arrangement between said Bausch & Lomb Optical Co. and representatives of the War and Navy Departments of the United States, in the maintenance of special guards for the protection of its plant and property against violence and espionage of enemy aliens from December 4, 1917, through December 7, 1918: *Provided*, That no part of the funds appropriated in this act shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any portion of the funds appropriated in this act on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to have the extension for which I secured permission a few minutes ago printed in the permanent RECORD immediately after my remarks of May 22, 1936.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in connection with my bill to create the Wisconsin Valley Authority and to include therein some tables of comparative electrical rates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SALE OF PUBLIC DOMAIN IN THE STATE OF OREGON

Mr. MOTT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4241) to provide for the sale of a certain isolated tract of the public domain in the State of Oregon.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That nothwithstanding any other provision of law or any Executive order, the Secretary of the Interior is authorized upon application filed within 6 months from the date of this act to order into the market and sell at public auction for not less than the appraised value, lot 5, section 21, township 2 south, range 3 east, Willamette meridian, Oregon, subject to the provisions and reservations of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1063), as amended by the act of August 26, 1935 (49 Stat. 846): *Provided*, That any money paid in connection with such sale shall be deposited in the Oregon and California land-grant fund in the United States Treasury.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PUERTO RICO IS HELD FREE BY UNITED STATES

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on bills involving Puerto Rico and to also include a resolution from the legislature of Puerto Rico.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Puerto Rico?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, it is a great satisfaction to a large majority of the people of Puerto Rico and to all of us that at the close of this session certain bills of Senator TYDINGS, which were passed by the Senate without having hearings to give those representatives of the island most interested a chance to express their views against independence, and the other bill, which proposed to legislate regarding local election laws of Puerto Rico, were not considered by the House in any way following the advices and petitions of the insular legislature and its leadership.

Sentiment for independence has been propagated by a group in the island, but never has it reached the importance on the scale that the inhabitants of the Philippine Islands have given to it for the past 37 years. Although Puerto Rico came under the rule of the United States under the same circumstances as the Philippines, its people generally have not favored separation but a closer and more permanent union with the people of the United States. The people have been in favor of the largest measure of self-government within the American Union.

THE ELECTION LAW

The action of Senator TYDINGS in introducing his election bill for Puerto Rico and sponsoring its passage in the Senate was a tremendous mistake. Senator TYDINGS should have known better.

Vice President of the Insular Legislature Bolivar Pagan explains the fundamentals of the election law passed by the Legislature of Puerto Rico in a very clear and enlightening way. It shows how our legislators are thinking, despite what their enemies may have thought of them.

This statement represents fundamentally the opinion of the great majority of the people and all parties of the island, because—

One of the measures most fundamental and important for the regime of democratic people is the election law. It constitutes the basis of democracy. Without an election law fair to all political parties and to all citizens who exercise the lofty prerogative of suffrage, democracy would be a farce. Discussions of election laws have always provoked heated controversies in popular parliaments. The men who love democracy honestly believe that, among the different forms of government which the human mind has conceived in the course of history, the best is that formula which guarantees government by majorities. By respecting these principles, every citizen of sincere sentiments and democratic convictions should always strive to prevent the machinery created by the election law from becoming an instrument of coercion or of oppression, and he should sincerely aspire to have such election machinery an honest vehicle for the free and unsullied expression of popular suffrage. A victory at the polls, under the protection of an election law without guaranty to all the sectors and the citizens who take part in elections, is the victory which does not honor or give prestige to any democratic people.

With the said ideas in mind, we have tried to make an election law that would be a guaranty of democracy and would give prestige to our country. The election law (S. B. 9) modified several sections of the election law in force and adds others, improving the law which, with amendments, has been in force in Puerto Rico since the year 1919, approved immediately after the organic act in force was implanted in Puerto Rico.

THE UNIVERSAL SUFFRAGE

This new law has special importance, because under it will be put in force the act recently passed by the Legislature of Puerto Rico consecrating for the first time in our history and to a greater extent than in any other democratic country of the world the grand principle of universal suffrage for men and women without distinction of any kind, establishing the just equality of all citizens at the polls.

THE RIGHT OF COALITIONS

The most important aspects of the new law which we are explaining are several. The principle of the coalition of parties is considered. The principle of the coalition of parties has been the subject of discussions in these latter decades in all countries of the world where the vote of the people determines the governments which are to rule the peoples. In the historical beginnings of democratic practices the nuclei of opinion have generally been divided into two great opposing sectors. Later, in the evolution of ideas and the liberty of thought, numerous parties have arisen in each democratic country in regard to the various public problems set before the consciousness of the people, and for that reason it has been indispensable, in order to secure order and to establish government, to allow coalitions of those parties that may constitute a majority and organize governments as well as to prevent the confusion and the chaos of numerous groups, none of them sufficiently strong to form governments. In the most civilized countries of the world—among them England, France, Spain, Germany, Belgium, Sweden, Norway, and Switzerland—coalitions have been formed for the said purposes. Only in those countries under military dictatorships or dictatorial leaders has it been possible, by various hateful means, to coerce public opinion, to establish one single party, and, finally, to prohibit coalitions.

In Puerto Rico it was not until the year 1924 that coalitions of parties were permitted for the first time. The party that was in power from the year 1904, for reasons which we do not now wish to comment upon, always prohibited in the election law the coalition of parties, especially when public opinion in Puerto Rico was divided into two great historical parties, both already extinct in the evolution of our local politics. When the Socialist Party entered the public arena as the hope of the laboring and rural multitudes, with its redeeming program that embodied the aspirations of the laboring masses and of a great part of all the people, then began the idea of a coalition of the Puerto Rican Republican Party and the Socialist Party. In order to prevent this the party which for so many years had been in power caused the prohibition against such coalitions of parties to be made more effective. It was in 1924, in view of the need and convenience of the historical parties, that a law was enacted so that the common candidates could appear on both tickets. The Socialist Party, outside of the combination for powerful reasons of principles, could not, under that law, form a coalition on the electoral ballot with the Constitutional-Historical Party (pure Republican) because the act did not recognize the rights of the powerful nucleus of Puerto Ricans who were to form the Constitutional-Historical Party. It was necessary for the Socialist Party to support in its column of the ballot the candidates of the Constitutional-Historical Party by placing together the emblems of these parties, practically forming a new party, to which political organization the Socialist Party gave the given name and the Constitutional-Historical Party gave it the surname, this new party being called Socialist-Constitutional.

CONSTITUTIONAL

That which seemed fair in order to facilitate coalitions of the historical parties in 1924 has been maintained in this new election law which we are explaining, coalitions being allowed and at the same time being made more easy, liberal, and just, so that the new law would not maintain the injustice of the law of 1924 which prevented a powerful nucleus of opinion from being able to register its own ticket with candidates common to the ticket of another party. Now, under the new law, all parties, either great or small, with privileges to none, may form a coalition by making their common candidates appear on the same ticket. Another important aspect of the new election law is the representation of the parties in the electoral bodies. In the past, from the formation of parties at the beginning of the American civil regime in Puerto Rico, the total representation was divided in equal parts between the historical parties, Union de Puerto Rico and Republicano Puertorriqueno, from the birth of these two parties. The Socialist Party, a giant that arose before public consciousness and claimed its position in the political arena, had to strive titanically and heroically in order to secure fair representation on the electoral bodies. It was somewhat later that the Socialist Party succeeded in having representation equal to the other parties, and only after it had gained with votes at the polls the position of the party second in electoral strength and after this right had been recognized by the judicial voice of our Supreme Court.

THE ALLIANCE

In 1924, when the alliance of the aforesaid historical parties, Union de Puerto Rico and Republicano Puertorriqueno, was formed, these two parties monopolized the representation in the electoral bodies under the election law then in force, thus providing that a single party, the Alianza Puertorriquena, enjoyed two representatives on the insular board of elections, enjoyed the total representation of the three representatives on local election boards, and enjoyed all four representatives on poll boards. The powerful Socialist Party, in spite of the fact that it was joined in the opposition by the newborn and vigorous Puer Republican Party, had to go to the polls in 1924 with no effective representation in the electoral bodies. The election law merely granted the Socialist-Constitutional Party a so-called observers faced the walls and not the ballot box, as was their right.

Due to the disappearance of the Puerto Rican Republican Party as a principal party, by mandate of the ballot box, its place having been won by the Socialist Party, the Socialist Party in 1928 had for the first time effective representation in the electoral bodies. When the first combination of parties was made for voting for common candidates in 1924, the historical parties that combined at that time monopolized the whole representation, and these allied principal parties did not divide their representation into half votes against the opposition party at the polls. It was in 1932, after the victory won by the popular front made up of the Socialist Party and the Union-Republican Party, that electoral representation in Puerto Rico began to develop democratically and fairly. In 1934 this Union-Republican and Socialist coalition that won the election passed an election law providing for the first time in our electoral history that in case two parties formed a coalition the two parties thus combined would each have only half a vote and the opposing party a whole vote. The legislature of 1934, looking toward the future with lofty ideals in mind, inspired by a sense of justice, and considering all human possibilities, also provided that if the three principal parties formed a coalition, each would then have but one-third of a vote, so that always, under any circumstance, the opposing parties would have the same representation. This is a glory that no one will dispute with the present parliamentary majority of Puerto Rico.

TO AVOID FRAUDS

The other principal aspect which the new law which we are explaining considers, is the process of voting. The aforesaid election law approved in 1919, as well as other previous election laws, provided a manner of voting which was the same that has been in force from the establishment of the American civil regime in Puerto Rice to the 1933 election. Under the provisions establishing said manner of voting, a political party was in public power in Puerto Rico for 25 years, without any objection ever having been raised against said manner of voting. Under the same provisions relative to the manner of voting, the election of 1932 was held and resulted in a victory for the present legislative majority. This 1932 election, in accordance with official statement of the Governor of Puerto Rico, Hon. James R. Beverely, and of the Secretary of War of the United States, Hon. George H. Dern, was the most peaceful, lawful, and fair election ever held in Puerto Rico. These statements appear in official documents of the White House and of the Congress of the United States.

Nevertheless, in answer to a powerful public clamor, all the parties represented in the present legislature deemed it advisable and proper that, to hold the 1936 and subsequent elections, the voting should be carried on in a new way, that is, by enclosing the voters in quarters to prevent, as far as possible, the fraudulent repeating vote of the same voter in different polling places or precincts, and to insure, as far as possible, that the voters who vote are legitimate voters having the right to vote under our laws. This new law which we are explaining modifies this process and improves it. In view of the physical impossibility of obtaining adequate quarters in numerous precincts of the island, and in order to insure an orderly and lawful election, the new law grants powers to the election bodies in which all parties are equally represented, so that they may choose and decide, when said closed quarters cannot be obtained, that the voters be placed in front of the polling places, in closed files, the same procedure for voting to be followed as in the closed quarters.

The other amendments that the new bill makes to the election law are details of no great importance, and are to make more effective the aspects on which we have commented.

Finally, we wish to state that we have voted in favor of the new bill because we believe that it is just, that no reasonable opposition can be made to it, and because it is a statute which gives prestige to Puerto Rico and guarantees democracy and the fairness of the vote.

LEGISLATION FOR PUERTO RICO

Over 30 bills have been introduced during the Seventy-third and Seventy-fourth Congresses dealing with the economic, political, industrial, and agricultural life of Puerto Rico, as well as other bills of a private nature. Six of these bills became law. One measure proposed to liberalize our organic act granting the people of the island the right to elect their own Governor and to permit the Governor to appoint the heads of the various departments with the advice and consent of the insular senate. It also contained other progressive clauses, but did not pass.

Another bill of great importance was the one to enable the people of Puerto Rico to form a constitution and State government and be admitted into the Union on an equal footing with the other States. It also failed to pass.

The provisions of over 60 bills which became law of a national scope have been extended to Puerto Rico, intended to help in the services of education, relief, reconstruction, building of roads, sanitation, and other activities which are greatly needed in the island.

SPECIAL PRIVILEGES DENIED

In conferences which I have had with high Government officials it has been plainly stated that while the administration is willing to give assistance to the island, it does not desire to favor any special party or individual who claims to have obtained any personal advantage, political or otherwise, for the prosecution of their particular or political preferences. If such declaration is carried out with sincerity, it will do good to the island.

In considering our social and economic problems which confront us we have to admit that the situation is not all satisfactory—the standard of living and education among the working classes, especially among those in the agricultural fields, although constantly improving, yet are not so high as we should like to see them. There is dire need of further improvement.

But regardless of whatever mistakes might have been made the liberalization of our organic act in a broad way is necessary to prevent not only serious disturbances in our economical, social, and political set-up but harmful effects of an impairment to our present structure, with the result that future reforms may be established in an easy and happy way.

THE LANDING OF AMERICANS

When General Miles landed in Puerto Rico in 1898 he met a hearty welcome from the entire population of the island, who for a long time had felt the highest regard for the United States. The change of sovereignty was considered by all a

most fortunate event in the history of the island, and when later on, in the year 1917, President Wilson signed the law which made Puerto Ricans citizens of the United States, the honor was accepted without reservations and with full recognition of the responsibilities, duties, and rights which it bestowed upon us. The loyalty and sincerity of purpose of the people of Puerto Rico are far above any possible question. We have done our duty and played our part in the sorrows and happiness of the Nation.

Puerto Rico has a population of over 1,700,000 people, according to the special census taken in 1936, or almost 500 inhabitants to the square mile. The population of Puerto Rico in 1930 exceeded the combined population of Nevada, Wyoming, New Mexico, Arizona, and Vermont, judging from the latest figures released by the Census Bureau.

The Resident Commissioner, not having a vote in Congress, cannot exercise the great influence which is exercised by the representatives of the several States of the Union.

The influence of the people of the United States in the destiny of Puerto Rico has been, is, and will ever be, uplifting, and the extension of the Constitution to the island represented a positive guarantee to the individual citizen of all national economic and social legislation and of all the political liberties convenient and favorable to the enjoyment of the people's rights.

PERMANENT UNION

We consider any formula of inferiority in government disgraceful and not compatible with the civil dignity of our Nation, and, therefore, we proclaim the permanent union of the people of Puerto Rico on an equal footing with the people of the United States to maintain and consecrate economically, socially, politically, and industrially a democratic community with the same rights and duties as any State of our Nation. "We want, and are willing, to be recognized as an integral part of the States, and lead our future in that line."

Congress, as contemplated in the treaty of peace, granted American citizenship to the people of Puerto Rico, and, under the Jones Act, created a political body and a civil government, composed of American citizens in Puerto Rico, owing allegiance and entitled to the protections of the United States. The island has over 1,700,000 American citizens, and for two generations our men, women, and children and the children of our children have been born under the American flag and have been taught the American ideals of Government in the forum in our courts, in our schools, in our entire civil life.

OUR PROGRESS

I want to express some thought regarding the progress made by the Americanization of Puerto Rico from a general economic, political, and administrative point of view. During the autonomous regime granted Puerto Rico by Spain in 1897, the island had an income for itself derived from royal tariffs, taxes on personal cedulas, disembarkment of voyagers, ecclesiastic bills, payments of periodicals, cedulas on privileges, and taxes on raffles and lotteries. The different classes of general taxes and others which were paid to the insular and municipal treasuries reached 29 divisions and numerous subdivisions.

The total budget of income during the Spanish autonomous regime reached the sum of $3,536,342.19. This total income of the insular treasury was spent in a great part for soldiers and marines, clergy, construction and repair of churches and pensions up to the sum of $2,174,879.13. The other expenditures of the Government, such as public education, public works, sanitation, and justice, were assigned $1,361,963.06.

In these days we spent on public education from funds of the State $30,000, and the municipalities spent in education through the Paulist Fathers, Jesuits, and Sisters of the Sacred Heart, $99,255. There were only 22,265 children in the schools throughout the island. The benefit of superior studies was granted to only 55 students every year. Under our present American regime there are more than 240,000 children in the schools, and they are not restricted from reaching superior grades. More than $4,000,000 from a budget of over $11,000,000 are assigned for schools and teachers.

Under the first year of our American regime the construction of the first buildings for public schools was ordered. We have already organized an army of 5,000 teachers, who teach English and Spanish, and we use at present more than 2,000 buildings, constructed for graded and high schools, which are the property of the insular government.

When the old regime was changed for the American regime there were 157.12 miles of constructed roads. From June 30, 1900, to June 30, 1935, 2,000 kilometers of insular roads have been constructed, and also numerous bridges and buildings, at a great cost.

The sanitation, agricultural, and labor departments were organized for the first time in the island during the present regime, and the installation of a modern system of public-health service has been inaugurated and also great services have been dedicated to agriculture and labor.

The insular government is composed at present of the following employees in public service, including the Governor, the legislature, and the departments, who receive the following compensation: Six thousand and eleven Puerto Rican-American employees $6,579,748, and 233 continental Americans $489,585.75. Of this total employees, over 4,000 are school teachers and over 800 comprise the police force.

The judiciary of Puerto Rico has only three continental Americans serving as judges. The continental Americans in the executive government are three, including the Governor. The other continental Americans are mostly teachers and professors and other scientific men from the Federal departments.

PUERTO RICO IS A TERRITORY

In a series of decisions known as the insular cases, the Supreme Court of the United States has clarified the present status of Puerto Rico as an organized Territory, though not an incorporated one.

We hope that at the earliest opportunity, in considering the political and economic reforms of Puerto Rico, Congress will liberalize our organic law as has been proposed by H. R. 1393, and then we could hope that the ultimate political status of the island would be to organize the people of Puerto Rico as a State of the Union. Having defined this objective, Congress should give Puerto Rico its cooperation by extending to the island all national measures with ample possibility of action to work out a practical program and reach the goal by the efforts of its own people. The words of hope and action of the President should always embrace Puerto Rico as an integral part of our Nation, and, I believe, he has demonstrated that he has this thought in mind.

COMMERCIAL ACTIVITIES

Puerto Rico stands today as the first best buyer of United States goods in all Latin America and the eighth of all the European nations. The fact that Puerto Rico has bought, and is continuing to buy, millions upon millions of dollars' worth of goods from continental United States is vitally interesting. It is estimated that Puerto Rico has purchased over $2,000,000,000 worth of commodities from the mainland during the last 36 years.

In accordance with the last report of the Governor of Puerto Rico for the fiscal year 1934–35, the following enlightening statement was made with regard to its commerce:

Statistically the island had a good trade year with an external commerce of approximately $150,000,000, an increase of $19,500,000 over the previous year, while the apparent favorable balance of trade was $22,000,000. Of total exports to the United States valued at $83,000,000, sugar shipments accounted for $54,267,000 while approximately 20 percent of the sugar crop remained in the island. Island imports from the United States increased $8,600,000 over the previous year and totaled $57,500,000. During the year 2,834 ships entered island ports.

In view of the fact that agriculture is Puerto Rico's most important industry, the report on this subject has special interest. While there has been considerable recovery from the destructive hurricane of 1932, the Governor finds that other forces have held back agricultural progress, except in sugar and tobacco. Sugar production increased almost 275,000 tons over the previous year, while the tobacco crop of 25,000,000 pounds showed a gain of approximately 7,000,000 pounds over the curtailed crop of 1933.

Puerto Rico is not a burden to the United States.

Two-thirds of the profits in commercial exportations and importations derived from the 1,700,000 Puerto Rican consumers flows right back and remains in the hands of continental businessmen. So the relief and cooperation given to Puerto Rico through Federal agencies represents a natural compensation to the people of the island.

LABOR IN AMERICA

In a statement made by Mr. William Green, president of the American Federation of Labor, he contends:

Public policies should not be decided abruptly, but with reference to historic development. Since 1898 Puerto Rico has been under the flag of the United States, and since 1917 its residents have been citizens of the United States. We took them under our flag to put an end to political persecution and bloodshed and assumed the obligation of helping them to develop the institutions and habits of democracy. During the years of our responsibility there has been progress in Puerto Rico. With that progress new needs have become urgent and new demands have been urged. There are manifestations of a growing vision of the possibilities of life and of a higher level of thinking.

Economically Puerto Rico has been an advantage. It is one of our largest customers, and in turn supplies us with things we need. Strategically, in international relations that do not assure years of peace, it is important that the United States control significant outposts. The withdrawal of the United States Government from Puerto Rico would not mean Puerto Rican independence any more than withdrawal from the Philippines has meant self-control in those islands. A small and specially privileged group in Puerto Rico has been asking independence, but the majority of its citizens, including the labor movement of Puerto Rico, desire statehood under our Republic.

It was only under the flag of the United States that the workers of Puerto Rico were free to organize a labor movement for the purpose of bettering their conditions of life and work. The American Federation of Labor gave them support and counsel in formulating their policies and methods. The labor movement in Puerto Rico includes agricultural as well as industrial workers. The effective functioning of the labor movement at the present time, when the reconstruction program is in progress in Puerto Rico, is indispensable to desirable and lasting results from that program. It is the masses of the people who suffer from the existing economic exploitation.

Under independence the possibility is for reversion to old institutions and practice, which would imply repression for labor unions and the masses of the people.

The desire for independence is confined to a small group of people, while the majority have felt that the protection of the United States Government afforded the best opportunity for development and progress. They feel that as an independent government the island would not be powerful enough to control the corporations which exploit the people and the land and drain off revenues to be spent in foreign markets. Puerto Rico has made real progress under the leadership of the United States and is anxious to continue without change in political relationships. We cannot lightly relinquish an obligation we assumed.

INDUSTRIAL PROBLEMS

Mrs. O'DAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein extracts from a statement by Dr. John Bryan on the labor situation.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. O'DAY. Mr. Speaker, under leave to extend my remarks in the RECORD I include excerpts from an address by the Right Reverend John A. Ryan, of Catholic University, at a regional meeting of the Catholic Conference on Industrial Problems in San Francisco on June 9, 1936:

The Encyclical Quadragesimo Anno was published in May 1931. It was addressed to the world. Therefore it could not have said anything specific concerning the depression in the United States or the return of prosperity. It does, however, contain several general statements which are very pertinent to both the industrial depression and industrial recovery. The statements which are particularly applicable are those concerning the bad distribution of wealth and income, the just wage, cooperation between labor and capital, and the profits of capital.

Concerning distribution, Pope Pius says: "The immense number of propertyless wage earners, on the one hand, and the superabundant riches of the fortunate few, on the other, is an unanswerable argument that the earthly goods so abundantly produced in this age of industrialism are far from rightly distributed and equitably shared among the various classes of men. Every effort, therefore, must be made that, at least in the future, a just share only of the fruits of production be permitted to accumulate in the hands of the wealthy and that an ample sufficiency be supplied to the workingmen."

The unjust distribution to which the Pope calls attention is particularly striking in the United States.

This was the main cause of the depression. For at least a quarter of a century before the year 1929 too much of the national product had been distributed in the form of profits and interest and too little in the form of wages to labor and prices to farmers. As a consequence, too much of the national income was invested in new capital goods. Too much was saved and too little spent. The product could not all be sold because labor and the farmers had not been receiving enough income to buy as much as they wanted to buy. The receivers of large profits and interest would not buy more because they did not want to buy more.

Such are the main deplorable effects of the unjust distribution condemned by the Pope. Not only does it deprive the majority of our people of the means of decent living but it compels our industries to be operated at far below their full capacity.

The Pope demands that the bad distribution be rectified by giving to the wealthy only a "just share" and to the workingmen "ample sufficiency." This brings us to the second of his statements that we are to consider. He defines "ample sufficiency" in the following terms: The laborer's wages must be "sufficient for the support of himself and of his family"; "sufficient to meet adequately ordinary domestic needs"; sufficient to enable him "to bear the family burden with greater ease and security"; sufficient to free him from "hand-to-mouth uncertainty"; sufficient to "support life's changing fortunes"; sufficient to make "some little provision for those who remain after him"; sufficient "to acquire a certain moderate ownership."

These specifications show that Pope Pius had in mind something more than a bare living wage, something more than the minimum means of a day-to-day livelihood. To comply with these specifications would probably require more than the $2,000 income which, at 1929 prices, the Brookings Institution estimates as "sufficient to supply only basic necessities." Yet in 1929, 60 percent of the total number of American families were below this standard.

If all families had been provided with the equivalent of $2,000 a year at 1929 prices, our industries could have been kept in operation at full capacity. This fact is a very striking illustration of the principle that in the long run and for the community as a whole, good ethics is in harmony with good business.

The third statement of Quadragesimo Anno which is pertinent to our subject has to do with situations in which the employer is unable to pay a just wage. If this inability is due to bad management, want of enterprise, or out-of-date methods, says the Pope, it "is not a just reason for reducing the workingman's wages." If, however, the inability is due to causes beyond the control of the employer, the Holy Father would have "employers and employed join in their plans and efforts to overcome all difficulties and obstacles, and let them be aided in this wholesome endeavor by the wise measures of public authority. In the last extreme, counsel must be taken whether the business can continue or whether some other provision should be made for the workers." The last sentence is a clear confirmation of the view that businessmen or business concerns that are unable to pay decent wages cannot reasonably claim a right to continue in business.

The most fundamental and far-reaching part of this declaration is that labor, employers, and the public should cooperate to abolish the evil of insufficient wages. Precisely this kind of cooperation was in force under the National Recovery Administration. Unfortunately it was ended by the Supreme Court. A few months ago a new attempt was made to explore the possibilities of cooperation between capital, labor, and the Government in the conferences held under the chairmanship of Maj. George L. Berry at the direction of the President of the United States. Greatly to be lamented is the fact that almost all of the most important directors of industry who were invited to join in this cooperative effort refused to go on with it after the first conference. Apparently the great majority of our most powerful industrial concerns do not desire the kind of cooperation recommended by the Holy Father.

The outlook for cooperation between industry, labor, and the Government is discouraging, because the dominant and dominating elements of business still believe in the old order and are still opposed to intervention by the Government for social justice. Last December the National Association of Manufacturers, at convention in New York, adopted this brazen proposition: "Control of the individual by Government is limited to the minimum essential for the protection of individual rights and the safety of the Nation." At its annual meeting in Washington the latter part of April the United States Chamber of Commerce passed the following resolution:

"The true function of Government is to maintain equality of opportunity for all, to preserve the sanctity of contracts, and to assume those collective activities which society must conduct as a whole. When Government attempts by legislative means or Executive fiat to impose upon business rules of conduct pertaining to such matters as wages, hours, conditions, and terms of employment, or other restrictive measures interfering with the free play of economic forces, it retards both the material and spiritual progress of the Nation."

These statements by the two most powerful business associations in our country enable us to see why very little of a helpful character is to be expected from organized business in the struggle for social justice and a better economic order. The voices of great and enlightened industrialists, such as E. A. Filene and Henry Dennison, as well as the opinions of thousands of smaller businessmen, are overwhelmed or overawed by the dominating reactionaries. Humane and helpful business opinion is, for the most part, silent and ineffectual.

Probably the most decisive indication of the benefits of the N. R. A. to labor is what has happened since the collapse of that organization. In private concerns having contracts with the Government, N. R. A. wage rates were reduced in about 40 percent of the cases, while work hours were lengthened in something over 30 percent. In the retail industries wages have been cut in more than 60 percent of the establishments and hours lengthened in about the same proportion of establishments.

The fourth and last statement in the encyclical that we have to consider is that which asserts that both capital and labor should have a share of the product. The Holy Father declares: "Each class then must receive its due share, and the distribution of created goods must be brought into conformity with the demands of the common good and social justice." While this statement has a bearing upon the just reward of labor as well as the just return to capital, I cite it mainly in the latter connection. The rate of interest or profit should not be greater than is consistent with the common good. If 2 percent is sufficient to provide all the capital that the community needs, then 2 percent is all that the capitalist has a right to claim.

The statements from the Pope's encyclical are at once a comprehensive description of our economic malady and an indication of the way to complete business recovery. We must have a better distribution of the product, ample living wages for all workers, adequate cooperation between business, labor, and government, and a smaller return to capital. Unfortunately, the great majority of our businessmen do not realize that this is the situation. They still talk vaguely and expansively about the necessity of restoring business confidence, reviving the capital-goods industries, and stimulating investment.

All the facts of the present situation indicate that even if our business level were back to that which existed in 1929 there would still be between five and eight million persons out of work. Many members of our comfortable classes seem to look upon this horrible prospect with a certain amount of equanimity. They calmly visualize millions of their fellow citizens existing year after year on the dole. It is difficult to imagine how any really humane person, any intelligent lover of his country or his kind can take this attitude. All Americans who are genuinely concerned about the safety of our institutions will demand and work for legislation to end as speedily as possible this menace of vast unemployment, and to bring about genuine and well-balanced prosperity. The principle and the indispensable legislative enactments are a revived N. R. A. and a 30-hour workweek. Anyone who disputes this proposition should be required to propose an alternative measure which will go to the root of the matter. Pollyanna talk about restoring business confidence, expanding investments, making new inventions to provide new luxuries for the wealthy minority of the population is not only futile but a mockery of human needs and human hopes.

EXTENSION OF REMARKS

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that all members of the Appropriations Committee may have permission to extend their remarks in the RECORD and to include printed tables and figures referring to the fiscal affairs of the Government.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

A PLEDGE FULFILLED—EAST BOSTON RECEIVED NEW POST-OFFICE BUILDING

Mr. HIGGINS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short letter written by the Post Office to me.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HIGGINS of Massachusetts. Mr. Speaker, for over 25 years the people of East Boston have sought a new Federal building in that section of Boston to replace the privately leased, inadequate, and unsanitary quarters that housed the local post office. My predecessors in Congress, in all sincerity, pledged that they would bring to East Boston that much-needed improvement, but notwithstanding their sincerity of purpose and tireless efforts, no progress was made until the present Congressman presented East Boston's case to a kind, gracious, and able Assistant Postmaster General in the person of Smith W. Purdum. Within a month after my arrival in Washington in January 1935, I presented an exhaustive brief to General Purdum, setting forth facts that I believed would appeal to the sense of justice of both General Purdum and his associate, Admiral Peoples, members of the interdepartmental committee. Statistics on population, valuation of property in East Boston, data on the volume of business in that section, a review of the postal receipts and postal savings over a period of years, data proving the inadequacy and unsanitary surroundings of the present location, hundreds of letters from citizens and business firms giving evidence of the desire of the people of East Boston for a new building, together with other information, were collected by me and presented to the committee to support the popular opinion that East Boston, upon merit, was entitled to a new Federal building. Months passed and I appeared personally before the committee on two different occasions to present the case, and finally, with the passage of the recent deficiency bill in Congress, I was advised by General Purdum that East Boston had been awarded a new Federal post-office building, and that work would commence on its construction within the next few months.

In my contest for election to Congress I made this a matter of campaign pledge, and I am happy to have fulfilled that pledge and thus contribute in an humble way toward permitting the people of East Boston to realize their dream of a quarter of a century to have a new Federal post-office building in their midst.

The success in securing the post-office building was attributable in a large measure to my good fortune to meet during this my first term in Congress a kindly man, the Honorable Smith W. Purdum, Assistant Postmaster General. I have met many men of prominence in Government affairs, but none have impressed me more than this man for genuine sincerity, unquestioned ability, devotion to duty, and a humanness which radiates friendship toward his fellow man and his problems.

It is commonly said that General Purdum is the best-informed official in the Post Office Service. His varied and extensive duties as Assistant Postmaster General, which include supervision of the entire motor-vehicle service of the Department, membership in the Interdepartmental Committee, designated by the Postmaster General, which allocates funds for every public building erected under the supervision of the Treasury and Post Office Departments, complete supervision of the making and enforcing of thousands of leases for post offices and other Federal buildings, charge of the administration, maintenance, and upkeep of our 1,500 Federal buildings throughout the country, testify to his executive ability and the unusual knowledge which he has of postal affairs. Smith W. Purdum is a career man with a record of almost 40 years of faithful service to the Department, yet notwithstanding the great honor of being Assistant Postmaster General which has been conferred upon him, he has never lost the kind and gracious mannerisms that have endeared him to the heart of every man who is privileged to know him.

Some days ago, when I was advised that a new building was awarded to East Boston, I tried in my humble way to express by letter my appreciation on behalf of the people of the district to General Purdum for his tolerance of my many visits to his office on this matter and his favorable consideration of my application for this much-needed improvement. I submit herewith his reply to my letter of thanks.

Hon. JOHN P. HIGGINS,
Member of Congress, Boston, Mass.

MY DEAR MR. HIGGINS: This is to refer to your very kind letter of recent date with reference to the allotment of funds for a Federal building project at East Boston.

Please be assured of my appreciation of the kind expressions contained therein.

Our own surveys and your thorough and intelligent presentation of the situation at East Boston indicated that this was a deserving project, and I am glad that it was possible for the Post Office and Treasury Departments to allot funds for it under the current building program.

I know that this decisive step, looking to the consummation of the building project for East Boston, must be gratifying to you, in view of the continued personal interest which you have manifested in the matter. You may be sure that your sincere and cooperative attitude in this matter is appreciated, and that the Post Office and Treasury Departments will endeavor to expedite the project with a view to having actual construction started at the earliest possible date.

With kind regards, I am,
Sincerely yours,

S. W. PURDUM,
Fourth Assistant Postmaster General.

In conclusion may I say to General Purdum, on behalf of the people of East Boston, that they are everlastingly grateful for his interest in this most vital community need. Personally I am privileged to call this kindly and sincere gentleman and able executive my friend.

AMENDING THE TAYLOR GRAZING ACT

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10094) to amend section 1 of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and

soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269), with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title to the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the first sentence of section 1 of the act entitled, 'An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes', approved June 28, 1934, is amended by striking out the words 'eighty million' and inserting in lieu thereof the words 'one hundred and forty-two million.'

"SEC. 2. Section 7 of such act is amended to read as follows:

"'SEC. 7. That the Secretary of the Interior is hereby authorized, in his discretion, to examine and classify any lands withdrawn or reserved by Executive order of November 26, 1934 (no. 6910), and amendments thereto, and Executive order of February 5, 1935 (no. 6964), or within a grazing district, which are more valuable or suitable for the production of agricultural crops than for the production of native grasses and forage plants, or more valuable or suitable for any other use than for the use provided for under this act, or proper for acquisition in satisfaction of any outstanding lieu, exchange or script rights or land grant, and to open such lands to entry, selection, or location for disposal in accordance with such classification under applicable public-land laws, except that homestead entries shall not be allowed for tracts exceeding 320 acres in area. Such lands shall not be subject to disposition, settlement, or occupation until after the same have been classified and opened to entry: *Provided*, That locations and entries under the mining laws, including the act of February 25, 1920, as amended, may be made upon such withdrawn and reserved areas without regard to classification and without restrictions or limitation by any provision of this act. Where such lands are located within grazing districts reasonable notice shall be given by the Secretary of the Interior to any grazing permittee of such lands. The applicant, after his entry, selection, or location is allowed, shall be entitled to the possession and use of such lands: *Provided*, That upon the application of any applicant qualified to make entry, selection, or location, under the public-land laws, filed in the land office of the proper district, the Secretary of the Interior shall cause any tract to be classified, and such application, if allowed by the Secretary of the Interior, shall entitle the applicant to a preference right to enter, select, or locate such lands if opened to entry as herein provided.'

"SEC. 3. Section 8 of such act is amended to read as follows:

"'SEC. 8. (a) That where such action will promote the purposes of the district or facilitate its administration, the Secretary is authorized, for the purpose of this act only, to accept on behalf of the United States any lands within the exterior boundaries of a grazing district as a gift.

"'(b) When public interests will be benefited thereby the Secretary is authorized to accept on behalf of the United States title to any privately owned lands within or without the boundaries of a grazing district, and in exchange therefor to issue patent for not to exceed an equal value of surveyed grazing district land or of unreserved surveyed public land in the same State or within a distance of not more than 50 miles within the adjoining State nearest the base lands.

"'(c) Upon application of any State to exchange lands within or without the boundaries of a grazing district the Secretary of the Interior shall, and is hereby, directed to proceed with such exchange at the earliest practicable date and to cooperate fully with the State to that end, but no State shall be permitted to select lieu lands in another State. The Secretary of the Interior shall accept on behalf of the United States title to any State-owned lands within or without the boundaries of a grazing district, and in exchange therefor issue patent to surveyed grazing district land not otherwise reserved or appropriated or unappropriated and unreserved surveyed public land; and in making such exchange the Secretary is authorized to patent to such State, land either of equal value or of equal acreage: *Provided*, That no State shall select public lands in a grazing district in furtherance of any exchange unless the lands offered by the State in such exchange lie within such grazing district and the selected lands lie in a reasonably compact body which is so located as not to interfere with the administration or value of the remaining land in such district for grazing purposes as set forth in this act.

"'When an exchange is based on lands of equal acreage and the selected lands are mineral in character, the patent thereto shall contain a reservation of all minerals to the United States; and in making exchanges of equal acreage the Secretary of the Interior is authorized to accept title to offered lands which are mineral in character, with a mineral reservation to the State.

"'For the purpose of effecting exchanges based on lands of equal acreage the identification and area of unsurveyed school sections may be determined by protraction or otherwise. The selection by the State of lands in lieu of any such protracted school sections shall be a waiver of all of its right to such sections.

"'(d) Before any such exchange under this section shall be effected, notice of the contemplated exchange, describing the lands involved, shall be published by the Secretary of the Interior once each week for 4 successive weeks in some newspaper of general circulation in the county or counties in which may be situated the lands to be accepted, and in the same manner in some like newspaper published in any county in which may be situated any lands to be given in such exchange; lands conveyed to the United States under this act shall, upon acceptance of title, become public lands, and if located within the exterior boundaries of a grazing district they shall become a part of the district within the boundaries of which they are located: *Provided*, That either party to an exchange based upon equal value under this section may make reservations of minerals, easements, or rights of use. Where reservations are made in lands conveyed either to or by the United States the right to enjoy them shall be subject to such reasonable conditions respecting ingress and egress and the use of the surface of the land as may be deemed necessary. Where mineral reservations are made by the grantor in lands conveyed by the United States, it shall be so stipulated in the patent, and any person who prospects for or acquires the right to mine and remove the reserved mineral deposits may enter and occupy so much of the surface as may be required for all purposes incident to the prospecting for, mining and removal of the minerals therefrom, and may mine and remove such minerals, upon payment to the owner of the surface for damages caused to the land and improvements thereon. No fee shall be charged for any exchange of land made under this act except one-half of the cost of publishing notice of a proposed exchange as herein provided.'

"SEC. 4. Section 10 of such act is amended to read as follows:

"'SEC. 10. That, except as provided in sections 9 and 11 hereof, all moneys received under the authority of this act shall be deposited in the Treasury of the United States as miscellaneous receipts, but 25 percent of all moneys received under this act during any fiscal year is hereby made available, when appropriated by the Congress, for expenditure by the Secretary of the Interior for the construction, purchase, or maintenance of range improvements, and 50 percent of the money received under this act during any fiscal year shall be paid at the end thereof by the Secretary of the Treasury to the State in which the grazing districts or the lands producing such moneys are situated, to be expended as the State legislature of such State may prescribe for the benefit of the county or counties in which the grazing districts or the lands producing such moneys are situated: *Provided*, That if any grazing district or any leased tract is in more than one State or county, the distributive share to each from the proceeds of said district or leased tract shall be proportional to its area in said district or leased tract.'

"SEC. 5. Section 15 of such act is amended to read as follows:

"'SEC. 15. The Secretary of the Interior is further authorized, in his discretion, where vacant, unappropriated, and unreserved lands of the public domain are so situated as not to justify their inclusion in any grazing district to be established pursuant to this act, to lease any such lands for grazing purposes, upon such terms and conditions as the Secretary may prescribe: *Provided*, That preference shall be given to owners, homesteaders, lessees, or other lawful occupants of contiguous lands to the extent necessary to permit proper use of such contiguous lands, except, that when such isolated or disconnected tracts embrace 760 acres or less, the owners, homesteaders, lessees, or other lawful occupants of lands contiguous thereto or cornering thereon shall have a preference right to lease the whole of such tract, during a period of 90 days after such tract is offered for lease, upon the terms and conditions prescribed by the Secretary.'

"SEC. 6. Such act is further amended by adding the following new section:

"'SEC. 17. The President shall have power, with the advice and consent of the Senate, to select a Director of Grazing. The Secretary of the Interior may appoint such Assistant Directors and such other employees as shall be necessary to administer this act. The Civil Service Commission shall give consideration to the practical range experience in public-land States of the persons found eligible for appointment by the Secretary as Assistant Directors or graziers. No Director of Grazing, Assistant Director, or grazier shall be appointed who at the time of appointment or selection has not been for 1 year a bona-fide citizen or resident of the State or of one of the States in which such Director, Assistant Director, or grazier is to serve.'

"TITLE II—BADLANDS NATIONAL MONUMENT

"SECTION 1. The boundaries of the Badlands National Monument, as established by the act of March 4, 1929 (45 Stat. 1553), shall be and are hereby, extended to include such lands adjacent or contiguous thereto, in the State of South Dakota, including, but not being restricted to, lands designated as submarginal by the Resettlement Administration, as may be determined by the President, by proclamation, within 5 years following the approval of this act, to be necessary for the proper rounding out of the boundaries of said monument or the administration thereof, providing the entire area of such monument shall not exceed 250,000 acres.

"SEC. 2. That the provisions of the act of August 25, 1916, entitled 'An act to establish a National Park Service, and for other purposes', as amended, are hereby made applicable to and extended over such lands as may be added to the monument under the authority of the foregoing section."

Amend the title so as to read: "An act to amend the act entitled 'An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly

use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes', approved June 28, 1934 (48 Stat. 1269)."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

Mr. DICKSTEIN. Mr. Speaker, I move to strike out the last word.

The SPEAKER pro tempore. The Chair cannot recognize the gentleman for that purpose.

Is there objection to the request of the gentleman from Louisiana?

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, the calendar does not indicate this bill has ever passed the Senate.

Mr. DEROUEN. The bill has passed the Senate, with an amendment, and I am asking unanimous consent to concur in the Senate amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

RECIPROCAL TRADE AGREEMENTS OF ADMINISTRATION ARE MORE BENEFICIAL FOR AMERICAN INDUSTRY AND LABOR THAN RETALIATORY MEASURES—REPUBLICANS ARE IN A DILEMMA

Mr. CITRON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of reciprocal-tariff agreements and include therein certain tables made up by the Department of Commerce and the State Department. I have submitted these tables to the Public Printer, who has already reported to me their extent.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CITRON. Mr. Speaker, on June 3 of this year I took occasion in the House to review some things which Republican politicians had said regarding tariff reciprocity. At that time it was freely predicted even in the Republican press and by members of that party that they had learned their tariff lesson and would likely endorse the Democratic policy of reciprocity rather than go back to the reactionary Republican policy of retaliation in matters of foreign trade. In view of what took place at Cleveland in the so-called tariff platform, in which the Republicans seem to say, "We propose to expand foreign trade by placing prohibitory tariffs on additional imported products", I wish to make some further comments relative to reciprocity and trade agreements.

PAGE COL. FRANK KNOX

On March 24, 1934, the now Republican nominee for Vice President, Col. Frank Knox, is reported by the press to have suggested for the Republican platform—

To recognize that intelligent national self-interest demands that we cooperate with other nations to stabilize currencies and remove as far as possible artificial barriers that now encumber the flow of goods and services between nations, without which there can be neither prosperity nor peace. * * * A scientifically lowered tariff will greatly benefit both agriculture and industry and supply a much-needed prime to recovery.

Such tariff heresy from a Republican "white hope" brought from the gentleman from Massachusetts, the Republican self-appointed tariff spokesman [Mr. TREADWAY], public apologies for Colonel Knox's lack of information on such matters. On the floor of the House on March 30, 1936, Mr. TREADWAY said:

Mr. Speaker, I was quite surprised at reading in the press the other day certain extracts from the speech by a very prominent Republican before the Economic Club in New York City, wherein he seems to have accepted without question the oft-stated but thoroughly misleading doctrine (a) that we are a creditor Nation, and (b) that to regain our foreign export market we must accept more imports.

The gentleman evidently has been misinformed regarding our international position, and is unfamiliar with our experience in the last 2 years as regards the attempt to increase exports by increasing imports. I feel sure that he would not have embraced this false doctrine if he had been aware of the true facts.

In his Peekian-Crowther-Treadway method the gentleman from Massachusetts [Mr. TREADWAY] set about to right the mind of the now Vice-Presidential nominee of the Republican Party regarding all phases of international trade, commerce, and finance. We had read the same explanations at various times by Samuel Crowther and by Mr. Peek in the Saturday Evening Post. Who is doing the ghosting in this piece, anyway? These gentlemen, by the use of spurious calculation, in spite of an excess of commodity exports over imports in 1934 of $478,000,000 and in 1935 of $234,000,000, still attempt to show that the balance was unfavorable to American commerce. They attempt to make their case by the trick method of subtracting the so-called favorable commodity balance from the imports of gold and silver, which when brought into this country, are usually considered assets. In the philosophy, economics, or logic of the trio, Peek, Crowther, and Treadway, the precious metals become apparently a national liability of the American Government. Apparently these gentlemen do not realize that a large part of this gold and silver has been brought into the United States by the flight of capital from unstable governments and on account of the confidence which the world has in the Roosevelt administration. This gold and silver, although at the present time not apparently serving any important purpose in our economy, may be used at any time the Government so desires. As regards such assets, in the days of the Republican "new-era economics", the gentleman's party frequently pointed with pride to the soundness of our economic system as indicated by the quantity of gold within this country. This was a matter of pride during the administration of "the greatest Secretary of the Treasury since Alexander Hamilton."

However, since evil days have set upon the Republican Party, erstwhile Republican virtues now seem to become Democratic vices in the mind of the gentleman from Massachusetts. It seems, from his observation, that it is wholly bad to take any payment whatever in gold, silver, or goods for our exported products, or to receive imports of any nature in exchange for our own wealth sent abroad.

THE SORROWS OF MR. TREADWAY

On the floor of the House, the gentleman from Massachusetts [Mr. TREADWAY] did not mention the name of the "very prominent Republican", but, on being questioned by Mr. BANKHEAD, he admitted that he had in mind Colonel Knox and further observed, "This gentleman enunciated views directly opposed to those which I hold and directly opposed to views that other men hold as well."

It would be interesting to ascertain whether or not the so-called tariff platform of the Republican Party more nearly conforms to the ideas expressed by Colonel Knox before the convention or whether it represents the views of the gentleman from Massachusetts, or whether or not it expresses anyone's point of view. The hodgepodge inconsistencies and the contradictions make the tariff plank meaningless. Every other sentence is a straddle.

Mr. Landon has expressed himself as being in favor of expanded foreign markets. He cannot do it by following his party platform. This much is clear, however, that there are Republicans who are unwilling to follow the Cleveland tariff platform but prefer the clear-cut program now being carried out by the Democratic Party. For example, Charles S. Haight, admiralty lawyer of New York and a Republican, stated, in defense of Mr. Hull's trade-agreements program, as follows in the Washington Post of June 18, 1936:

There are many persons in the Republican Party besides myself whose swords are drawn and, regardless of New Deal policies, will defend the movement to the utmost.

BENEFITS OF RECIPROCAL AGREEMENTS—THE TABLES PROVE THE CASE

The opposition, however, continues to make desultory attacks against the reciprocal trade agreements program. Every industry which thinks that it has been or may be injured sends up wail after wail that it is being "sold down the river." Far too little has been said and shown regarding the benefits received from the program. I have had made an official tabulation showing the concessions obtained from foreign countries in the 14 trade agreements thus far concluded. A glance at these tables will show that every State and every industry of the country has obtained better markets as a result of these agreements.

AMERICAN EXPORT PRODUCTS BENEFITING FROM RECIPROCAL-TRADE AGREEMENTS SIGNED THUS FAR

[Revised to June 15, 1936]

BY IMPROVEMENT OR STABILIZATION OF PREVIOUS MARKET POSITION IN PARTICULAR COUNTRY, WHETHER IN MATTER OF DUTIES, TAXES, QUOTAS, OR OTHER MEASURES

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Commodity groups (based upon United States classification of exports):	Pages
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EXPLANATION OF TERMS INDICATING, FOR EACH AGREEMENT COUNTRY, NATURE OF BENEFIT SECURED FOR PARTICULAR UNITED STATES PRODUCTS

Reduced=duty or other charges on imports reduced and bound.

Reduced MFFN or reduced MFN=duty or other charges on imports reduced under general extension of most-favored-foreign-nation treatment, but not bound as to amount. (The resulting reductions of this character, applying to a broad range of products, include in their scope some commodities of limited trade possibilities for the U. S.)

Bound=present duty or charges assured against increase.

Bound free=assurance against imposition of duty.

Quota removed=quantitative limitation entirely eliminated.

Quota increased=increase in quantity previously allotted to United States.

Quota assured=definite quantity assured admission from United States.

Embargo lifted=product previously prohibited importation now admitted.

Purchase agreement=undertaking to purchase specified amount or share from United States.

Special notation for Cuba

Preferential increased=rate to United States unchanged, but percentage of preferential margin below rate to other countries increased (whether rate is bound or not).

Reduced*=rate reduced but not bound, and preference increased.

Special notation for France

Import turn-over tax=in addition to the benefits indicated, numerous semifinished and finished manufactures (whether here listed or not) benefit by reductions in the French import turn-over tax from 4 percent and 6 percent, respectively, to 2 percent of the duty-paid value.

GENERAL NOTE.—This study does not attempt to list all products covered by each of the agreements, nor can it show in this brief compass the precise measure of improvement in a given situation or the level of the taxes, duties, or quotas on particular products resulting from each agreement. Full details and analyses of all the agreements concluded are available at each district office of the Bureau of Foreign and Domestic Commerce, to whom inquiries may be addressed, as well as to Washington.

Prepared in the Bureau of Foreign and Domestic Commerce, Department of Commerce, Washington, D. C.

American export products benefiting

A. GRAINS AND GRAIN

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3, 1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Wheat	152,145						Reduced MFFN
Wheat flour	78,502	Reduced [1]					do
Corn	19,537	Bound					Bound free [2]
Corn meal	1,611	Reduced (also flour)					Reduced
Cornstarch	7,165	Reduced	Duty bound Quota increased		Bound		Reduced MFFN
Barley	24,383	Bound (flour, grain) Reduced (meal)					Reduced MFFN
Malt	3,074	Reduced					Reduced MFFN (including sirup and extracts).
Rye	14,637	Bound (flour, grain) Reduced (meal)					Reduced MFFN (grain and flour).
Rice	10,753	Reduced [3]	Bound free		Bound (milled)		Reduced MFFN
Oats	4,066	Reduced					do
Oat flour		do				Reduced	Reduced
Oatmeal	4,277	do	Reduced			do	do
Crackers and biscuits	1,974	Bound or reduced					Reduced MFFN (unsweetened).
Breakfast foods, prepared.	884				Reduced (swelled or toasted).		Reduced MFFN
Macaroni, spaghetti, and noodles.	791						do
Hay	256	Reduced					do
Cottonseed cake	7,513	Reduced (and meal)			Bound free		
Linseed cake	12,465	do	Bound free License tax reduced. Quota removed		do		
Other selected feeds		Reduced or bound			Bound free (copra and other oil cake).		

Secondary or limited benefits:

(A) Cuba: Flours of unspecified grains—Bound.
(B) Cuba: Meals of unspecified grains—Reduced.
(C) Cuba: Wheat semolina—Reduced.
(D) Canada: Wheat semolina—Reduced MFFN.
(E) Canada: Soybeans—Reduced.
(F) Canada: Buckwheat, grain, meal and flour—Reduced MFFN.

from reciprocal-trade agreements signed thus far

PRODUCTS (INCLUDING FEEDS)

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see p. 10627)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
A: Purchase agreement.	Quota assured			Bound				Wheat.
do		Bound		do		Bound		Wheat flour.
}								Corn.
								Corn meal.
			Reduced	Bound	Reduced MFN		Bound	Cornstarch.
					Reduced MFN (and flour)			Barley.
			Reduced (extracts).		Reduced MFN			Malt.
}					Reduced MFN (and flour)			Rye.
A: Bound free in bulk. A: Bound (packaged) Quota assured	Bound Quota assured	}			Reduced MFN (whole milled)			Rice.
					Reduced MFN			Oats.
					do			Oat flour
A: Bound free [2] A: Bound [4] B: Bound	}	Reduced	Bound	Reduced				Oatmeal.
}		Reduced (unsweetened). Bound (if sweet).	Reduced (soda crackers).	}	Reduced MFN			Crackers and biscuits.
A: Bound free in bulk. B: Bound [4]	}	Bound	Reduced					Breakfast foods, prepared.
					Reduced MFN			Macaroni, spaghetti, and noodles.
								Hay.
								Cottonseed cake
								Linseed cake.
A: Quota assured (soybean cake).								Other selected feeds.

[1] Preferential increased, but limited to flour milled entirely from American-produced wheat; under Garber Act of United States, flour milled in United States with foreign wheat obtains no net advantage over foreign-milled wheat when exported to Cuba.

[2] Corn for manufacture of starch—Bound free; other corn (except for distillation purposes)—Reduced.

[3] Rolled oats in bulk—Bound free. Ratio of monopoly fee to fee on oats Bound resulting in reduced monopoly fee on rolled oats.

[4] Rolled oats and grits in packages—Bound. Ratio of monopoly fee to fee on oats Bound resulting in reduced monopoly fee on rolled oats.

[5] Corn, wheat, and rice flakes, and grits.

American export products benefiting from reciprocal

B. MEATS, FISH, AND

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3, 1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Pork:							
Fresh and frozen	2,336			Reduced			Reduced MFFN
Hams	28,478	Reduced	Quota assured				do
Bacon	21,269	do	do				do
Salted and pickled	4,860	do	do	Bound	Bound (salted)		do
Canned	3,313	do.*	Reduced (tongues)				do
Lard	98,331	do.[1]	Bound free; Quota assured	Reduced [6] (conditional).			Reduced MFFN (including lard oil).
Beef:							
Fresh and frozen	503			Reduced			Reduced MFFN
Salted and pickled	1,591			Bound			Reduced
Canned	838	Reduced *					Reduced MFFN
Horse meat, salted (1931)	563						Reduced
Sausage casings	6,578		Bound free				Reduced MFFN
Oleo oil, stock, and stearin.	10,231	Reduced (oleo oil) [1]; Bound (stearin) [1]					Reduced (oleo oil); Reduced MFFN (others).
Tallow	507	Bound [1]					Reduced MFFN
Fish:							
Fresh	2,061	Bound (oysters)					do; Reduced [5]
Salted	1,445	Reduced (mackerel)			Reduced (salmon and trout).		Reduced MFFN; Reduced (halibut)
Canned:							
Salmon	7,003	Reduced				Reduced	Reduced MFFN
Sardines	7,205	do	Reduced (pilchards).			Bound	do
Shellfish	857	do					Reduced (shrimps and lobsters. Reduced MFFN (oysters).
Prepared milk	13,980			Reduced		Reduced (powdered).	
Infants' food (malted milk, etc.).	677			do			
Butter	1,877			do			Reduced MFFN
Cheese	836			do			do
Eggs	6,215						
Poultry and game (including live, $302,000).	1,317						Reduced MFFN
Honey	765		Reduced				do

Secondary or limited benefits:
Cuba: Other canned fish—Reduced.
Colombia: Miscellaneous, fresh, salted, and canned meat and fish—Reduced.
Canada: Live animals (except for improvement of stock)—Reduced MFFN.
Canada: Beeswax—Reduced MFFN.
Canada: Fish oils, cod-liver oil—Reduced MFFN.
Honduras: Canned or smoked sausages—Reduced.
Guatemala: Sausages of all kinds—Bound.

trade agreements signed thus far—Continued

OTHER ANIMAL PRODUCTS

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see p. 10627)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
			Reduced	Reduced				Pork:
		Reduced	do	Bound				Fresh and frozen.
		do		do	Reduced MFN			Hams.
			Reduced	Reduced	Reduced MFN (certain cuts)			Bacon.
		Reduced	do	Bound				Salted and pickled.
A: Bound free [1]	Reduced / Embargo lifted / Quota assured		do	do		Reduced	Reduced (for limited quantity).	Canned.
			do	Reduced				Lard.
			do	do				Beef:
			do	Bound				Fresh and frozen.
A: Bound / A: Quota assured				Reduced				Salted and pickled.
	Bound							Canned.
A: Bound [2] / A: Bound free [4]								Horse meat, salted.
								Sausage casings.
								Oleo oil, stock, and stearin.
								Tallow.
			Reduced		Bound (salmon) / Reduced MFN (other)			Fish:
			do		Reduced MFN (including smoked).			Fresh.
B: Bound	Reduced	Reduced	do	Reduced	Quota assured, duty reduced			Salted.
	do	do	do	do	Reduced MFN (for limited quantity) (pilchards).			Canned:
	Reduced (shrimps).		do	do	Quota assured, duty reduced			Salmon.
								Sardines.
		Reduced or bound.	do	Red. (dried or powdered). / Bound (evap. or cond.)	Reduced MFN (condensed)	Reduced		Shellfish.
			do		Reduced MFN			Prepared milk.
		Reduced		Bound				Infants' food (malted milk, etc.).
				do				Butter.
					Reduced MFN			Cheese.
				Bound (canned).	do			Eggs.
								Poultry and game (including live, $302,000).
								Honey.

[1] If duty or tax is reduced on any edible fats and oils, impure corn, soybean, cottonseed oil, or edible tallow, oleo stearin, and nonspecified vegetable oils, a compensatory reduction is to be made on the oils and fats in the above categories.

[2] Pure lard and steam lard
[3] Oleo stearin and grease stearin } for manufacture of margarine, technical production, or reexport.
[4] Oleo oil, plus stearin, other than that fluid at 15° C.

[5] Lobsters, scallops, halibut, oysters shelled in bulk.

[6] 1 of the 3 products on which reduction does not become effective until Haitian budget for a given fiscal year is promulgated at 40,000,000 gourdes or more.

American export products benefiting from reciprocal

C. FRUITS, NUTS,

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3, 1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Fruits, fresh:							
Apples	29,826	Bound	Bound	Reduced	Reduced / Bound [1]	Bound free	Reduced
Pears	4,515	do	Reduced	do	Reduced [2] / Bound	do	do
Oranges	14,135						do
Grapefruit	3,060		Reduced		Reduced		do
Grapes	2,121	Bound		Reduced		Bound free	do
Other fresh fruits		Bound or reduced				Bound free (except citrous).	do. [4] / Reduced MFFN [6] / Bound free [7]
Fruits, dried:							
Prunes	13,575	Reduced	Reduced	Reduced	Bound free		
Raisins	10,170			do	Reduced		
Apples	3,563		Reduced (peeled) / Bound (other)		Bound free		Reduced MFFN
Apricots	3,345		Reduced	Reduced	do		do
Other dried fruits			Reduced (peaches, pears). / Bound (other)		Bound free (peaches, pears, and salad fruit).		do. [8]
Fruits, canned:							
Peaches	7,040	do	Reduced	Reduced	Reduced	Reduced	Reduced [10]
Pears	6,195	do		do	do		
Pineapples	4,049				do		
Apricots	2,682	Reduced		Reduced	do		
Grapefruit (1934)	1,578				do		
Fruits for salad	4,620	Reduced		Reduced	do		
Other canned fruits		do		do			do / Reduced MFFN [11]
Nuts	1,453	do					
Vegetables, fresh or dried:							
Potatoes, white	2,956	Bound Nov. 1–June 30. / Reduced July 1–Oct. 31.		Reduced (seed potatoes).			
Onions	744	Bound Nov. 15–June 15. / Reduced June 16–Nov. 14.					Reduced
Peas and beans, dried.	1,981	Reduced (peas and beans). / Bound (white beans)					do
Other fresh and dried vegetables.		Bound					do
Vegetables, canned	7,820						
Asparagus	2,533	Reduced				Reduced	do
Baked beans	979	Bound			Reduced	do	do
Peas	566	Reduced				do	do
Corn	484	do				do	do
Tomatoes	363	Bound					do
Soups	2,316	Reduced			Reduced	Reduced (not containing meat).	Reduced MFFN
Other canned vegetables.		Bound				Reduced	Reduced / Reduced MFFN (canned mushrooms).

[1] Reduced Jan. 1–Apr. 30; bound May 1–Dec. 31.
[2] Duty bound, monopoly fee seasonally reduced (limited).
[3] Reduced Dec. 31–Apr. 30; bound May 1–Nov. 30.
[4] Duty bound, monopoly fee reduced.
[5] Apricots, cherries, cranberries, peaches, plums and prunes, strawberries, cantaloupes, muskmelons, avocados, olives in brine.
[6] Olives and cherries not bottled.

trade agreements signed thus far—Continued

AND VEGETABLES

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see p. 10627)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
								Fruits, fresh:
A: Reduced [7] B: Bound	Quota assured	Bound			Quota increased		Reduced (Dec. 15–June 15).	Apples.
A: Reduced [7]	do	do			do		Bound	Pears.
			Reduced	Bound	Quota assured			Oranges.
A: Reduced [7]					Reduced		Reduced	Grapefruit.
B: Bound		Bound						Grapes.
	Quota assured (apricots).	do					Bound (plums)	Other fresh fruits.
								Fruits, dried:
A: Reduced [7]	Quota increased.				Reduced		Reduced	Prunes.
B: Bound	Duty bound or reduced.							
A: Reduced [7] B: Bound	Bound				do		do	Raisins.
do	Quota increased.	Reduced	do	do	Bound			Apples.
A: Reduced [7 8]	do				do	Reduced	Reduced	Apricots.
B: Bound	Duty reduced.							
do	Quota increased.				Bound (peaches and pears)		Reduced (pears, peaches, and salad fruit).	Other dried fruits.
								Fruits, canned:
							Reduced	Peaches.
							do	Pears.
A and B: Bound	Reduced	do	do	do	Reduced (unsweetened)	do	do	Pineapples.
							do	Apricots.
							do	Grapefruit.
					Reduced (certain unsweetened)		do	Fruits for salad.
								Other canned fruits.
			do					Nuts.
								Vegetables, fresh or dried:
			do					Potatoes, white.
								Onions.
					Reduced MFN	Bound (beans).		Peas and beans, dried.
			Reduced (tubers).					Other fresh and dried vegetables.
								Vegetables, canned:
A and B: Bound		Reduced			Reduced		Reduced	Asparagus.
B: Bound								Baked beans.
do		Reduced						Peas.
do	Bound (asparagus only).	do						Corn.
	Quota increased (all except tomatoes).		Reduced	Bound (not including soups).		Reduced		
do		do			Reduced MFN (low solid content)		Reduced (juice only).	Tomatoes.
								Soups.
B: Bound								Other canned vegetables.

[7] Lemons.
[8] Apricot kernels only.
[9] Including peaches and pears.
[10] Candied fruits, peels, and maraschino cherries, and fruit pulp canned or frozen—Reduced MFFN.
[11] Shelled almonds, peanuts, and walnuts—Reduced MFFN; all others—Reduced.

American export products benefiting from reciprocal

D. COTTON, TOBACCO, AND

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3, 1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Raw cotton, including linters.	765,674	Bound			Bound free		Bound free
Leaf tobacco	144,115	Reduced*	Bound				
Cottonseed oil, edible	1,313	do.[1]					
Soybean oil, edible	562	do.[1]					Reduced
Compound lard	1,643	do.[1]					Reduced MFFN
Cottonseed oil, crude	2,581	do.[1]					
Other vegetable oils		do.[1]					Reduced MFFN [2] Reduced [2]
Sirups and molasses	5,629						Reduced MFFN
Confectionery	2,521	Reduced				Reduced (chewing gum).	Reduced MFFN (candied sweets).
Jams and jellies	390	do				Reduced	Reduced MFFN
Cocoa and preparations	579	do					do
Spices	261						do.[4]
Sauces, seasonings, flavorings.		Reduced					do
Yeast	644						do
Seeds, field and garden	3,488						Reduced [5] Reduced MFFN
Trees, plants, and flowers	676						do Reduced [6]
Other vegetable products		Bound Reduced [7]		Reduced [8]	Bound (coffee substitutes).		Reduced MFFN [9] Reduced (maple sugar)

Secondary or Limited Benefits:

Cuba: Puerto Rican coffee—Reduced, conditional upon Cuban crop being insufficient for Cuban consumption.

[1] If duty or tax is reduced on any edible fats and oils, impure corn, soybean, and cottonseed oil, or edible tallow, oleo stearin, and nonspecified vegetable oils, a compensatory reduction is to be made on the oils and fats in the above categories.

[2] Linseed oil and olive oil—Reduced MFFN; vegetable oils, not specifically named in Canadian tariff—Reduced.

[3] Chocolate and milk mixtures, powdered.

E. LEATHER, FUR,

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3, 1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Raw hides and skins	9,022						Bound free
Upper leather	29,740	Reduced or bound	Quota assured [1]	Reduced (goat and kid, tanned and curried).		Reduced (colored or greased except reptile).	Reduced MFFN
Patent upper leather	10,392	Reduced	Bound Quota assured	Reduced (kid and sheep).	Bound	Reduced	
Other selected leathers		Reduced (in general)					Reduced MFFN [2]
Leather footwear	11,492	Bound (in general)					do
Selected leather manufactures.		Reduced* [4] Reduced (baggage)					do.[7]
Furs:							
Undressed	25,819						Bound free
Dressed	3,644						Reduced MFFN (including apparel).
Rubber tires	30,092	Reduced (pneumatic) Bound (solid)		Reduced [8]	Reduced	Reduced	Reduced MFFN
Inner tubes for tires	3,232	Reduced		do.[8]		do	do
Rubberized piece goods	1,606	Reduced (cotton) Bound (silk or wool)					do
Rubber boots and shoes, and canvas rubber-soled shoes.	8,629	Reduced (canvas footwear with rubber soles).					do
Rubber heels and soles	1,496	Reduced			Bound		do
Rubber belting and belts.	2,675	Bound (belting)	Reduced (belting)		do.[10]	Reduced (for machinery).	do
Rubber hose and tubing	2,678	Bound	Reduced			Reduced (certain weights).	do
Other rubber manufactures.		Bound (packing) Reduced* (in general)					Reduced MFFN (all)

[1] Painted, dyed, or morocooed leather, except goat, kid, sheep, and other small skins.

[2] Lining and chamois leather included.

[3] For manufacture of gloves and clothing and other leathers not further manufactured than tanned.

[4] Chamois, morocco, pig, and other small-animal skins.

[5] Fabric footwear (except of silk and artificial silk, plush, etc.) with soles of leather, rubber, etc.

trade agreements signed thus far—Continued

OTHER VEGETABLE PRODUCTS

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see p. 10627)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
A: Bound free	Bound						Bound free	Raw cotton, including linters.
A and B: Bound			Reduced	Bound	Monopoly purchase assurance			Leaf tobacco.
								Cottonseed oil, edible.
								Soybean oil, edible.
								Compound lard.
				Reduced				Cottonseed oil, crude.
								Other vegetable oils.
					Reduced MFN (molasses)			Sirups and molasses.
	Reduced (chewing gum).		Bound (chewing gum).					Confectionery.
	Reduced (fruit).							Jams and jellies.
			Reduced [3]					Cocoa and preparations.
								Spices.
			Reduced					Sauces, seasonings, flavorings.
			Bound					Yeast.
								Seeds, field and garden.
					Reduced MFN (subject to quarantine regulations).			Trees, plants, and flowers.
					Reduced MFN (refined sugar and alcoholic beverages).			Other vegetable products.

[4] Nutmegs, mace, pepper, and mustard.
[5] Timothy seed, broomcorn seed, parsley and lettuce seed.
[6] Nut trees for grafting stock—Reduced; other, except cut flowers—Reduced MFFN.
[7] Cottonseed oil residues.
[8] Inexpensive red and white wines.
[9] Wines, and certain other alcoholic beverages; peanut butter.

AND RUBBER PRODUCTS

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627.]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see p. 10627)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
								Raw hides and skins.
A: Quota assured [9]	Bound (goat and kid chrome-tanned).	Bound free	Reduced	Bound		Bound		Upper leather.
B: Bound								
do		do	do	do	Quota increased (certain types)	do	Bound	Patent upper leather.
				Bound (except sole, chamois, and parchment).	Quota increased (certain curried hides).	Bound (engraved, figured, etc.).		
			do.[4]		Reduced MFN (sole and most rough tanned).			Other selected leathers.
A: Quota assured			do.[5]		Reduced MFN			Leather footwear.
			Bound (transmission belts).		Reduced MFN (clothing, saddlery, belts, straps).			Selected leather manufactures.
								Furs: Undressed. Dressed.
A and B: Bound [9]	Bound. Quota increased.	Bound free	Bound	Reduced	Reduced MFN	Bound (except solid).	Reduced	Rubber tires.
do	Bound. Quota increased.		do	do	do	Bound	do	Inner tubes for tires.
					do			Rubberized piece goods.
A: Quota assured			Reduced [3]					Rubber boots and shoes, and canvas rubber-soled shoes.
			Bound		Reduced MFN	Reduced (heels).		Rubber heels and soles.
			do		do		Bound	Rubber belting and belts.
			do		do			Rubber hose and tubing.
		[6]	do		Quota increased (miscellaneous rubber manufactures). Reduced MFN (clothing, elastic fabrics, packing, hard-rubber products, and selected druggists' sundries).			Other rubber manufactures.

[6] Certain manufactures of saddlery, harness and shoe-making trades.
[7] Belting; harness and saddlery; leather board, whips.
[8] 1 of the 3 products on which reduction does not become effective until Haitian budget for a given fiscal year is promulgated at 40,000,000 gourdes or more.
[9] Reservation has been made concerning quotas on this product in Netherland India.
[10] Transmission and conveyor belts.

American export products benefiting from reciprocal

F. TEXTILE

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3, 1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Cotton yarn	13,488	Preference increased					Reduced MFFN
Selected cotton fabrics		Reduced or bound [1]					do
Cotton and rayon mixtures.	4,209	Reduced (knit fabrics)					do
Cotton hosiery	6,519	Reduced					do
Cotton shirts	1,978	do.[2]				Reduced (of woven fabric).	do
Other cotton wearing apparel.		do.[2]	Quota increased (collars, cuffs, etc., and women's clothing).				do
Selected cotton products	12,942	Reduced (toweling) Reduced[4] (blankets) Bound (cotton cordage)					Reduced MFFN (laces and embroideries).
Broad silk fabrics	3,529						Reduced MFFN
Silk hosiery	8,531	Reduced	Quota increased				do
Silk dresses, etc	1,627	Reduced (knit)	Quota increased (women's).				do
Other silk wearing apparel.		Reduced (knit wear)	do				do
Rayon fabrics, woven and knit (1928–30).	2,152	Reduced [4]					do
Rayon hosiery	3,418	do					do
Rayon wearing apparel		Reduced (underwear, knit).[3]					do
Wool apparel	2,209	Reduced	Quota increased (women's).				do
Jute bags	3,428						do
Linoleum and felt-base floor covering.	2,351	Reduced	Reduced (felt base).			Reduced or bound.	Reduced
Oilcloth	2,214	Reduced or bound	Reduced			Reduced	do
Waterproof fabrics and garments, excluding rubber.	1,655	do					Reduced MFFN
Artificial leather	2,964		Reduced		Bound [5]		Reduced
Corsets and related products.	1,845	Reduced or bound [3]					Reduced MFFN
Felt hats	2,222	Reduced[4] (men's and boys').				[6]	do
Absorbent cotton, gauze, and bandages.	2,278					Reduced	Reduced [7] Reduced MFFN
Textile small wares		Reduced [3]					Reduced [8]
Selected textile articles		Reduced or bound [3]			Bound [5]		Reduced MFFN [9]

Secondary or limited benefits:

Cuba: Rayon yarn—Preference increased; rayon gloves—Reduced.

[1] In general "Reduction" applies to the finer-woven cotton fabrics; no action on colored fabrics except dyed pique, on which duty is reduced; the rate on all cotton crepe is reduced; knit cotton fabrics in the piece—Bound.

[2] Certain unbleached fabrics—Bound; certain unbleached white and colored canvas—Reduced.

[3] These products when of knit fabric—Reduced; of woven fabric—Reduced or Bound; if fabric of which composed is reduced or bound.

[4] Except woven outerwear.

trade agreements signed thus far—Continued

PRODUCTS

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 1, 1936	Honduras, Mar. 2, 1936	Colombia May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see p. 10627)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
			Bound (more than 3 strands).	Bound	Reduced MFN (in general)			Cotton yarn.
A: Quota assured		Reduced (denim).	Bound / Reduced [2]	do	do			Selected cotton fabrics.
do					Reduced MFN			Cotton and rayon mixtures.
do		Bound	Bound		do	Bound		Cotton hosiery.
do		Reduced	Reduced	Bound	Reduced MFN (if woven)			Cotton shirts.
do			Reduced or bound (selected).		do			Other cotton wearing apparel.
		Bound free (bags).	Bound (blankets).		Reduced MFN (certain minor products).			Selected cotton products.
					Reduced MFN (certain types)			Broad silk fabrics.
A: Quota assured	Bound / Quota assured		Reduced	Bound	Quota increased			Silk hosiery.
do			Reduced (if knit).		Reduced MFN (if woven)			Silk dresses, etc.
A: Quota assured (outer and under clothing).			Reduced [4]		do			Other silk wearing apparel.
A: Quota assured					Reduced MFN (certain woven fabrics).			Rayon fabrics, woven and knit.
do	Quota assured		Reduced					Rayon hosiery.
			Reduced (excluding outerwear).		Reduced MFN (if woven)			Rayon wearing apparel.
A: Quota assured					do			Wool apparel.
		Bound free					Bound free (used).	Jute bags.
			Bound		Reduced MFN (inlaid linoleum)			Linoleum and felt-base floor covering.
			do		Reduced MFN (certain types)			Oilcloth.
A: Quota assured					do			Waterproof fabrics and garments, excluding rubber.
								Artificial leather.
			Reduced		Reduced MFN (certain types)			Corsets and related products.
								Felt hats.
			Bound		Reduced MFN (pharmaceutical cotton).			Absorbent cotton, gauze and bandages.
A: Quota assured (ribbons, tape, elastic bands, etc.).								Textile small wares.
A: Quota assured (wool fabrics and mixtures).			Reduced [10]					Selected textile articles.

[5] Unbleached woven rayon fabrics; rayon velvet and plush; knit fabrics and tulles; rayon open-work fabric and upholstering fabric.
[6] Articles for manufacture or assembly of automobiles.
[7] Absorbent cotton, gauze, and surgical dressings—Reduced; cotton bandages—Reduced MFFN.
[8] Badges, belts, regalia, etc.
[9] Batts, wadding, etc.; woven fabrics of jute; felt; blankets; gloves; webbing; rugs and carpets; woven fabrics of wool or hair ;rovings of vegetable fibers, silk, or rayon.
[10] Certain apparel of linen, hemp, ramie and similar materials—Reduced if woven—Bound if knit.

American export products benefiting from reciprocal

G. LUMBER, PAPER,

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3, 1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Unmanufactured timber	12,841	Reduced (gumwood) Bound [1]					Bound free
Sawed timber: Softwoods	17,296	do.[1]	Reduced or bound				do
Hardwoods	103		do				do
Boards, planks, etc.: Softwoods	54,703	Bound [1]					Reduced [2] Bound free
Hardwoods	27,467						Reduced [2] Bound free
Cooperage and cooperage stock.	9,373	Bound (assembled)					Reduced Bound free Reduced MFFN
Box shooks	3,744	Bound					Reduced
Veneers and plywood	3,287	Bound (plywoods)					Reduced MFFN [3]
Doors	3,411	Bound (of ordinary wood).					Reduced [4] Reduced MFFN
Furniture of wood	3,581	Bound [5] Reduced					do
Tool handles	2,157	Bound (of ordinary wood).			Bound		Reduced
Selected manufactures of wood.		Reduced [6] Bound	Bound [7]				Reduced MFFN [8]
Book paper, uncoated	1,936	do					Reduced
Wrapping paper	2,559	do "Cellophane" (preference increased).					do [9] Reduced MFFN
Surface coated paper	1,019	Reduced [10] Bound					do
Tissue and crepe paper	1,050	Reduced [11]					Reduced
Toilet paper	720	do					do
Boxboard (of paper and strawboard).	1,426	Reduced or bound					Reduced MFFN
Fiber insulating board and wallboard.	3,049						do
Writing paper	2,478	Reduced Bound [12]					Reduced
Paper bags	940	do					Reduced MFFN
Boxes and cartons	1,645	Reduced [14]					Reduced [13] Reduced MFFN
Other selected forest products.		Bound [15] Reduced					Reduced [17] Reduced MFFN

[1] Ordinary woods except pine and Douglas fir—Bound.
[2] Planed or dressed on one or both sides and edges are jointed, tongued and grooved—Reduced; when not manufactured to that state—Bound free.
[3] Plywood not further manufactured than glued and veneers of single ply under 3/32 in.
[4] Not less than 6 by 2 feet—Reduced MFFN; other—Reduced.
[5] Plain wood furniture—Bound; folding chairs and venetian blinds—Reduced.
[6] Packing cases of ordinary wood containing imports—Reduced; unspecified manufactures of wood—Bound.
[7] Carpentry work, other than wheel hubs, spokes, and rims.
[8] Corks, cork slab, and manufactures of corkwood; moldings of wood; churns, brooms, washboards; certain athletic equipment; picture frames; coffins and caskets; show cases.
[9] Oiled, coated, or embossed—Reduced; uncoated wrapping paper and "cellophane"—Reduced MFFN.
[10] Coated, sensitized, waterproofed, etc.—Reduced; metal covered—Bound.

trade agreements signed thus far—Continued

AND PRODUCTS

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see p. 10627)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
					Quota increased (certain species)			Unmanufactured timber.
A: Bound free (fir and pine).	Quota increased duty bound (Douglas fir).	Bound	Bound (planed only).		do			Sawed timber: Softwoods.
		Bound (except cabinet wood)	do		do			Hardwoods.
		Bound	do		Quota increased (certain species) (unplaned).			Boards, planks, etc.: Softwoods.
		Bound (except cabinet wood).	do		do			Hardwoods.
					Reduced MFN (certain types)			Cooperage and cooperage stock.
					do			Box shooks.
					Reduced MFN			Veneers and plywood.
					Reduced MFN (including sash, flooring, and certain mill work).			Doors.
					Reduced MFN (chairs and seats)			Furniture of wood.
					Reduced MFN (implement handles).			Tool handles.
					Reduced MFN (cork and products).			Selected manufactures of wood.
A: Quota assured								Book paper, uncoated.
do								Wrapping paper.
					Reduced MFN			Surface coated paper.
A: Quota assured								Tissue and crepe paper.
			Bound		Reduced MFN			Toilet paper.
A: Quota assured [12]					do			Boxboard (of paper and strawboard).
do	Quota increased. Duty reduced.				do			Fiber insulating board and wallboard.
do					Reduced MFN (plain)			Writing paper.
do					do			Paper bags.
do					Reduced MFN			Boxes and cartons.
do [18]					Reduced MFN (wall paper and vulcanized paper) [19]			Other selected forest products

[11] Towels, handkerchiefs and napkins—Reduced.
[12] Corrugated board, packing board.
[13] Writing paper not containing linen—Reduced; envelopes, bond paper, and letterheads—Bound.
[14] Only on those containing imported goods.
[15] Boxes of paper—Reduced; containers of fiberboard or paperboard—Reduced MFFN.
[16] Playing cards—Bound; newsprint, bottle caps, and filter paper—Reduced.
[17] Includes cigarette papers, stencil paper, paper shoe patterns, milk bottle caps, collar cloth of paper, sand paper and emery paper; pulpboard for wrapping; paper matting; vulcanized fiber sheets, etc.; newsprint; wood pulp—Reduced MFFN; wall paper and nonspecified manufactures of paper—Reduced.
[18] Parchment paper and various articles not specified.
[19] Certain machine made paper and rough cardboard—Quota increased; certain cut paper and cardboard, vulcanized fiber, uncut—Bound.

American export products benefiting from reciprocal

H. NONMETALLIC MIN

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926-30 (thousands of dollars)	Cuba, Sept. 3, 1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Gasoline	244,577				Bound		Reduced MFFN (including naphtha).
Kerosene	84,049						Reduced MFFN [1]
Lubricating oil	91,733						do
Lubricating greases	5,523						do
Fuel oil	42,278						
Paraffin wax	15,077		Bound free (crude and refined).				Reduced MFFN
Special petroleum preparations.							Reduced MFFN (vaseline and similar preparations).
Marble, granite, or other rough stone.	910						Reduced
Cement	2,854	Reduced (white) Bound (other)				Reduced (white). Bound (Portland, Roman, etc.).	
Glass, sheet or plate	1,146	Reduced (not ground, beveled, etc.).		Bound (plain, unmounted and plate and cylinder).			Reduced MFFN (plate glass, beveled, silver glass).
Glass containers	3,252	Reduced (ordinary)					Reduced MFFN
Table glassware	1,578	Reduced (all)					do
Electrical porcelain	1,473			Bound			do
Earthenware plumbing fixtures.	1,354	Reduced					Reduced MFFN (drain tiles and pipes).
Tile and brick (including refractory brick)	4,273	Bound (refractory only and cement roofing tiles.)					Reduced [2] Bound free [3] Reduced MFFN [2]
Artificial abrasives	6,615	Reduced (cloths and paper).			Bound [4]		do
Asbestos brake lining	1,147	Bound					do
Electrodes (for electric furnaces).	1,980				Bound Bound free [3]		do. [5]
Sulphur	14,850				do		
Salt	1,104	Reduced					Reduced MFFN
Phosphate, raw	4,927				Bound free		

Secondary or limited benefits:

Canada: Reduced—Articles of glass, not plate or sheet, designed to be cut or mounted.

Reduced MFFN—Plaster of paris, grindstones, building stone, sawn more than 2 sides; manufactures of marble and granite; roofing slate and manufactures of slate; plumbago ground and manufactures of; spectacles and other manufactures of glass; insulator cores for manufacture of spark plugs; lamp bulbs.

[1] Also illuminating oils over 30 cents per gallon.

[2] Paraffin and ceresin, pure, unmanufactured.

trade agreements signed thus far—Continued

ERALS AND PRODUCTS

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see p. 10799)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
	Quota increased.						Bound	Gasoline.
	do							Kerosene.
A: Bound free (in bulk).	Bound		Bound					Lubricating oil
	Quota assured							
	Bound							Lubricating greases.
	Quota increased.							Fuel oil.
	Bound [2]		Reduced (industrial use).		Reduced MFN			Paraffin wax.
	Bound (petrolatum).				Reduced MFN (petrolatum)			Special petroleum preparations.
								Marble, granite, or other rough stone.
A: Quota assured (Portland).								Cement.
					Reduced MFN (certain types)			Glass, sheet or plate.
					Reduced MFN			Glass containers.
			Bound (unmounted) Reduced (mounted).		Reduced MFN (certain types)			Table glassware. Electrical porcelain.
			Bound (sanitary water closets and requisites).		do			Earthenware plumbing fixtures.
					do			Tile and brick (including refractory brick)
		Bound			Quota increased (carborundum, powdered). [7]			Artificial abrasives.
			Reduced					Asbestos brake lining.
		Bound						Electrodes (for electric furnaces).
A: Bound free (in bulk).								Sulphur.
								Salt.
								Phosphate, raw.

[2] Firebrick of a class or kind not made in Canada; and building and paving brick—Reduced; firebrick of magnesite, silica, etc.—Bound free; other tile and brick—Reduced MFFN.

[6] Abrasive paper and polishing cloth, and synthetic grindstones.

[5] Electrodes, graphited—Bound; all other—Bound free.

[6] Electric light and arc carbons.

[7] Natural abrasives on cloth, wood, or paper, Quota increased.

American export products benefiting from reciprocal

I. METALS AND

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3, 1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Iron and steel bars and rods.	11,019	Preference increased					Reduced MFFN (including ferro-alloys).
Iron and steel plates and sheets.	42,630	Reduced* (plain) Reduced (others)					Reduced MFFN
Tin plate	27,388						Reduced [1] Reduced MFFN
Structural shapes	12,545	Reduced (not cut to measure).					Bound [4] Reduced MFFN
Rails (including railway track material).	9,121	Reduced* (except rails)					do
Pipes and fittings	28,822	Reduced* (except boiler tubes).		Bound			do
Iron and steel wire and manufactures (including nails).	13,687	Reduced* (wire, etc.) Reduced (nails)					Reduced [5] Reduced MFFN [6]
Nuts and bolts, etc.	2,476	Reduced					do
Castings and forgings	6,611	Reduced* (unspecified articles of cast iron).					Reduced [7] Reduced MFFN
Cutlery (razor blades, etc.).	9,687	Reduced* (in general, except scissors). Reduced (razor blades)					do
Hollow ware	1,905	Reduced*					Reduced [8] Reduced MFFN
Metal furniture	7,282	Reduced (except beds)				Reduced	do
Cooking and heating equipment, nonelectric.	5,412	Reduced* or Reduced					Reduced
Tools	17,907	do.[9]			Bound (hacksaw blades).	Reduced (steel files).	Reduced MFFN [10]
Hardware	8,454	Reduced (numerous items).					Reduced [11] Reduced MFFN (hinges, butts and screws).
Chains	2,543	Reduced*					Reduced [14] Reduced MFFN
Automatic scales (excluding coin operated).	942	Reduced				Bound	do
Refined copper	123,015	Reduced (bars)			Bound free (unwrought).		
Copper rods and wire	12,988	Reduced [15] Reduced* [15] Preference increased [15]					Reduced Reduced MFFN [16]
Selected copper manufactures.		Reduced or bound [17]					Reduced MFFN (all)
Selected brass and bronze manufactures.	15,862						Reduced MFFN Reduced [18]
Lead and products	10,305	Reduced* [19]					Reduced MFFN [20]
Nickel manufactures (and electroplated ware).	1,806	Reduced* (unspecified products).					Reduced [21] Reduced MFFN [22]
Zinc and manufactures	6,564	Reduced* [19]					Bound free [23] Reduced MFFN
Other metal products		Reduced Reduced* [24]					do.[25]

[1] Manufactures of tin plate—Reduced; containers of tin plate—Reduced MFFN.
[2] For containers.
[3] For other uses.
[4] Weighing over 35 pounds per linear yard—Bound; other structural shapes—Reduced MFFN.
[5] Including wire coated with other metals—Reduced.
[6] Woven or welded wire fencing; wire cloth or netting, of iron or steel, coated or not (according to size); pins of wire—Reduced MFFN.
[7] Axles and axle bars for vehicles other than railway—Reduced.
[8] Hollow ware coated with vitreous enamel—Reduced; other hollow ware—Reduced MFFN.
[9] Fine tools, and most others, except shears, pincers, and agricultural.
[10] Shovels and spades; axes; and certain precision tools.
[11] Builders', cabinet makers', upholsterers', and carriage hardware.
[12] Builders' hardware of brass or copper.
[13] Rivets, nuts, bolts, screws, nails, etc., of iron or steel.

trade agreements signed thus far—Continued

METAL MANUFACTURES

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see p. 10627)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
					Reduced MFN			Iron and steel bars and rods.
			Reduced		do			Iron and steel plates and sheets.
			Bound [2] Reduced [3]		do			Tin plate.
			Bound		do			Structural shapes.
					do	Bound free.		Rails (including railway track material).
			Bound		do			Pipes and fittings.
A: Quota assured			do		Reduced MFN (excluding nails)			Iron and steel wire and manufactures (including nails).
			do		Reduced MFN			Nuts and bolts, etc.
					Reduced MFN (certain castings)			Castings and forgings.
			Reduced (clippers and razor blades).		Reduced MFN (certain types)			Cutlery (razor blades, etc.).
								Hollow ware.
			Reduced	Reduced			Reduced (office desks and chairs).	Metal furniture.
	Reduced. Quota increased (oil burners and parts).		Bound (except large plants).		Reduced MFN (certain stoves and furnaces).			Cooking and heating equipment, nonelectric.
		Bound (hand tools).	Bound		Quota increased (saws, files, drills, and most other tools).			Tools.
A: Quota assured (locks and parts).			Reduced [12] Bound [13]					Hardware.
			do		Reduced MFN			Chains.
			do		Reduced MFN (heavy industrial)			Automatic scales (excluding coin operated).
A: Bound free (pigs, bars, and ingots).								Refined copper.
			Bound (wire only).				Bound (selected copper rods).	Copper rods and wire.
			Reduced (tubes and pipes).		Reduced MFN (pipe and hollow ware).			Selected copper manufactures.
					do			Selected brass and bronze manufactures.
					Reduced MFN			Lead and products.
					Reduced MFN (certain products)			Nickel manufactures (and electroplated ware).
A: Quota assured (sheet zinc).					do			Zinc and manufactures.
					Quota increased (certain aluminum products). Reduced MFN (most aluminum products).			Other metal products.

[14] Roller chain—Reduced MFFN; other chains of iron or steel—Reduced.
[15] Copper and alloy bars—Reduced; copper wire—Reduced*, Reduced, or Preference increased; copper wire gauze—Reduced.
[16] Copper wire twisted—Reduced MFFN; others—Reduced.
[17] Plates and sheets, nails, tacks, and certain unspecified manufactures—Reduced; pipe, bearings, notions, sanitary articles—Bound.
[18] Wire of brass insulated or not—Reduced; others—Reduced MFFN.
[19] Bars, plates, wire, and unspecified products—Reduced.*
[20] Except tea lead and lead in pigs and blocks.
[21] Nickel plated and electroplated ware—Reduced.
[22] Nickel household hollow ware and manufactures of nickel and German silver not plated—Reduced MFFN.
[23] Zinc strip, tubing, and dust, etc.—Bound free; manufactures of zinc—Reduced MFFN.
[24] Nickel bars, plates, powder, wire—Reduced; tin bars, plates, wire—Reduced*; tin pipes and containers—Reduced.
[25] Including water pumps for domestic use, buckles, needles, metal signs, pulleys, lighting fixtures, gas meters, lamp shades and holders, bathtubs, sinks; phosphor tin and bronze; steel balls; steel wool; skates; window-shade rollers.

American export products benefiting from reciprocal

J. MACHINERY AND ELECTRICAL

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3, 1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Cultivating implements	25,433	Reduced; Preference increased			Bound (plows and harrows)	Bound free	Reduced
Harvesting machinery	25,744	Reduced; Preference increased			Bound	do	do
Tractors and parts	58,724	Bound				do	Bound free; Reduced (including engines and parts)
Power-generating machinery (excluding electric and automotive)	25,239	Reduced (including windmills)					Reduced [1]; Reduced MFFN
Construction and conveying machinery	22,188	Reduced (in general); Round (cane loaders)					Reduced [3]; Reduced MFFN
Mining, well, and pumping machinery	43,778	Reduced				Reduced (pumps)	Reduced or; Reduced MFFN
Metal-working machinery	30,383	do					Reduced
Textile machinery	11,408	Reduced or bound					do
Sewing machines	6,270	do		Reduced		Bound	Reduced MFFN
Printing and bookbinding machinery	16,097	Reduced			Bound free (typesetting)	Bound (typesetting)	Reduced; Bound free [4]
Other industrial machinery		do.[5]			Bound [6]	Bound [7]	Reduced [8]; Reduced MFFN [9]
Power-plant equipment	19,727	do		Bound			Reduced or; Reduced MFFN
Batteries	8,944	do		do		Reduced (dry)	do
Motors, starters, controllers	14,647	do		do			Reduced [11]; Reduced MFFN
Incandescent light bulbs	4,712	Preference increased		do			
Household appliances	8,870	Reduced				Bound (washing machinery)	Reduced [12]
Electric household refrigerators	7,084	do		Bound		Bound (also larger units)	Reduced (including commercial)
Radio apparatus	15,259	Reduced (including tubes and accessories)	Reduced (including tubes)	Reduced [14] (conditional)		Reduced or bound (including tubes)	Reduced
Telephone and telegraph apparatus	6,138	Reduced		Bound		Reduced or bound	do
Other electrical apparatus and equipment	17,330	Reduced (in general)		do.[15]			Reduced MFFN [16]
Accounting and calculating machines	12,021	Reduced	Reduced or bound [17]			Bound	Reduced
Cash registers	8,069	do	Reduced			do	Reduced MFFN
Typewriters	20,962	do	do			do	
Dictating machines (including cylinders)			do				Reduced MFFN

[1] Including engines, chassis, chassis frames, and other under frames.
[2] Windmills and portable engines, diesel engines—Reduced; internal-combustion engines, steam engines, boilers, magnetos and parts—Reduced MFFN.
[3] Concrete mixers, traction ditching machines; cranes and derricks; steam shovels—Reduced; concrete paving machines; ditching machines—Reduced MFFN.
[4] Typecasting and typesetting machines—Bound free; other printing machinery and bookbinding machinery—Reduced.
[5] Including meters, gages, etc., for machinery; machinery for manufacture or refining of sugar or alcohol—Reduced.
[6] Cylinders, slide boxes, and other miscellaneous machine parts—Bound.
[7] Includes small machinery as used in homes and stores such as knife and tool sharpeners, for cutting meat, paper, cloth, bread, cork, grinding corn, washing glasses, bottles, dishes, ironing and wringing clothes, chopping and shredding foods and tobacco—Bound.
[8] Logging machinery, fire engines, fish-preparing machinery, street-cleaning machinery, machinery for converting "cellophane", veneer drying machinery, bakery machinery, milk clarifiers, wire stitchers, ball and roller bearings—Reduced.
[9] Pasteurizers, machinery for sawing lumber, cylinder stave saws, machinery for making fish nets, clothes wringers, leather tanning machinery, certain dairy machinery, lawn mowers—Reduced MFFN.

trade agreements signed thus far—Continued

APPARATUS (USUALLY INCLUDING PARTS)

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see p. 10627)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
			Bound		Quota increased			Cultivating implements.
			do		do			Harvesting machinery.
A: Bound [1]			do		do	Bound free		Tractors and parts.
			do		Quota increased (stationary and marine steam engines). Reduced MFN (light steam engines).	do		Power generating machinery (excluding electric and automotive).
			do		Reduced MFN (heavy cranes, hoists, excavators, road machinery, concrete mixers).	do		Construction and conveying machinery.
			do		Reduced MFN (certain heavy mining and drilling machinery).	do		Mining, well, and pumping machinery.
			do		Quota increased (pneumatic tools and hammers).	do		Metal-working machinery.
			do		Reduced MFN (in general)			Textile machinery.
			do		Reduced (sewing-machine heads)			Sewing machines.
A: Bound (copy and letter presses).	Bound (typesetting and bookbinding).		Bound (except presses and blocks).		Quota increased (presses) Reduced MFN (typesetting)			Printing and bookbinding machinery.
			Bound (all).		Quota increased (certain refrigerating apparatus). Reduced MFN [17]	Bound free.[10]	Bound (refrigerating machines).	Other industrial machinery.
			Bound		Reduced MFN (certain generators and transformers).	do		Power-plant equipment.
			do		Reduced MFN (most dry batteries).	Bound		Batteries.
			do		Reduced MFN (motors, certain weights).	Bound free.		Motors, starters, controllers.
			do		Reduced MFN (certain types)			Incandescent light bulbs.
			do					Household appliances.
A and B: Bound	Bound [13] Quota increased.				Quota increased		Bound	Electric household refrigerators.
	do		Bound (including tubes).	Reduced (receiving sets).	Quota increased (radios, tubes, and parts).	Bound		Radio apparatus.
			Bound					Telephone and telegraph apparatus.
					Reduced MFN (certain heavy apparatus). Quota assured (circuit breakers) Quota increased (certain measuring instruments).			Other electrical apparatus and equipment.
A and B: Bound	Bound Reduced [18]		Reduced	Bound			Bound (calculating).	Accounting and calculating machines.
	do		do		Reduced (certain weights; and parts).		Bound	Cash registers.
A and B: Bound	do		do	Bound	Quota increased	Bound	Bound (including duplicating machines.	Typewriters.
								Dictating machines (including cylinders).

[10] Ice-making, refrigerating, woodworking machinery and sawmills, and machinery for manufacture of sugar, cigarettes, chocolate, shoes, hats.
[11] Electric motors—Reduced; other motors, etc.—Reduced MFFN.
[13] Vacuum cleaners and washing machines; cooking and heating apparatus (electric only).
[13] Includes other electric refrigerators and refrigerator cabinets of all kinds and parts of refrigerators, etc.
[14] Includes receiving apparatus only (1 of the 3 products on which reduction does not become effective until Haitian budget for a given fiscal year is promulgated at 40,000,000 gourdes or more)—Reduced; rate on transmitting apparatus is bound and is not affected by the conditional limitation.
[15] Includes transformers, switchboards, switches, arc lights, fans, buzzers, meters, insulators and insulation materials.
[16] Fuses, lightning arresters, meters, sockets, ignition apparatus, switches, sadirons, dental engines.
[17] Refrigerating, air-conditioning, heavy petroleum-refining machinery, chemical-plant equipment, and certain other heavy industrial machinery.
[18] Accounting machines—Reduced; calculating machines—Reduced or bound according to weight.

American export products benefiting from reciprocal

K. AUTOMOBILES AND

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3 ,1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Motortrucks, busses, and chassis.	75,190	Reduced		Bound	Bound (chassis only)	Reduced	Reduced MFFN
Passenger cars and chassis.	197,649	do	Reduced	do	Bound	Reduced (cars only).	do
Automobile engines	10,456	do	do	do	do.[2]		do
Automobile parts for assembly.	62,237	do	Reduced (selected).	do	do	Reduced	Reduced MFFN (most)
Automobile parts for replacement.	52,187	do	do	do	Bound (in general)	do	do
Automobile accessories	8,277	do		do	Bound [1]	do.[3]	Reduced MFFN
Automobile service appliances.	6,927	Reduced (selected)				Reduced (gasoline pumps).	Reduced or Reduced MFFN
Engines, parts, and accessories for aircraft.	2,264	Reduced					do
Aircraft	2,643	Bound					do
Motorcycles and parts	5,279	Reduced				Bound (cycles).	Reduced
Motorboats and engines (except diesel).	3,370	Bound[4]					Reduced MFFN [6]
Locomotives		Reduced					do
Railway cars and parts	12,396	Bound (mine cars) Reduced (other)					do
Other vehicles and accessories.		Reduced (velocipedes, bicycles, etc.).					Reduced [7] Reduced MFFN [8]

[1] Surtax on passenger cars or chassis with list prices over $1,000 (United States currency) eliminated.
[2] If for the manufacture or assembly of automobiles.
[3] Instruments, mirrors, horns, etc.
[4] Motors, batteries, instruments, etc.—Bound.

trade agreements signed thus far—Continued

OTHER VEHICLES

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see p. 10627)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
A and B: Bound	Quota increased.	Bound free.	Reduced (with pneumatic tires only).	Bound			Bound	Motortrucks, busses, and chassis.
do	Bound Quota increased.	do	Reduced	Reduced [1]	Quota increased (cars, bodies, chassis). Duty reduced (chassis, limited quantity).		Bound (except light).	Passenger cars and chassis.
do			Bound (if separate).					Automobile engines.
B: Bound			Reduced		Quota increase (certain parts and accessories). Reduced (spark plugs and parts). Bound (certain other parts including shock absorbers, gears, transmissions steering app., axles, brakes).		Bound (certain parts and accessories).	Automobile parts for assembly.
do			do					Automobile parts for replacement.
do								Automobile accessories.
		Bound (certain hand tools).	Bound (selected).					Automotive service appliances.
B: Bound (engines and parts).			Bound [4] Reduced (parts in general).		Reduced MFN (certain parts)			Engines, parts, and accessories for aircraft.
					Reduced MFN (dutiable as parts)			Aircraft.
			Reduced (cycles).		Reduced MFN (certain parts)			Motorcycles and parts.
B: Bound (engines and parts).			Bound (engines if separate).		Reduced MFN (boats)			Motorboats and engines (except diesel).
B: Bound free (engines for rail traction).						Bound free (including tenders).		Locomotives.
					Reduced MFN (freight cars)			Railway cars and parts.
			Reduced (parts).		Reduced MFN (wagons and trailers).			Other vehicles and accessories.

[3] Less than 200 tons; includes dredges, scows, etc.
[6] Engines for use in fishing boats only.
[7] Farming and logging wagons and sleds—Reduced.
[8] Buggies, children's carriages and sleds, carts and wheel barrows, road scrapers, bicycles—Reduced MFFN.

American export products benefiting from reciprocal

L. CHEMICALS AND

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3 ,1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Benzol	7,049						Reduced MFFN
Colors	6,300	Bound	Bound free (aniline dyes).				
Other coal-tar products			Bound free (coal tar).				
Biologics	2,036	Bound					Reduced MFFN (selected)
Tablets, pills, powders, etc.	17,657	Reduced†		Reduced†			Reduced MFFN
Proprietary medicinal preparations.		(†)		Reduced (not over 14 percent alcohol).†			do
Other medicinal and pharmaceutical preparations.		Bound† (pharmaceutical specialties).		Reduced†			Reduced MFFN (most)
Industrial alcohols	913	Reduced* (wood alcohol).					
Borax	2,625	Reduced					
Caustic soda	3,363	Bound					
Other industrial chemicals.		Reduced* and Reduced [3]	Bound (acetone)				Reduced [4] Reduced MFFN [5]
Carbon black	5,815	Reduced* (vegetable for sugar refining).			Bound		Bound free
Ready-mixed paints and enamels.	7,961	Bound				Reduced	Reduced MFFN
Varnishes and lacquers	2,585	do	Reduced (with alcohol).			Reduced (cellulose base).	do
Other pigments, paints, and varnishes.		Bound or Reduced					do
Fertilizers and materials.	17,917				Bound free (raw phosphate).		Reduced [6] Reduced MFFN [7]
Explosives, fuses, etc	4,072	Reduced (in general)					do
Soap	8,118	Bound or reduced [9]			Reduced (shaving soap and cream).	Reduced (scouring and common).	do.[10]
Dentifrices	3,109	Reduced			Reduced		
Cosmetics	2,078	do					
Other soap and toilet preparations.		Reduced (in general)					
Insecticides, disinfectants, and deodorants.	4,776	Reduced*					Reduced MFFN (insect powder).
Synthetic plastics and manufactures.	3,240	do					Reduced MFFN
Baking powder	1,705	do.*			Reduced		do
Inks	1,912	do.* [12]					Reduced [13] Reduced MFFN
Polishes (metal, wood, and auto).	2,069	Bound					do
Rosin	20,008		Bound free		Bound free (gum and wood).	Reduced	
Turpentine	8,851					do	
Other naval stores			Bound free (gums, except white).				

†GENERAL NOTE.—Assurance has been given that American exporters of medicinal and pharmaceutical preparations will not be required to comply with formalities impossible of fulfillment in the United States because of the lack of a duly authorized Federal agency.

[1] Coal-tar derivatives for manufacture of aniline dyes.

[2] Except medicinal wines and injections other than quinine and biologicals.

[3] Liquid carbonic acid—Reduced*; acetic acid—Reduced*; salts of ammonia, except sulphate, chlorides of potassium and calcium, sulphates of potash, soda, iron, magnesium, barium, salts of copper, alum, oxide and carbonate of magnesia, and hyposulphites—Reduced; sulphonated oils and fats—Reduced; bleaching powders—Reduced; albumen, fibrin, gelatin, etc., and industrial glue—Reduced; mucilage, paste, etc.—Reduced. (No preference increase on carbonic and acetic acids.)

[4] Sodium compounds, acetic acid, compounds of tetraethyl lead—Reduced.

[5] Calcium molybdate, potassium chlorate, acetic acid crude, stearic acid, nitric acid, sulphuric and muriatic acids, hydrogen peroxide—Reduced MFFN.

trade agreements signed thus far—Continued

RELATED PRODUCTS

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627.]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936. (For turn-over tax, see. p. 10627)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
								Benzol.
			Bound (unprepared mineral colors only).		Reduced MFN (in general)			Colors.
	Bound [1]					Bound (pharmaceutical only).		Other coal-tar products.
			Reduced		Reduced MFN	Bound		Biologics.
		Bound or reduced.†	do.†	(†)	Reduced MFN (in retail packages).	Reduced†		Tablets, pills, powders, etc.
		do.†	do.†	(†)	do	do.†		Proprietary medicinal preparations.
		do.†	Reduced [2]† Bound (quinine)	(†)	do	do.†		Other medicinal and pharmaceutical preparations.
					Quota increased (butyl alcohol and acetate).			Industrial alcohols.
A: Bound free (in bulk).					Reduced MFN (limited quantity)			Borax.
					Reduced MFN			Caustic soda.
			Bound (nonspecified).		Quota assured (hydraulic lime) Reduced MFN (certain acids and nicotine [11]).			Other industrial chemicals.
								Carbon black.
			Reduced	Bound (excluding enamels).		Reduced		Ready-mixed paints and enamels.
			do	Reduced	Quota increased (certain varnishes).	do		Varnishes and lacquers.
			Bound (unprepared chemical colors).	Bound (paste paint). Reduced (enamels).	Quota increased (certain paint products). Reduced MFN (certain pigments).			Other pigments, paints, and varnishes.
A: Quota assured [3] B: Quota assured								Fertilizers and materials.
			Bound (black hunting powder and powder for mines).		Reduced MFN (dynamite and detonators).			Explosives, fuses, etc.
		Reduced (bath and toilet).	Reduced (shaving cream in tubes and shampoos only).					Soap.
			Reduced		Reduced MFN (if containing alcohol).			Dentifrices.
			do		do			Cosmetics.
			Reduced (perfumery and toilet water).		do			Other soap and toilet preparations.
		Bound or Reduced (proprietary).	Bound					Insecticides, disinfectants, and deodorants.
					Reduced MFN (certain types)			Synthetic plastics and manufactures.
			Bound		do			Baking powder.
			Bound (printing and lithographing only).		Reduced MFN (certain writing inks).			Inks.
			Bound					Polishes (metal, wood, and auto).
A: Bound free (in bulk).			do					Rosin.
A: Bound free (vegetable).			do		Reduced MFN (spirits)			Turpentine.
			Bound (pitch)		Reduced MFN (certain gums)			Other naval stores.

[6] Manufactured fertilizers, superphosphate and phosphate of lime, sodium nitrate—Reduced.
[7] Dried blood, potash—Reduced MFFN.
[8] Nitrate, Chilean, including synthetic.
[9] Common bar washing soap—Bound; medicinal soap—Bound; other soaps—Reduced.
[10] Harness soap, liquid soap, toilet soap, and powdered soap.
[11] Chromates and bichromates of soda and potassium—Reduced MFN up to fixed annual quantities only.
[12] Writing, drawing, printing, and lithographic inks included, but on first two there is no preference increase.
[12] Printing ink—Reduced.

American export products benefiting from reciproca

M. SPECIALTY AND MISCEL

[Countries listed in order of effective dates of agreements, indicated under each; if

Classes of products involved (Not necessarily including all products in every class)	Total value of average annual United States exports 1926–30 (thousands of dollars)	Cuba, Sept. 3, 1934	Belgium, May 1, 1935	Haiti, June 3, 1935	Sweden, Aug. 5, 1935	Brazil, Jan. 1, 1936	Canada, Jan. 1, 1936
Motion-picture projectors (including sound equipment).	8,467	Reduced (sound) Preference increased (silent).					Reduced
Photographic films	4,272	Reduced					do
Motion-picture films	8,942	Bound (sensitized and exposed).			Bound (developed)	Bound	Reduced MFFN [1]
Optical goods	2,763	Reduced (optical frames)					do
Dental instruments and supplies.	2,832						do
Selected scientific instruments and apparatus.		Reduced					Reduced MFFN (including surgical instruments).
Pianos and player pianos.	3,251	Bound					Reduced MFFN
Phonographs and records.	8,563	Bound (records)					do
Cigarettes	16,137	Reduced	Bound	Bound			
Smoking and chewing tobacco.	1,501	do [2] do [3]					
Pencils and pens	3,778	Reduced [4] Bound					Reduced MFFN
Selected office supplies		Reduced (carbon paper)					Reduced MFFN (carbon paper).
Toys	2,594	Reduced					Reduced
Athletic goods and equipment.	2,318	do					Reduced MFFN [5]
Firearms and ammunition.	5,509	Reduced (empty cartridges).					do
Books and pamphlets	24,295						Reduced MFFN (books).
Magazines							Reduced [6] Bound free
Advertising matter							Reduced MFFN [7]
Other selected printed matter.		Reduced (playing cards)					Reduced [8] Reduced MFFN Bound free
Clocks, watches, and jewelry.	3,251	Reduced (clocks and parts).					Reduced [10] Reduced MFFN
Composition roofing	1,901						do
Chemical fire extinguishers.	341	Reduced					Reduced
Brushes	1,624	Reduced (including tooth brushes).					Reduced MFFN (brushes) (bristles bound free).

Secondary or limited benefits:

Cuba: Photographic paper—Reduced.

Netherlands: Matches (folder)—Quota assured.

Canada: Fancy cases, purses, etc.; window shades on rollers; stereotypes, electrotypes for newspaper advertisements, etc.; engravers' plates, etc.; frames for manufacture of purses; candles; ornaments, fans, statues; coverings on imported goods; cameras and parts; other musical instruments, all Reduced MFFN except brass band instruments of a class or kind not made in Canada which are Reduced.

[1] Exposed; negatives; and positives under 1⅛ inches in width.

[2] Smoking tobacco and cigars—Reduced without binding and preference increase; chewing tobacco—Reduced.

[3] Steel pens, lead and colored pencils—Reduced; copper pens—Bound.

trade agreements signed thus far—Continued

LANEOUS MANUFACTURES

effective date not yet set, in order of signature. For explanation of terms used, see p. 10627]

Netherlands (A) and Indies (B), Feb. 1, 1936	Switzerland, Feb. 15, 1936	Honduras, Mar. 2, 1936	Colombia, May 20, 1936	Guatemala, June 15, 1936	France, June 15, 1936 (For turn-over tax, see. p. 10762)	Nicaragua, signed Mar. 11, 1936	Finland, signed May 18, 1936	Classes of products involved (Not necessarily including all products in every class)
			Reduced (including magic lanterns).					Motion-picture projectors (including sound equipment).
			Bound (X-ray film).					Photographic films.
			Reduced (other).					
			Reduced		Duty bound, present exhibition status assured for American films.		Bound (developed films).	Motion-picture films.
			Bound (selected).		Reduced MFN (eyeglasses)			Optical goods.
			Bound		Quota increased and duty reduced (artificial teeth).			Dental instruments and supplies.
			Bound (most)		Reduced MFN (certain types)			Selected scientific instruments and apparatus.
								Pianos and player pianos.
			Reduced (paper disks, bound).					Phonographs and records.
			Reduced					Cigarettes.
			Reduced (cut only).					Smoking and chewing tobacco.
			Bound (pencils)		Reduced (fountain pens, automatic pencils, pens and pencil holders and parts).			Pencils and pens.
A: Quota assured (office books).			Reduced [4]					Selected office supplies.
			Bound					Toys.
					Reduced MFN (gymnasium apparatus).			Athletic goods and equipment.
					Reduced MFN (certain types)			Firearms and ammunition.
A: Quota assured					Reduced MFN (leather bound)			Books and pamphlets.
					Reduced MFN (if containing over two-thirds advertising matter).			Magazines.
A: Quota assured			Bound free (catalogs).		Reduced MFN (in general)			Advertising matter.
			Reduced (other).					
do.[9]			Bound (prints, etc).		do			Other selected printed matter.
			Reduced (other pamphlets).					
					Reduced MFN (clocks and watches).			Clocks, watches, and jewelry.
					Reduced MFN (certain types)			Composition roofing.
			Bound free		do			Chemical fire extinguishers.
			Reduced (tooth brushes).					Brushes.

[4] Typewriter ribbon—Reduced; carbon paper and pencil sharpeners—bound.
[5] Wood golf club shafts, rough; 10-pin blocks, rough; billiard tables; cricket equipment; fishing rods and tackle, racquets, balls, bats, canes, guns.
[6] Magazines for educational, scientific, religious purposes, etc.—Bound free; other magazines regardless of advertising content—Reduced.
[7] If imported by mail duty is Bound at 2 cents for each package of 1 ounce or less.
[8] Periodical publications, tourist literature, picture postcards, newspapers supplements—Reduced; newspapers, unbound—Bound free; time tables, rate books, labels tags, tickets, pictures, maps, decalcomania transfers, bank notes, commercial blanks, sheet music, newspapers—Reduced MFFN.
[9] Wrapping paper, cardboard, parchment paper, envelopes, bags, etc., if printed; sheet music, printed matter.
[10] Watch cases, and parts—Reduced; all other—Reduced MFFN.

A POLISH TRIBUTE

Mr. FENERTY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a brief article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FENERTY. Mr. Speaker, under the unanimous consent accorded me, and in order to express my appreciation to a great newspaper for a very laudatory article concerning me, I include in my remarks the following from the Philadelphia Polish Star (Gwiazda) of June 7, 1936:

[From the Polish Star of June 7, 1936]

CLARE GERALD FENERTY, A GREAT FRIEND OF ALL THE POLISH PEOPLE—CONGRESSMAN SEEKS TO HAVE PULASKI DAY DECLARED PERMANENT HOLIDAY—APPOINTS POLISH BOYS TO WEST POINT AND ANNAPOLIS

The love for the Polish people by Americans and the respect and admiration accorded them through their various achievements are no better exemplified than in the interest shown by Congressman CLARE GERALD FENERTY.

Always kindly disposed toward the Poles and their well-being, Congressman FENERTY has shown on numerous occasions that he has the interest of the Polish people at heart, for which the Poles owe him a great deal of gratitude.

Only 3 months ago Mr. FENERTY succeeded in appointing a Port Richmond Polish boy to Annapolis. At the same time he appointed another Polish boy to West Point. In doing this he becomes the first Philadelphia Congressman to ever appoint Polish boys to the Naval Academy and the Army.

Last year CLARE FENERTY waged a bitter battle urging Congress to make Pulaski Day, October 11, a permanent memorial holiday. "Just as his memory is greater than all the ages", said the noted Congressman in his address about General Pulaski, "so the observance of his achievements should be equally enduring and perpetual."

CLARE GERALD FENERTY was born in Philadelphia, at 2618 East Thompson Street, where he now lives. He is a graduate of St. Joseph's College, with the degree of bachelor of arts; graduate of the University of Pennsylvania Law School, with the degree of Bachelor of Laws; Hahnemann Medical College, with the honorary degree of doctor of laws, 1935; St. Joseph's College, honorary degree of doctor of jurisprudence, 1936; veteran of the World War, serving with the United States Navy in France, 1917–18; now a senior lieutenant in United States Naval Reserve; member of law faculty of the Wharton School, University of Pennsylvania, for 5 years; appointed by court as member of Philadelphia Board of Law Examiners, 1928 to present; assistant district attorney, 1928–35; elected to the Seventy-fourth Congress on November 6, 1934, having a substantial majority over the combined vote of the Democratic candidate and the candidate of the Industrial Recovery Party, the former Republican Member of Congress from this district.

While at St. Joseph's College and high school and the University of Pennsylvania Law School, he took the highest honors of his class, and represented St. Joseph's College in winning the oratorical championship of American colleges.

In 1934 he married Miss Miriam Elizabeth Loughran, of Hazleton, Pa.

This coming Monday, Mr. FENERTY will receive the degree of doctor of laws from Loyola College, Baltimore.

With all his innumerable activities, Mr. FENERTY nevertheless manages to find time to spend with his many Polish friends. Last Friday night, he delivered an address on Marshal Pilsudski, at memorial exercises at St. Laurentius Hall. He attends many Polish gatherings and is a member of numerous Polish societies.

In his fight for having Pulaski Day made a permanent holiday, Congressman FENERTY introduced a resolution which not only directed the President to proclaim October 11 of each year as General Pulaski's Memorial Day but also authorized the Postmaster General to issue a special series of postage stamps in honor of the beloved Polish patriot. "In honoring the courage and fidelity of Pulaski", Mr. FENERTY said, "we are paying tribute to the brave land that gave him birth and gladly yielded him to us in our effort to liberate America from British rule. As long as America lives, American hearts will thrill to the name and the fame of Poland's immortal son."

Mr. FENERTY's bill passed both the Senate and the House, but was vetoed by President Roosevelt.

In addition to the Pulaski holiday bill, Congressman FENERTY introduced a bill to have $3,000,000 allotted for the opening of Cramps' Shipyard, a bill which the Democrats are now trying to kill. The reopening of Cramps' and its effect on the numerous now unemployed Polish and American workers in the northeast can readily be realized. With his characteristic zeal, Mr. FENERTY is introducing bills also for paying the soldiers' bonus, for the prevention of war, for the prevention of religious persecution in Mexico, to withdraw recognition of Soviet Russia.

Numerous other bills to aid labor and industry in northeast Philadelphia are likewise receiving his endorsement.

Mr. FENERTY has the support of all labor groups, and, barring unforeseen and most unusual circumstances, he should be reelected by a majority twice as large as that of 2 years ago.

CLARE GERALD FENERTY has proven himself a true friend of the Polish people. It is now their duty to reciprocate his genuine and heartfelt altruism.

Mr. DICKSTEIN. Mr. Speaker, I make the point of order there is not a quorum present.

Mr. CARTER. Will the gentleman withhold his point of order for a unanimous-consent request?

Mr. DICKSTEIN. I withhold it for unanimous-consent requests, but I reserve my right to press the point.

PARTICIPATION OF POLISH FORCES IN THE ALLIED ARMIES DURING THE WORLD WAR

Mr. PETTENGILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection.

There was no objection.

Mr. PETTENGILL. Mr. Speaker, at my request, Mr. H. A. McBride assistant to Hon. Cordell Hull, Secretary of State, has prepared the attached memorandum of the participation of Polish forces in the allied armies during the World War. Mr. McBride had an unusual opportunity at first hand to become familiar with the facts set forth on account of his service in Europe during the war and in the demobilization period which followed. So far as I know, this is the first time this information has been assembled. It is of such value as a historical document that it ought to be preserved where it can be widely read, and for that reason I am incorporating it in the CONGRESSIONAL RECORD.

American readers will be particularly interested in the account of the participation of Polish-Americans, which began even before the United States declared war, again proving that intense patriotism for which the Poles are honored throughout the world.

I wish to express the appreciation of myself and the many persons who will read this article for Mr. McBride's scholarly paper. Limitations of space require me to omit certain facts, such as detailed statement of the various units which participated, their officers and military equipment, bibliography, and so forth. I have, however, retained this in my files, where it is available to anyone interested. I hope the publication of this paper by Mr. McBride will prompt someone to write a still better history of these Polish-Americans and their service.

The article is as follows:

PARTICIPATION OF POLISH FORCES IN THE ALLIED ARMIES DURING THE WORLD WAR—GEN. JOSEPH HALLER—THE ORGANIZATION, ACTIVITIES, AND SUBSEQUENT REPATRIATION TO THE UNITED STATES OF THE SO-CALLED HALLER ARMY

DEVELOPMENTS LEADING TO THE FORMATION OF THE ARMY

The World War, which brought about such enormous changes in the political status of European countries, gave birth to plans and hopes for restoration of the Polish State. From the beginning of the war both the Central Powers as well as the Allies gave consideration to the idea of organizing Polish armed forces for their own use. The Central Powers were the first to make use of this conception by rendering aid to the Polish legions under Pilsudski for fighting against the Russians. Similar intentions, though on a much smaller scale, were also sponsored by Russia. Use of organized Polish military forces by France, which sentimentally was the closest of all the Allies to the Poles, was made as early as 1914.

The historical nucleus

With the outbreak of hostilities, Poles in France enlisted eagerly under French colors. In the hope of furthering the Polish cause and to manifest their loyalty to France, Poles then in France formed two units in the towns of Bayonne and Reuilly, respectively, which volunteered in a body in the French Foreign Legion. At that time only French citizens were permitted to enlist in the regular French Army. These two units, together with other Poles already in the Foreign Legion, formed a separate Polish company in the Foreign Legion. This company, officially known as the Second Company, French Foreign Legion, numbered 200 men when it went into action on October 22, 1914 This unit, which forms the historical nucleus of the Polish Army in France, had a most brilliant career. Several times it was almost annihilated; its banner, officers, and nearly all the men received the highest French decorations for action. The autumn of 1914 and winter and spring of 1915 found the Bayonne outfit holding front-line trenches near the Aisne River in the vicinity of Reuilly, Champagne, Mailly, and

Sillery. At the latter place the unit experienced its first real engagement. On May 9, 1915, at the Battle of Arras the unit went over the top together with French troops and was practically wiped out. The unit during this engagement was commanded by Major Osmonde. It attacked Vimy Hill in the Berthouval sector, took three lines of German trenches, but sacrificed its commander, all the officers, and most of its men. Only 50 men survived. After receiving scant reinforcements the unit was at last practically annihilated on June 16, 1915, when it tried to regain a line of trenches which a detachment of the One Hundred and Fiftieth French Infantry had evacuated near Souchez in the Notre Dame de Loretto sector. The few men left were recalled to the rear, a part of them were incorporated in the French Army while the remainder decided to fight their way to Poland by way of Archangel, where other Polish forces were being organized.

Poles admitted into the French forces

France took notice of the glorious record and sacrifices of the Bayonne unit, and as a special gesture of appreciation, on motion of Senator Marin, Poles were thereafter permitted to enlist in the French Army on equal grounds with Frenchmen. Polish nationalists in Paris were eager to use this occasion to place the question of Poland's independence on an international plane, but official French circles turned a deaf ear, since they did not care to invoke the ill will of Russia, who was France's ally and Poland's bitter enemy.

The nationalists were obliged to await a more opportune moment when events would favor their cause. During the latter half of the year 1915, as the conflict assumed stupendous proportions, France began advocating the policy of "nationalist causes." In November 1915 Prime Minister Briand identified the war as a struggle for the "freedom of nations which are to enjoy complete independence." A month later Italian Prime Minister Sonnino proclaimed "independence, safety, and mutual respect among nations" as the ultimate aim of the war.

Polish independence

Thanks to the propaganda of Polish nationalists and achievements of Poles fighting for the Allies, the Italian Parliament on December 7, 1915, passed a resolution embodying the hope "that Poland will regain her independence." In April 1916 an attempt was made to obtain Russia's placet to the idea of an independent Polish state, but with no success. On November 5, 1916, the Central Powers issued an edict calling to being an independent Kingdom of Poland. While this move on the part of the Germans had little practical value, the very fact that it was made immediately placed Poland's cause on an international plane and was instrumental in forcing the Allies to take official cognizance of the matter. Almost immediately afterward Russia released pressure in that part of Poland under Russian control and discontinued persecution of pro-Polish activities.

This development stimulated the hopes of the Polish colony in Paris. At that time the two focal points around which this colony centered were: (1) The Committee for the Relief of Wounded Poles, and (2) the offices of the Polish political national weekly Polonja, edited by Waclaw Gasiorowski, historian and journalist. This publication created a bond of understanding among all Poles in France and in the colonies. It was read by most all Poles in the French Foreign Legion. Knowing the minds of the Poles in France, Gasiorowski was predestined to become their spokesman. To him is credited the idea of forming an independent Polish Army in France. In the spring of 1917 Erazm Piltz, then head of the Bureau Politique Polonaise in Paris, and Adam Mokiejewski, lieutenant colonel of the French Army, joined Gasiorowski in his plans.

The idea gained headway when the Russian revolutionary government proclaimed on March 30, 1917, that the partitions of Poland were a great injustice and the Government recognized Poland's independence. Similar declarations followed shortly from the other allies. France's confidence in Russia as a military power began wavering, especially when Russian expeditionary forces in France and Saloniki began turning communistic. Le Temps, then headed by André Tardieu, swayed by popular sentiment in Poland's favor. Official opinion was turned by a report concerning the strength and development of the Polish legions in Poland. This report, which was delivered by the French military attaché in Bern, also stated that if France and England do not want to be left with 1,000,000 Polish soldiers on their hands they must declare Poland's independence.

Formation of independent Polish unit

In May 1917 the French Government gave its final approval and consent. The official declaration of the Government provided for the formation of skeleton corps of the new army with Poles serving in the French Army and in the Russian brigades. Further material was to be obtained from Polish volunteers in Holland, Brazil, and North America. Permission to form the army was countersigned by Minister of War Painleve. General Duport, Chief of Staff of the French Army, who was extremely well disposed toward the plan because of the memory of the famous Bayonne unit which fought under him, instructed his second in command, General Valentin, together with Colonel Goubet, Chief of Section II, General Headquarters, and Colonel Drech, Chief of Section I, General Headquarters, to draft a project for the organization of the new army. President Poincare's decree concerning the army appeared in the Journal Officiel on June 4, 1917. This decree constituted the legal basis for the formation of the army.

Franco-Polish Mission

According to an order of the Minister of War dated June 6, 1917, there was formed a Franco-Polish military mission commanded by General of Division Archinard, who was known for his activities in French colonial wars and in the subjugation of the Sudan. The functions of this mission were outlined only in a very general manner. It was to cooperate with the French central authorities in matters concerning recruiting and organization of the Polish Army; also to render opinions and suggestions where necessary. Lieutenant Colonel Mokiejewski was named Archinard's chief of staff.

The mission set about determining how many men could be had for the army and where they could be recruited. According to an estimate which was submitted to General Archinard, the French Army could supply 2,000 eligible Poles and approximately 8,000 could be obtained from among German prisoners and the Russian brigades. Hope was placed in volunteer enlistments of Poles in America to make up the balance of the army. It was estimated that these volunteer enlistments would amount to about 100,000 men.

World-wide recruiting

The first concentration camp, having a capacity of 3,000 men, was opened in the little town of Sille le Guillaume in the department of Sarthe on June 27, 1917, with Captain Jagniatkowski, former French colonial officer in command. The other French officers at the camp were: Major Blanchard, Captain Dechamps, Captain Dutrey, and Lieutenant Bufquin. On August 15, 1917, there were 240 officers and 247 men in camp, and by September 1, 1917, this number increased to 382 men. On October 1, 1917, there was a total of 832 men (all from the French Army) divided into four companies. A network of recruiting stations in France in such places as Paris, Lille, Boulogne sur Mer, Le Mans, Bordeaux, Lyon, and Nice gave very scanty results. It was then decided to place more emphasis on recruiting abroad. Large-scale recruiting campaigns were launched in the United States, Brazil, and Canada.

Ignace Paderewski, the famous pianist, later to become noted as a statesman, was active in the United States and Canada.

The United States and Canada yielded the bulk of the volunteers, Brazil and Argentina giving relatively few. Brisk recruiting was begun in Chicago, New York, Philadelphia, Boston, and Detroit, and other smaller places having a Polish population of any size. The principal concentration camp for the United States and Canada was located in the Canadian Army camp at Niagara-on-the-Lake. Officer and noncommissioned officer training schools were located at the camp in Niagara-on-the-Lake and in Toronto. The reason for the great success of the movement in the United States is largely the fact that Poles in America were highly patriotic besides being more or less trained in military discipline and rudimentary field tactics. As early as in April 1917 the largest Polish semimilitary and athletic society, the Sokols, passed a resolution at a convention held in Pittsburgh to prepare a force of 100,000 men who would be ready to answer any call to arms to help Poland regain her independence. The fulfillment of this resolution was made impossible when the United States entered the war. Nevertheless the Franco-Polish delegation managed to get recruiting under way—thanks to the aid which the Poles in America extended to them. There was formed in Chicago an all-Polish national committee, which, in turn, evolved a military committee composed of Dr. Starzynski, Mr. Helinski, and Mr. Znamiecki.

First American volunteers

Meanwhile the camp in Sille-le-Guillaume was being placed in order. The first official inspection of the camp and the four companies was made by General Faurie. Several hundred volunteers arrived shortly from England and Holland. The first contingent of Poles from the United States, numbering 1,200, arrived at Bordeaux on December 26. Other contingents followed shortly afterward. The camp in Sille became crowded, and two new camps had to be opened, one in Lavalle and one in Mayenne. Thanks to the influx of volunteers from the United States, it was now possible to go ahead with the formation of the first regiment of infantry (chasseurs). This regiment, which was composed of Poles from America, Polish soldiers from the Russian brigades, and Poles formerly in the German Army recruited from French prison camps, was officially formed on January 10, 1918. At first this regiment had only two battalions. Battalion 1 was quartered in Lavalle; battalion 2 in Sille-le-Guillaume. Also a special training camp for noncommissioned officers was opened in Camp la Ruchard.

Volunteers from America continued to arrive rapidly, so that by the end of February 1918 the Polish Army in France numbered approximately 10,000 men. Work was begun on the formation of two new regiments. Mayenne was designated as the base for the second regiment of infantry and Mailly for the third regiment. Each regiment was composed of three battalions of infantry and one staff company composed of signal, engineer, musician, artisan, and quartermaster units. Cavalry was being formed in Alencon, artillery in Le Mans, engineers in Erigne, near Angers, and aviation units near Pau.

A report dated March 10, 1918, shows the following numerical strength of the Polish Army in France:

First Regiment, 61 officers, 2,564 noncommissioned officers and privates.

Second regiment, 13 officers, 2,309 noncommissioned officers and privates.

Third regiment, 9 officers, 2,389 noncommissioned officers and privates.

Artillery, aviation, cavalry, and staff, 46 officers, 909 noncommissioned officers and privates.

Total, 129 officers, 8,171 noncommissioned officers and privates.

A month later, on April 10, 1918, the total increased to 204 officers and 10,638 men. These three regiments, on arriving at full strength, comprised the First Division, commanded by General Vidalon. Regimental colors were presented by the cities of Paris, Nancy, Verdun, and Belfort.

Action at last

Upon completing its organization the first regiment was hurried to the front near Rheims, where it was included in General Gouraud's army. On July 15, 1918, the regiment participated in the heavy fighting in the St. Hilaire sector. On July 22, 1918, it captured Centre-Chaiton, and during the night of July 24 its fifth company, following heavy fighting and great sacrifices, stormed the Bois de Racquette position. The regiment's losses during this time amounted to approximately 100 killed and 500 wounded. On August 1, 1918, the regiment retired to the camp in St. Tauche, where it underwent special training, together with the second and third regiments. Organization of the army as a whole now passed into the hands of General Capdepont. Additional camps were opened in Potigny-Ussy, Lessay, St. Quentin, and several other places.

Need for Polish leader

About this time the French high command became seriously concerned with developments at the front and the new army became neglected. The absence of capable officers was felt very keenly and the treatment of the men was none too good. Above all, the men desired to be led by a general of their own nationality—a man possessing military and moral authority capable of symbolizing the country and cause for which they were fighting. Thus far no such symbol could be placed before the men, as neither the Franco-Polish Military Mission nor the civilian national committee, which was formed in August 1917, could answer these requirements. In fact, the national committee had been looking for such a leader for some time.

Gen. Jozef Haller

Negotiations between the national committee and Polish military and political circles in Russia resulted in Gen. Jozef Haller being named for the position. General Haller was formerly commander of the Second Brigade of the Polish Legions and later commander of the Second Corps of the Polish Legions which fought against the Germans in the Ukraine and Poland and later fought their way to Russia, where they united with other Polish military formations being organized in Siberia. Haller's nomination, which was made with the acquiescence of Commander Pilsudski, reached him in Siberia. On July 3, 1918, he sailed from Archangel on the British steamer *City of Marsailles*, together with Major Bajer and Captain Malinowski, Captain Budowski, Captain Sokolnicki, Lieutenant Zaremba, and Lieutenant Kettling. They arrived in Havre on July 13, 1918.

Haller was received by Minister of Foreign Affairs Pichon and Clemenceau, but his nomination as commander in chief of the Polish Army in France was deferred until the legal relation of the army to France and the other allies was settled. This status was finally settled by an agreement signed on September 28, 1918, by France and the national committee. The national committee, by the way, acted as a ministry of foreign affairs for Polish interests in France and partly as a ministry of war for the Polish Army in France.

Disposition of Poles on the western front

The base of the First Division, commanded by General Vidalon (first, second, and third regiments), which was still at the front, was transferred to Domfront from Sille-le-Guillaume, which hereafter became the base of the Second Division (fourth, fifth, and sixth regiments). The camp in Le Mans concentrated artillery. The cavalry camp in Alencon and the engineer camp in Erigné were made subordinate to headquarters in Le Mans. The strength of the army at this time is given as 16,915 men and 430 officers, of which 200 officers and 9,962 men were at the front in the First Division.

The Germany Army was rapidly disintegrating and the Allies were preparing to deliver their decisive blow, which was to be made in the direction of Metz. The First Division of the Polish Army, then occupying a sector near St. Die-Nord in the Vosges, under the command of the Tenth French Army headquarters, was to participate in the offensive. During the first week of November, i. e., just before the offensive was to be launched, the division was shifted to the front of the Eighth French Army. It detrained at Ramberville and was included in the powerful "shock" group under General Mangin. This group was composed of the Eighth and Tenth French Armies and two American armies. On November 14, just as orders had been issued for the attack and the division was being moved into attack position in the Foret de Parroy sector, orders were received announcing the armistice.

Dispersal of the Haller unit

In the meantime events in Poland had caused the responsible leaders to call for the assistance of Haller's troops. Russia protested against the Kresy being given to Poland, and proposed the Bug as the Polish frontier. In reply Gen. Jozef Pilduski launched an attack on the Bolsheviks on April 16, 1919. Three days later the first group of Haller's troops arrived in Poland, and the remainder followed in the next 2 months. Some of the divisions went immediately into action against the Ukrainians, who were attacking Lwow; other divisions were used to strengthen the Bolshevik front. One division was detailed to occupy former German Poland and the Corridor, which German troops were evacuating. On September 1, 1919, by order of Commander in Chief and Chief of State Pilsudski, the army was incorporated in the regular Polish Army. Many of the regiments remained intact for some time, despite the amalgamation, and were responsible in no small degree as such units for the final success of Polish arms.

Preparations for return to the United States

Not long after the arrival of these troops in Poland, the American Legation began to receive applications for discharge and return to the United States by soldiers who were American citizens. In reporting these cases to the Department of State, the American Minister, Mr. Hugh Gibson, first suggested that the troops should be returned to their base in France, rather than discharged in Poland, but later he suggested that United States Army transports be used to return the troops to the United States.

Two other factors tended to hasten the matter of repatriation, namely, the danger of Bolshevik propaganda among the troops and the lack of clothing and other material. With winter not far distant, the Polish authorities realized the necessity for repatriating these troops as soon as possible. In August 1919 the Polish Foreign Office informed the American Legation that it planned to demobilize gradually some 10,000 to 12,000 of Haller troops, and desired to embark these men from Danzig, due to the congestion of French ports. The Polish Government asked the United States to lend it transports, for which it would pay all expenses. Their plan called for demobilization between September 1919 and February 1929.

Repatriation

Thereafter some 14,000 Haller troops were returned to the United States in United States Army transports by August 1920. Many technical questions arose, such as the matter of passports and alien visas for the troops, the admittance of alien troops into the United States under the immigration laws and regulations, and the enforcement of the United States public health laws, but these problems were satisfactorily disposed of by the various United States Government agencies involved, viz, the American consulate general in Warsaw, in charge of Consul Harry A. McBride and later of Consul General Leo J. Keena; the United States Public Health Service in Warsaw; the American Commissioner in Danzig; the American military attaché in Warsaw; the American Polish Relief Expedition; the American Red Cross, and the Young Men's Christian Association in Poland.

The Bolshevik threat on Warsaw in August 1920 caused an interruption in the repatriation of these troops, as they were needed for the defense of Warsaw.

However, after the Bolsheviks were turned back the problem of repatriation again arose, the Polish Government stating that some four to six thousand troops were awaiting their return to the United States. After some negotiations the *President Grant* was sent to Danzig in place of the smaller transports, but only about 1,400 troops were embarked. It appears that this was the last American vessel to transport troops to the United States.

The great difference in number of troops remaining in Poland for repatriation and the number which actually sailed can only be explained by the lack of records and disorganization existing in the Polish War Department. They had little or no idea of the number of Haller army men left in Poland. However, it must be taken into consideration that:

(1) Many men at the last moment decided to remain in Poland.
(2) There were a number held by the Bolsheviks as prisoners.
(3) A great many were sick in hospitals or have died.
(4) Some were not notified of the arrival of the transport, due to the inadequate means of communication. Men who were demobilized scattered over Poland and could not be found in time.

Altogether the American Government transported about 15,000 Haller troops to the United States. The cost of travel from New York to their homes was paid by the Polish Legation in Washington.

The Polish Government undertook the repatriation of those remaining who subsequently desired to return to the United States. The consulate general's records show that 1,106 visas were granted to ex-Haller soldiers on July 29, 1922, covering 2,053 persons. A few stragglers were returned later, but the bulk of the army was repatriated by the fall of 1922.

JURISDICTION OF COURT OF CLAIMS TO HEAR CLAIM OF EMANUEL BRATSES

Mr. DALY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3866) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Emanuel Bratses, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 13, after "amended", insert *"Provided further*, That the judgment, if any, shall not exceed the sum of $5,000."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

RELIEF OF THE FIRST, SECOND, AND THIRD NATIONAL STEAMSHIP COMPANIES

Mr. DALY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12671) for the relief of the First, Second, and Third National Steamship Companies and substitute therefor the bill S. 4684, and the immediate consideration of the same.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. DICKSTEIN. Mr. Speaker, I object.

HON. JOSEPH J. MANSFIELD

Mr. DALY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution passed by the Rivers and Harbors Committee commending the wonderful service and courtesy of the chairman of that committee, the gentleman from Texas [Mr. MANSFIELD].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DALY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following resolution, which I offered at a meeting of the Committee on Rivers and Harbors on June 16 last:

Hon. J. BURRWOOD DALY, Pennsylvania, offered the following resolution:

As this is possibly the last meeting of the Committee on Rivers and Harbors of the Seventy-fourth Congress, I suggest that the sincere thanks of the committee be extended to the Honorable JOSEPH J. MANSFIELD, our distinguished chairman, not only for his great ability, his comprehensive knowledge, and the untiring efforts he has shown in the work of rivers and harbors legislation, which has won the admiration and respect of the whole committee, but also for his uniform courtesy, his kindly help and devotion to the interests of the membership of the committee, and his brilliant service for his constituents and his country that has gained for him the personal and affectionate regard of the entire Congress.

We sincerely trust that the people of Texas will return him to the Halls of Congress as long as he is willing to come, that they and his country may long have the benefit of his knowledge and ability and that God will give him the health and strength to continue the work that has marked him as one of the most outstanding and valuable Members of Congress.

The resolution was unanimously adopted.

LEASING OF LAND ON THE FORT MOULTRIE (S. C.) MILITARY RESERVATION TO OWNERS OF CERTAIN COTTAGES

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4432) authorizing and directing the Secretary of War to lease land on the Fort Moultrie (S. C.) Military Reservation to the owners of certain cottages thereon.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to lease for a period of 20 years to the owners of the six cottages erected on land reclaimed from the ocean and now determined to be part of the military reservation of Fort Moultrie, S. C., the land upon which such homes were erected by the owners in the belief that title was vested in the commissioners of Sullivans Island, from whom it was secured by the owners: *Provided, however*, That such leases shall contain the provision that if at any time said property is needed for military purposes the buildings must, upon notice, be immediately removed and the leases canceled, and the further provision that such buildings shall be removed without expense to the United States Government and that the lessee shall have no claim against the United States Government by reason of any damage whatsoever to said buildings or person from any cause.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LABOR WANTS HIM

Mr. STACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a letter I have just received from Mr. Green, of the American Federation of Labor.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. STACK. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter received by me from the president of the American Federation of Labor:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., March 28, 1936.

Hon. MICHAEL J. STACK,
Member, House of Representatives,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: The records you made as a Member of Congress show that you were a most consistent and valuable supporter of legislative measures sponsored and approved by the American Federation of Labor. For this reason I am pleased, in behalf of the officers and members of the American Federation of Labor, to endorse your candidacy for renomination and reelection to the United States Congress. I commend you to labor and labor's friends in your congressional district. I sincerely hope that they will rally to your support and that you will be nominated and reelected as a Member of Congress.

Wishing you success, I beg to remain,

Very truly yours,

WM. GREEN,
President, American Federation of Labor.

F. W. ELMER

Mr. COLMER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 4490) for the relief of F. W. Elmer, and immediately consider the same.

Mr. JENKINS of Ohio. Mr. Speaker, I should like to ask what this bill is about. The House has never passed upon it, as I understand it.

Mr. COLMER. I may say in answer to the gentleman that the House committee has approved this bill for $1,500, and I understand that one of the official objectors will offer an amendment to that effect.

Mr. JENKINS of Ohio. How much did the Senate bill carry?

Mr. COLMER. Two thousand five hundred dollars.

Mr. JENKINS of Ohio. And the House committee reduced it to $1,500.

Mr. COLMER. Yes.

Mr. JENKINS of Ohio. And an amendment to that effect will be offered?

Mr. COLMER. I understand the gentleman from California [Mr. COSTELLO] is prepared to do that.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, I wish to offer an amendment at the appropriate time, reducing the amount from $2,500 to $1,500.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to F. W. Elmer, of Biloxi, Miss., in full settlement of all claims against the United States for legal services rendered to the United States in the case of the State of Mississippi against S. M. Taylor, a Federal prohibition officer, who, in the performance of his official duty, shot and killed a citizen, and who was acquitted of the charge of murder in the United States District Court for the Southern District of Mississippi: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. COSTELLO: Page 1, line 5, strike out "$2,500" and insert "$1,500."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICHAEL DALTON

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1146) for the relief of Michael Dalton, and consider the same.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Michael Dalton, in full settlement of all claims against the Government of the United States for injuries received by said Michael Dalton on November 14, 1930, when he was struck by a United States mail truck at Third Street and Massachusetts Avenue, NW., Washington, D. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES W. GRIST

Mr. UMSTEAD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3879) for the relief of James W. Grist.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider, when filed, the claim of James W. Grist for disability alleged to have been incurred by him in the course of his employment at the Government Printing Office between September 1928 and June 1929 and to determine said claim upon its merits under the provisions of said act: *Provided*, That no benefits shall accrue prior to the approval of this act.

The bill was ordered to be read a third time, was read the third time, and passed.

MARGARET MURPHY

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1790) for the relief of Margaret Murphy, and immediately consider the same with an amendment.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the act entitled "An act to provide compensation for employees of the United States suffering injuries in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, Margaret Murphy shall, after the date of the approval of this act, be paid compensation at the rate of $80 per month for injuries sustained November 28, 1928, while employed in the Treasury Department, Washington, D. C., which compensation shall be in lieu of compensation and salary she is now receiving while there employed.

With the following committee amendment:

Page 1, line 8, strike out "$80" and insert "$60."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 10919, entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to the text of the amendment of the Senate to the bill (H. R. 8555) entitled "An act to further the development and maintenance of an adequate and well-balanced American merchant marine, to promote the commerce of the United States, to aid in the national defense, to repeal certain former legislation, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a bill and joint resolution of the Senate of the following titles:

S. 4727. An act to quiet title and possession with respect to certain lands in Lawrence County, Ala.; and

S. J. Res. 255. Joint resolution to provide for the participation of the United States in the commemoration of the seventy-fifth anniversary of the Battle of Antietam.

The message also announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 2435. An act for the relief of the Citizens State Bank of Marianna, Fla.; and

H. R. 12490. An act authorizing a preliminary examination of the Levisa Fork of Big Sandy River in the vicinity of the Breaks of Sandy.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12395) entitled "An act to provide revenue, equalize taxation, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate No. 281 to the foregoing bill.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10094. An act to amend section 1 of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269).

FIRST, SECOND, AND THIRD NATIONAL STEAMSHIP COMPANIES

Mr. DALY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 12671) for the relief of the First, Second, and Third National Steamship Companies, which I send to the desk and ask to have read.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. COSTELLO. Mr. Speaker, I reserve the right to object. What does this bill provide?

Mr. DALY. It confers jurisdiction on the Court of Claims to settle disputes between the United States and companies that purchased three warships.

Mr. COSTELLO. This is the matter of the First, Second and Third Steamship Companies.

Mr. DALY. Yes. The Government took the ships back, and there was some dispute about improvements made to them. The Department is in favor of having this matter sent to the Court of Claims.

Mr. COSTELLO. Is it not a fact that they filed suit in 1935 with the Court of Claims, and due to the negotiations that followed along about 1934 or about that period these companies entered into an agreement with the Government whereby they accepted $250,000 in settlement of their claim? Subsequently the actions in the Court of Claims were dismissed. In other words, of their own accord they entered into an agreement to settle their claims with the Government, and now this bill would authorize them to come back, set aside those agreements, and in spite of the fact that the statute of limitations has run, be given the right to come back and sue for the balance over the agreement.

Mr. DALY. I am reliably informed that this bill was introduced at the request of the Department.

Mr. COSTELLO. There is a letter here in the report from the Department of Justice signed by Homer Cummings which opposes the bill. For that reason I shall have to oppose the present consideration of the bill.

The regular order was demanded.

The SPEAKER pro tempore. Is there objection?

Mr. COSTELLO. Mr. Speaker, I object.

RECESS

Mr. TABER. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. O'CONNOR. Mr. Speaker, I move that the House stand in recess until 8 o'clock.

The motion was agreed to; and accordingly (at 6 o'clock and 52 minutes p. m.), the House stood in recess until 8 o'clock p. m.

EVENING SESSION

The recess having expired, the House was called to order by the Speaker at 8 o'clock p. m.

FIFTY-CENT PIECES IN COMMEMORATION OF ONE HUNDREDTH ANNIVERSARY OF ADMISSION OF STATE OF ARKANSAS INTO THE UNION

Mr. DRIVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11688) providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union, with Senate amendments, and agree to the Senate amendments.

The SPEAKER. Is there objection?

Mr. RICH. Reserving the right to object, I should like to ask the gentleman if these are to be silver coins?

Mr. DRIVER. Yes.

Mr. RICH. Then we are going to have more free silver, or are they going to sell them?

Mr. DRIVER. They are going to sell them.

Mr. RICH. It is one more of these coin bills. They put them in over there and we take them out over here, and round and round they go. [Laughter and applause.]

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate amendments, as follows:

Lines 5 and 6, strike out "of not less than 25,000".

Line 6, after "of", insert "not less than 25,000 and not more than 50,000 of".

After line 14, insert:

"SEC. 2. The coins upon which the additional design authorized by this act is to be placed shall be coined at a mint of the United States to be designated by the Director of the Mint, shall bear the date 1936, irrespective of the year in which they are minted or issued, and shall be issued in the same manner and for the same purposes as the coins issued under the provisions of such act of May 14, 1934, except that not less than 25,000 such coins shall be issued at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act."

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 2335. An act for the relief of Cora Akins;

H. R. 3777. An act for the relief of the Herald Publishing Co.;

H. R. 9191. An act for the relief of the dependents of James B. Kiley;

H. R. 12257. An act to extend the jurisdiction of the United States Court for China to offenses committed on the high seas;

H. R. 12324. An act to amend section 723 (a) of the Revenue Act of 1932, as amended;

H. R. 12410. An act to amend section 8 of the act entitled "An act to establish a National Archives of the United States Government, and for other purposes", approved June 19, 1934;

H. R. 12455. An act to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes;

H. R. 12458. An act authorizing a preliminary examination of the intracoastal waterway throughout Broward County, Fla.;

H. R. 12876. An act to waive any exclusive jurisdiction over premises of resettlement or rural-rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes; and

H. J. Res. 642. Joint resolution to enable the Secretary of Agriculture to apply such methods of control of grasshoppers as in his judgment may be necessary.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 12831. An act to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the founding of Hartford, Conn.

The message also announced that the Senate agrees to the amendments of the House to bills and a joint resolution of the Senate of the following titles:

S. 1567. An act to amend section 5 of the act of March 2, 1919, generally known as the War Minerals Relief Act;

S. 1793. An act to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602);

S. 2460. An act to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes";

S. 3843. An act to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes; and

S. J. Res. 177. Joint resolution to define the term of certain contracts with Indian tribes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2953) entitled "An act to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia."

The message also announced that the Senate recedes from its disagreement to the amendment of the House to the bill (S. 5) entitled "An act to prevent the adulteration, misbranding, and false advertising of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes", and agrees to the same with an amendment.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 4670. An act to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the original Norfolk, Va., land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough.

The message also announced that the Senate had—

Resolved, That a committee of two Senators be appointed by the Vice President to join a similar committee appointed by the Speaker of the House of Representatives to wait upon the President of the United States and inform him that the two Houses have completed the business of the present session and are ready to adjourn, unless the President has some further communication to make them; and that, in compliance with the foregoing, the Vice President appointed as said committee on the part of the Senate Mr. ROBINSON and Mr. MCNARY.

SANDY NATIONAL PARK IN VIRGINIA AND KENTUCKY

Mr. MAY. Mr. Speaker, when the House recessed this evening the bill (H. R. 87) to establish the Breaks of Sandy National Park in Virginia and Kentucky was under consideration.

The SPEAKER. The Clerk will report the bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I object.

Mr. MAY. Mr. Speaker, I wish the gentleman would withhold that. There is not a dollar of expense involved.

Mr. TABER. I will withhold the objection to allow the gentleman to explain it.

Mr. MAY. I shall be glad to give an explanation of it. This is a bill to authorize the Secretary of the Interior to accept a gift, without one dollar's expense, of some wild lands that embrace a part of a park that is already established by the State.

Mr. TABER. It is already established by the State?

Mr. MAY. Yes; the State owns the park and a land company is giving this land.

Mr. TABER. If it was turned in to the State, that would be fine; but if we have more parks for the Interior Department to pay for, that is not so good.

Mr. MAY. This does not cost a dime.

Mr. TABER. Well, it would cost money to take care of it.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I object.

JESSE ASHBY

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent to vacate the proceedings of the House whereby the bill (H. R. 3179) for the relief of Jesse Ashby was passed and substitute therefor the bill, S. 3175.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Without objection, the Senate bill (S. 3175) will be substituted.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the claim of Jesse Ashby growing out of losses suffered under contract dated April 28, 1931, for painting plaster walls, Department of Commerce Building, Washington, D. C., is hereby referred to the United States Court of Claims with jurisdiction to hear the same to judgment and with instructions to adjudicate the same upon the basis of losses and/or damages suffered due to delays caused by the Government and/or to change made by substitution of Wall Hide sealer and first coater for the size coat as specified in the contract and/or to repainting surfaces where cracks in plaster were replastered and/or to the porous and chalky condition of the plaster making it necessary to apply more than three coats of paint as specified, for all of which labor and material the Government received the benefit and for which no compensation has been made.

Mr. RICH. Reserving the right to object, what is the amount of this bill?

Mr. SCHAEFER. There is no amount at all. It permits a claimant to take a case before the Court of Claims.

The SPEAKER. Is there objection?

There was no objection.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

COHEN, GOLDMAN & CO., INC.

Mr. PEYSER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1041) for the relief of Cohen, Goldman & Co., Inc.

The SPEAKER. Is there objection?

Mr. RICH. Reserving the right to object, Mr. Speaker, what is this relief?

Mr. PEYSER. This is a claim against the Government for $19,030. The Government had a counterclaim of $150,000 and brought suit. The Government claimed this amount that is being asked. They withdraw their suit. I will read from the report. The case came to trial in October 1929, but before trial the Government withdrew. When the suit was called, but before trial, the Government moved to dismiss the case on the ground that the Government, after very thorough investigation, was not able to prove the claim. The amount that we have asked for was allowed by the Government as a credit against their original claim, and they had a suit for the difference. That suit was withdrawn, and the report shows the exact statement, if the gentleman wants to see it.

Mr. RICH. Mr. Speaker, coming in at this late hour with these claims, in the last few minutes of Congress, we are going to have a hard time to get any more bills through to spend money. Therefore I will have to object. I do not think this is right.

The SPEAKER. Objection is heard.

CANAL DREDGING CO.

Mr. CHANDLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of S. 2747, conferring jurisdiction upon the United States Court of Claims to hear the claim of the Canal Dredging Co.

Mr. TABER. Mr. Speaker, reserving the right to object, how much is this going to cost the Federal Government?

Mr. CHANDLER. It is not going to cost anything; there is no cost.

Mr. TABER. The gentleman does not think it will cost anything?

Mr. CHANDLER. It just permits the Court of Claims to hear this claim, but it will not cost anything.

Mr. TABER. How can the Court of Claims act on it without it costing anything?

Mr. CHANDLER. It gives the Court of Claims jurisdiction to hear the merits of the controversy; that is all.

Mr. TABER. If it is not going to cost anything, and if the Court of Claims cannot do anything, I think we had better object. I object.

VALIDATING CERTAIN CONVEYANCES BY KICKAPOO INDIANS

Mr. DISNEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12924) validating certain conveyances by Kickapoo Indians of Oklahoma, made prior to February 17, 1933, providing for actions in partition in certain cases.

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. DISNEY. The status of the bill is that it has been reported favorably by the House Committee on Indian Affairs. An identical bill has passed the Senate and has been favorably reported by the House Committee on Indian Affairs.

Mr. SNELL. What is the purpose of the bill?

Mr. DISNEY. It involves the question whether or not certain Kickapoo Indian land in Oklahoma is alienable. There is a question as to whether or not those Kickapoos who removed to the nation of Mexico could alienate their land without the restrictions being removed. The land of those aliens who remained within America is inalienable. There was a decision one way in 1921 and an opposite decision in 1931, and five of those farmers down there have got some land they paid for a time or two and are really not sure yet whether they have good title. The Interior Department and the Department of Justice recommend the bill.

Mr. JENKINS of Ohio. Will it cost the Government anything?

Mr. DISNEY. No; it cannot possibly cost anything.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to substitute Senate bill 4152 in place of the House bill. It is identical with the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That all conveyances made to Ira L. Couch, A. J. Ownby, Fred L. Rooker, Wallace Estell, Jr., J. D. Shepherd, or any of them, or to their grantors, purporting to convey an inherited interest in Kickapoo lands allotted in Oklahoma in and to the following-described real estate, to wit: The NE¼NW¼, and lot 1 of the NW¼ sec. 19, T. 12 N., R. 2 E.; lot 11, NE¼ sec. 17, and lot 3, NE¼ sec. 18, and lot 3, NE¼ sec. 20, and lot 2, NW¼ sec. 20, and lot 2, NE¼ sec. 18, T. 12 N., R. 1 E.; the N½SE¼ sec. 19, T. 11 N., R. 3 E.; the NW¼SE¼ and lot 2 of the SE¼ sec. 8, T. 12 N., R. 1 E.; lot 4 of sec. 16, lot 5 of sec. 17, and lot 1 of sec. 20, T. 12 N., R. 1 E.; lots 3 and 4 of the NE¼ sec. 7, T. 12 N., R. 1 E.; W½SE¼ sec. 3, T. 11 N., R. 2 E.; E½SE¼ sec. 3, T. 11 N., R. 2 E.; E½NE¼ sec. 10, T. 11 N., R. 2 E.; lots 7 and 8 of the SE¼ sec. 13, T. 11 N., R. 2 E.; the N½SE¼ sec. 4, T. 11 N., R. 2 E., where such instrument or instruments were made after September 11, 1922, and recorded in the office of the registrar of deeds for the county in which said lands are located, prior to February 17, 1933, are hereby ratified and confirmed as valid conveyances of an inherited interest.

SEC. 2. That any such grantee, his heirs or assigns, in any such deed conveying an undivided interest to any part of said land may maintain a suit to partition the same against any restricted Indian who is a part owner of said lands in the United States District

Court for the Western District of Oklahoma in accordance with the law governing partitions in the State of Oklahoma. The United States shall be made a party to such action, and jurisdiction is hereby conferred upon such court to hear and determine such causes, and service may be had on the United States by serving one copy of the petition or bill in equity on the United States attorney for the western district of Oklahoma 41 days before said cause is set for trial, and any conveyance ordered made by said court in such proceedings shall operate to remove all restrictions on the lands conveyed to the grantee therein, except where such grantee is a restricted Indian.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a similar House bill (H. R. 12924) were laid on the table.

CLEAR LAKE AND LOST RIVER, CALIF.

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6773) to deepen the irrigation channel between Clear Lake and Lost River, in the State of California, and for other purposes, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Amend the title so as to read: "An act to provide for an investigation to determine whether the water rights of the United States have been violated in the Clear Lake watershed, California, and for other purposes."

Mr. RICH. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. PIERCE. This bill affects a water right on the border line between California and Oregon, between the district of the gentleman from California [Mr. ENGLEBRIGHT] and my district. The bill passed the House and went over to the Senate. The gentleman from California [Mr. ENGLEBRIGHT] and I agreed to an amendment to satisfy the Biological Survey and then the Senate amended the title, which should have been done. I am asking that the House accept the Senate amendment.

The bill appropriates no money, but it gives the interested parties the right to use their own funds to settle this question.

Mr. JENKINS of Ohio. To whom does it give authority to use it?

Mr. PIERCE. It settles the rights between these parties.

Mr. JENKINS of Ohio. What parties are they?

Mr. PIERCE. It relates to water rights on the border line between California and Oregon.

Mr. JENKINS of Ohio. The amendment the gentleman agreed to was passed by the Senate, was it?

Mr. PIERCE. Yes; it was passed by the Senate.

Mr. JENKINS of Ohio. And the gentleman now seeks to have the House concur in the Senate amendment?

Mr. PIERCE. Yes.

Mr. RICH. It does not call for the expenditure of any money out of the Federal Treasury?

Mr. PIERCE. It is their own money. No public money is involved.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

LABOR-SAVING DEVICES IN INDUSTRY

Mr. CONNERY. Mr. Speaker, I call up House Resolution 49, with an amendment, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. TABER. Reserving the right to object, I understand the gentleman is prepared to accept the amendment I proposed?

Mr. CONNERY. Yes. I shall offer the amendment as suggested by the gentleman from New York.

Mr. RICH. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Pennsylvania.

Mr. RICH. When does the gentleman expect to have this report made?

Mr. CONNERY. When we come back in January of next year.

Mr. RICH. Not until then?

Mr. CONNERY. No. They are making this investigation now. They have funds under the W. P. A. to run the investigation and we want the data reported to this Congress in January, next year.

Mr. RICH. Then the gentleman will have a 40-hour bill introduced?

Mr. CONNERY. Thirty-hour bill with me.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the resolution, as follows:

House Resoluton 49

Resolved, That the Secretary of Labor is requested (1) to compile a list of the labor-saving devices, mechanical and otherwise, put in operation in the United States after December 31, 1912, which are still in use; (2) to estimate the number of persons in the United States now unemployed by reason of the use of each kind or type of such devices; (3) to estimate the number of persons who would be employed in the United States in each of the various divisions of industry, commerce, and agriculture, but are not so employed by reason of the use of such devices; and (4) to report his findings in detail in the House of Representatives (or to the Clerk of the House if the House is not in session) during the present Congress, together with such observations and recommendations as the Secretary deems pertinent and useful. Every officer or employee of the United States is requested to supply the Secretary with such information relating to any matter under investigation or study pursuant to this resolution and contained in the records of the office of such officer or employee as the Secretary may request. For the purposes of this resolution, the term "labor-saving devices" includes any improvement, made after December 31, 1912, of a labor-saving device put into operation on or before such date, and the term "United States" means the United States and all territory subject to the jurisdiction thereof.

The committee amendments are as follows:

Page 1, line 1, strike out "is requested" and insert "be required."

Page 1, line 3, after the word "otherwise", insert "such as automatic machinery, machinery in general, conveyors, speed-ups, efficiency methods eliminating loss of time and repetition of motions, monopolies, mergers of industries, and all other means adopted toward reducing the cost of production under our competitive system."

Page 1, line 9, strike out "1912" and insert "1920."

Page 1, line 10, after the word "use", insert "and being constantly improved."

Page 1, line 11, strike out "now", and after the word "unemployed" insert "at the time of completion of such a list."

Page 2, beginning in line 1, after the word "devices", strike out all down to and including the word "thereof" in line 20 and insert the following:

"Or methods in each of the various divisions of industry, commerce, and agriculture in the United States; and (3) to report the findings in properly digested and coordinated detail in the House of Representatives (or to the Clerk of the House if the House is not in session) during the present or the next following Congress, together with such observations and recommendations as the Secretary deems pertinent and useful. Every officer or employee of the United States shall be required to cooperate and to supply the Secretary with such information relating to any matter under investigation or study pursuant to this resolution and contained in the records of the office of such officer or employee as the Secretary may request. Such a list of labor-saving devices are to be kept up to date from year to year, with such additions and revisions as may be dictated by progress and changes in industry, commerce, and agriculture. For the purpose of this resolution the term 'labor-saving devices' includes any improvements, made after December 31, 1920, of a labor-saving device or method put into operation on or before such date, and the term 'United States' means the United States and all the territory subject to the jurisdiction thereof."

The committee amendments were agreed to.

Mr. CONNERY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: Page 3, line 16, to the committee amendment, after the word "thereof", insert "*Provided, however*, That the request for this information and compilation shall be limited to such information and such compilations as may be accomplished by relief labor or allotments of relief funds from appropriations already made."

The amendment was agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF ADDITIONAL CIRCUIT JUDGE FOR THE THIRD CIRCUIT

Mr. WALTER. Mr. Speaker, I move to suspend the rules and pass the bill (S. 4457) authorizing the appointment of an additional circuit judge for the third circuit.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States is authorized and directed, by and with the advice and consent of the Senate, to appoint an additional circuit judge of the United States Circuit Court of Appeals for the Third Circuit, who shall possess the same powers, perform the same duties, and receive the same compensation as the present circuit judges of said circuit.

SEC. 2. That when a vacancy shall occur in the office of circuit judge for the third circuit, by the retirement, disqualification, resignation, or death of a circuit judge at present in commission, such vacancy shall not be filled, and thereafter there shall be but four circuit judges in the said circuit.

SEC. 3. That this act shall take effect upon its approval by the President.

The SPEAKER. Is a second demanded?

Mr. SNELL. Mr. Speaker, I demand a second.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. The gentleman from Pennsylvania [Mr. WALTER] is recognized for 20 minutes and the gentleman from New York [Mr. SNELL] is recognized for 20 minutes.

Mr. WALTER. Mr. Speaker, in an endeavor to provide adequately for the several districts in the United States where it was represented to the Judiciary Committee that additional judges were needed, a subcommittee was selected for the express purpose of very carefully considering these several bills. In all, there were approximately 30 bills presented to this subcommittee of the Committee on the Judiciary.

After a very careful consideration of each of these bills, eight were reported favorably. In all but one case, and that bill has not been considered, the report of the committee was unanimous.

In this particular circuit, having a population, as it does, of nearly 9,000,000 people, one of the judges is upward of 80 years of age. He has not been on the bench for nearly 2 years. The result has been that opinions have not been handed down with the promptness that members of the bar throughout the circuit and the litigants felt they should have been.

Mr. TABER. Will the gentleman yield?

Mr. WALTER. I yield to the gentleman from New York.

Mr. TABER. If this judge is 80 years old and has not sat for 2 years, what is needed in that district is retirement of that judge and the appointment of another one. It would seem as if the gentleman does not present a situation that would justify the permanent appointment of a judge.

Mr. WALTER. This bill does not provide for the permanent appointment of a judge. It provides for the appointment of an additional judge and upon the death, resignation, or removal of any of the present judges the number will revert to the present number.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. Is this not the sort of situation that exists: Here is an old man on the bench and he will not retire?

Mr. WALTER. Yes.

Mr. JENKINS of Ohio. And nobody has the nerve to go and ask him to retire?

Mr. WALTER. I do not know about that.

Mr. JENKINS of Ohio. You better take word back to him it is the unanimous suggestion of this Congress that he retire.

Mr. O'CONNOR. Will the gentleman yield?

Mr. WALTER. I yield to the gentleman from New York.

Mr. O'CONNOR. We brought in a rule for the consideration of about seven judgeships. I understand this is the only outstanding instance that was not taken care of in accordance with the action of the gentleman's committee.

Mr. WALTER. That is the fact.

Mr. SNELL. I did not understand the gentleman's question.

Mr. O'CONNOR. The Judiciary Committee asked for a rule covering about seven judgeships. We granted the rule and those bills were passed. This is the only instance that was not taken care of at that time under the rule. We would have taken care of this proposition——

Mr. SNELL. What is the reason this one was not included?

Mr. WALTER. It was overlooked in the preparation of the reports on the other bills. That is the only reason.

Mr. SNELL. Does this come as a unanimous report from the Judiciary Committee?

Mr. WALTER. The bill was reported unanimously by the committee and I may say to the gentleman that the gentleman from Pennsylvania [Mr. WILSON], a member of the Judiciary Committee on your side, who is one of the leading members of the bar in this circuit, urged most strenuously the passage of this measure.

I do not know whether it is ever going to be possible for us to meet the situation where judges will not resign when they are incapacitated for some reason or other. It is a very difficult problem but under the existing law there is nothing for us to do when situations of this sort exist but to take the action I am earnestly seeking the House to take. We owe a duty to the citizens of our Nation to afford them speedy disposition of their causes and I am quite certain that the Committee on the Judiciary would only report a bill of this sort if it was certain of the need therefor.

Mr. COX. Mr. Speaker, will the gentleman yield to me?

Mr. WALTER. Yes; I yield.

Mr. COX. I have not been able fully to understand the words of the gentleman. Do I understand that an 84-year-old judge in Pennsylvania is about worn out?

Mr. WALTER. I do not know about that, but I do know that he has been on the bench for many years.

Mr. COX. I may say to the gentleman that in some States they are not worn out at 94, because North Carolina is sending one to the convention next week who is 94 and he is attending the convention with his 6-year-old son. [Laughter.]

Mr. WALTER. That is probably because of the difference in the climate, and I trust an example has been set for my friend from Georgia.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed, and a motion to reconsider was laid on the table.

OBSCENE BROADCASTS

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from the Solicitor of the Post Office Department and the law to which he refers in this letter.

Mr. RICH. Mr. Speaker, reserving the right to object, what is the subject of the Solicitor's letter?

Mr. CONNERY. I may say to my friend from Pennsylvania that he will recall that a day or two ago I called the attention of the House to obscene matter spoken over the radio in New York City.

Mr. RICH. Mr. Speaker, we do not want to see such obscene matter in the RECORD, and therefore I shall have to object.

Mr. CONNERY. Mr. Speaker, if the gentleman will withhold his objection for a moment I may explain that I asked the Post Office Department whether this matter would be allowed to go through the mails, and they said "no"; and that is what the letter referred to.

Mr. RICH. Then, Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONNERY. Mr. Speaker, under the unanimous consent extended to me, I direct attention to the address which I delivered on the floor of the House on June 17 last.

At that time, Mr. Speaker, I directed the attention of the Congress to the fact that, contrary to the written language of the Communications Act of 1934, those to whom we had entrusted the enforcement of the Communications Act had failed, apparently willingly, to protect the American people from the intrusion into their homes of radio broadcasts which are profane, obscene, or indecent.

While several Members of the House who had the opportunity of reading copies of these radio broadcasts which I at that time exhibited on the floor readily agreed that such were obscene, profane, or indecent, it might be contended by some that such opinions were not in themselves legal or sufficient.

In order that no injustice be done, and, further, that I might myself be positive as to these broadcasts being obscene, profane, or indecent within the meaning of the law I submitted these broadcasts to the Government itself for an official interpretation.

Naturally, desiring a speedy response, I did not make such request to the Communications Commission, which had had copies of these and similar broadcasts before them for a considerable period of time without their taking any action thereon. However, as the language enacted by the Congress in the Communications Act, prohibiting the utterance of profane, obscene, or indecent language by means of radio communications, followed the decisions of the courts in matters prohibiting the mailing of profane, obscene, or indecent matter, I sent a copy of these broadcasts to the Post Office Department and asked if copies of these radio broadcasts could be transmitted through the mails.

The Post Office Department, through the Solicitor, without delay or hesitancy, the same day, replied in writing that copies of these radio broadcasts were not mailable and cited the law, which, in part, reads as follows:

> Every obscene, lewd, or lascivious, and every filthy book, pamphlet, picture, paper, letter, writing, print, or other publication of an indecent character * * * is hereby declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier.

The letter of the Solicitor of the Post Office Department is self-explanatory and reads, in full, as follows:

> POST OFFICE DEPARTMENT,
> OFFICE OF SOLICITOR,
> *Washington, June 18, 1936.*
>
> Hon. WILLIAM P. CONNERY, JR.,
> *House of Representatives.*
>
> MY DEAR MR. CONNERY: The Postmaster General has referred to me your letter of the 18th instant, transmitting for a ruling as to its mailability a copy of a radio dramatic sketch recently broadcast over the air.
>
> This matter has been carefully considered and it is the opinion of this office that the copy in question is unmailable under section 211 of the United States Penal Code (18 U. S. C. 334), a copy of which I am pleased to enclose herewith for your convenient reference.
>
> Very truly yours,
>
> KARL A. CROWLEY, *Solicitor.*

Section 326 of the Communications Act, in part, reads as follows:

> No person within the jurisdiction of the United States shall utter any obscene, indecent, or profane language by means of radio communication.

The illustrations which I have cited and the radio broadcasts which the Solicitor of the Post Office Department ruled upon, I regret to say, are not isolated cases.

A year or so ago when 15 Members of the House joined with me in protesting against similar indecent radio programs sponsored and paid for by the Mexican Government over one of the principal American radio networks, the Federal Communications Commission not only failed to act on the petition and the protest of these 15 Members of the House but, actually, they had the effrontery of openly attempting to deceive these Members of the House by citing as a reason for their failure to protect the homes of the American people from the intrusion therein of these indecent radio programs language in a court decision, which language and which court decision was proclaimed many years before radio broadcasting was known.

Variety, a well-known and well-established theatrical publication, which, to say the least, is liberal in its views and not at all prudish, in its issue of April 17, 1935, referring to a broadcast over one of the principal radio networks, in part, stated:

> Letters and phone calls received by the web direct and through its associated stations described the screen players' material as profane and offensive to both religion and decency and took the broadcasters to task for not considering the young people who might be tuned in. In it the Deity and Savior were addressed familiarly and repeatedly.

Petitions and protests of representatives of the church, of women's organizations, of the people against such indecent radio utterances seemingly meet with silent consideration on the part of the Federal Communications Commission.

Apparently those we have entrusted with the regulation and the supervision of radio broadcasting either are unwilling or unable to protect the American people from the intrusion into their homes of indecent, profane, or obscene radio programs so long as someone will pay the radio broadcasting stations for broadcasting such indecent radio programs.

These un-American and indecent radio utterances are never broadcast by those few radio stations operated by educational, religious, labor, farm, or other non-profit-making stations.

Those who seek to expand and to increase culture, education, and understanding among our people meet with the icy stare or the silent treatment when they seek a license to operate a radio broadcasting station or to increase the facilities of the small stations they are now permitted to operate.

Mr. Speaker, the Congress has specifically prohibited a monopoly in radio broadcasting—section 314, Communications Act—and yet we find today, less than 1 year since the Federal Communications Commission was appointed, that of the 40 clear-channel stations in the entire United States every one of them is controlled or operated by one of the three networks.

While the Government of the United States issues through the instrumentality of the Federal Communications Commission a franchise for the operation of radio broadcasting stations, such franchise being granted to the holder without any remuneration accruing the the Government despite the great need which exists today for revenue, the present Commission has permitted—yes, I might say, encouraged—the trafficking in these governmental properties for the enrichment of the privileged few who hold favor with the members of this governmental agency, namely, the Federal Communications Commission.

The Chairman of the Federal Communications Commission, testifying before the House Appropriations Committee December 6, 1935, stated that holders of such radio broadcasting franchises were disposing of such franchises for prices which were "far and beyond the value of their assets." The Chairman further stated:

> I know of a case where within 6 months a corporation able to pay offered $3,000,000 for one station. Now, of course, that station has no such value.

Is it not fair to assume that the admission above quoted proves that the Commission has first-hand knowledge of the trafficking which is going on in governmental properties, and yet nothing has been done to protect the Government since last December?

Further, the Chairman stated:

> Another thing is the possibility of a racket following this thing in the way of stock issues. They are beginning to get wise to the fact that they might by a stock issue still retain control of their stations and sell enough stock to not only pay the cost of the station but some profit in addition to that. * * * Now, just how much they can issue before they get into the value of the license given them by the Government, for which they pay nothing, is a question.

Yet almost weekly the same Commission, the Chairman of which gave utterance to the above quotations, is approving the leasing or the assigning, for prices far beyond the

value of their assets, other than the value attached to the governmental franchise, which, as the Chairman stated, costs them nothing, of radio stations to one or the other of those who, to all intents and purposes, hold a monopolistic control of radio broadcasting in the United States despite the prohibition against monopoly contained in the very act which this Commission has been entrusted with the enforcement of.

A few years ago the Catholic Church, aided by the Protestant Churches and those representing the Hebrew people, alarmed at the indecency of several motion pictures, initiated a movement to have the American people abstain from patronizing those theaters which exhibited pictures which were indecent or not fit for the young people to see.

The result of that campaign was that but very few indecent pictures are now produced, as a result of the American people so decidedly indicating that they would support the campaign initiated by the Catholic Church.

It is not at all improbable that the American people may find it necessary, unless the Congress acts—as I expect that they will—to take similar action by refusing to purchase the products of those concerns who use the radio facilities of such radio stations as permit the broadcasting of indecent or otherwise unfit radio programs.

In closing I might add that where the Government itself owns and operates radio-broadcasting stations—as in Great Britain and Canada—and where no advertising is permitted, such indecent radio programs are unknown.

WILLIAM H. MORAN

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4659) to authorize the payment of an annuity to William H. Moran, Chief of the Secret Service Division of the Treasury Department, upon his retirement, in recognition and appreciation of his services to the United States.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, I shall be obliged to object to this bill, but if the gentleman desires to explain the bill, I shall reserve the objection.

Mr. RAMSPECK. Mr. Speaker, I may say that this is a request from the Treasury Department and I introduced the bill at their request. It has the approval of the Budget and I understand is in line with the policy of the President.

Mr. SNELL. Let me say a word with regard to that. We spent a number of years here in the establishment of a retirement system for Government employees, and this is the first instance, so far as I know, where an effort has been made to retire a man by special legislation, rather than under the regular retirement system, and whether the Treasury Department is favorable to this or not does not materially influence me. It seems to me if you are going to start the precedent of retiring a person because he has influence and friends for whom he has done special favors, you are going to start a very harmful practice. I am saying nothing against this particular man, because I understand he has a fine record, but, individually, I am opposed to it. If the majority that is responsible for the work of this House wants to take this responsibility, of course, it is theirs.

Mr. RANKIN. Mr. Speaker, I do not think this proposition ought to be taken up at this time in the dying hours of the Congress to retire some man who has been on the pay roll for a number of years and has had the same opportunities as other Government employees.

Mr. RAMSPECK. Mr. Speaker, I demand the regular order.

Mr. O'MALLEY. I object, Mr. Speaker.

Mr. RAMSPECK. Mr. Speaker, I move to suspend the rules and pass the bill (S. 4659) to authorize the payment of an annuity to William H. Moran, Chief of the Secret Service of the Treasury Department, upon his retirement, in recognition and appreciation of his services to the United States.

The Clerk read the bill, as follows:

Be it enacted, etc., That in recognition and appreciation of 53 consecutive years of faithful, courageous, and meritorious service in the Secret Service Division of the Treasury Department, the last 18 years of which were served in the capacity of Chief of such Division, the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to William H. Moran, out of the annual appropriation "Salaries, Secret Service Division", beginning upon his retirement and continuing throughout his natural life, in semimonthly installments on the fifteenth and last days of each month, such sum as may be necessary, when added to the annuity which he will receive under the laws relating to the retirement of Government employees, to secure to him a total annuity of $4,000.

The SPEAKER. Is a second demanded?

Mr. JENKINS of Ohio. Mr. Speaker, I demand a second.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Georgia is entitled to 20 minutes and the gentleman from Ohio to 20 minutes.

Mr. RAMSPECK. Mr. Speaker, this bill proposes the payment to William H. Moran, when he retires, which will be on January 1, next year, in addition to his ordinary retirement under the Civil Service Retirement Act, a sufficient amount to make his total annuity $4,000. The additional amount will come out of the salary appropriation and not out of the civil-service retirement fund. This gentleman has served continuously for 53 years in the Secret Service of the United States Government.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. JENKINS of Ohio. Is there any instance on record where anything like this has been done before, or will this create a precedent?

Mr. RAMSPECK. I cannot answer that. I have been here only 7 years myself, but I do know there are cases where men are continued on the roll by special provision in an appropriation bill. I do not know that there is an exact precedent for this. I would not say there is or is not.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. BLANTON. This, I am sure, will establish a bad precedent that will cause at least 20,000 bills to come in here in the next few Congresses. It ought not to pass.

Mr. RAMSPECK. The Treasury Department, the Bureau of the Budget have approved it. It was sent up here, and I was requested to introduce it by the Secretary of the Treasury. It has the approval of the President, and they feel that because of the peculiar circumstances involved in this one case the bill ought to pass. I do not know of any other case where a man has served continuously 53 years for the Government in one department in a hazardous position. I do know that in one case this man saved the Government $80,000,000 by detecting a bond fraud.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. O'MALLEY. The precedent which this bill will establish—and the gentleman says he does not remember a bill like this having been passed before—will bring a flood of Government employees who may not be covered by the annuity laws who feel that they are not getting enough, and they will pounce down on each individual Congressman and ask him to introduce that kind of a bill.

Mr. RAMSPECK. I do not think the gentleman will find any other man in the service who has continuously served for 53 years in one branch of the Government service, who is now 72 years of age, and who in the ordinary course of events will not be with us much longer. It is customary in the cities throughout the country to retire police chiefs on half their salary. This gentleman will get only $4,000 if this bill is passed for the remainder of his life.

Mr. GILCHRIST. What is his salary now?

Mr. RAMSPECK. His salary is $8,000 a year.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. MAY. During the 53 years that he has served, of course the Government has deducted from his pay monthly and laid up that sum in a fund which will be given to him under the Retirement Act.

Mr. RAMSPECK. Yes.

Mr. MAY. And what does that amount to at the present time?

Mr. RAMSPECK. He will get $1,375 a year in the ordinary course of retirement from that fund.

Mr. O'CONNOR. He will get only $1,375 a year while captains and other subordinates under him will get much more because they are in the Metropolitan Police division. Some of the captains under Mr. Moran in the White House will get $1,800 a year. If Mr. Moran were the head of the police of the District and retiring, he would get $4,000 a year.

Mr. RAMSPECK. That is correct. If he were the Chief of Police in the District of Columbia and retiring, he would get $4,000 a year, which is under the law authorized by Congress.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. McCORMACK. How many lives of our Presidents has Chief Moran and his department protected under his command?

Mr. RAMSPECK. He goes back 53 years and for 7 months he was in Europe with President Wilson and looked after his protection. I do not know how many Presidents he has protected. It goes back further than I can remember.

Mr. LUDLOW. Would the gentleman tell the House how many important investigations this efficient official has conducted which have resulted in the saving of many, many millions of dollars to this Government? I ask this question because I happen to know that in the oil investigation, for instance, one of the many important investigations of which he had charge, his efficient services unearthed evidence that enabled this Government to rescue a treasure of enormous value. I believe Chief Moran is entitled to the relief which this bill provides and I wish the gentleman from Georgia would tell us how many of these investigations of enormous importance to the country he has conducted in his long public service.

Mr. RAMSPECK. I don't know how many, but I know there have been a great many. I know of one case where he saved the Government $80,000,000.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. BLANTON. I call the gentleman's attention to the case of Mr. George W. Hesse.

Mr. RAMSPECK. Oh, I yield to the gentleman for a question and I do not want to go into the facts of other cases.

Mr. BLANTON. But I want the gentleman to remember the case of George W. Hesse, who had served many years so faithfully, and when his case came up the point was made that it would establish a bad precedent. Our good friend Andy Smith, whom we all love, has served this Government 59 years and he will not get any additional pension. We must not establish this bad precedent. It would cost millions of dollars in every future Congress.

Mr. RAMSPECK. I am glad that he is still with us. I do not yield further. I yield now to the gentleman from West Virginia.

Mr. RANDOLPH. The members of the Civil Service Committee, of which I am one, and of which the able gentleman is chairman, gave very careful consideration to this special case. In the gentleman's opinion it is not a dangerous precedent to give to those in this Government who have given meritorious service, this recognition, is it?

Mr. RAMSPECK. I think not, because of the peculiar circumstances involved in this one case and because of the hazardous service he has rendered and the age he has reached now and the long years of service he has rendered.

Mr. DONDERO. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. DONDERO. I think what all of us want to know is how much does he get under the retirement fund and how much more will he get under this bill, to make up the $4,000 a year?

Mr. RAMSPECK. Under the regular retirement fund he will get $1,375 a year.

Mr. DONDERO. So he would have an increase of $2,625?

Mr. RAMSPECK. Two thousand six hundred and twenty-five dollars from the salary fund, making a total of $4,000. His salary is now $8,000. If he were chief of police of the District of Columbia and retired, he would get $4,000 a year. That is the law that Congress passed for that.

Mr. Speaker, I reserve the balance of my time.

Mr. JENKINS of Ohio. Mr. Speaker, I feel it is absolutely unnecessary to debate this case any further, because I think everybody is ready to vote. Regardless of the fact that this gentleman is a most efficient officer, we must remember that he has done no more than was his reasonable duty.

For fear there might be some who do not know what this bill is about, let me read three or four lines in the last part of the bill.

> Beginning upon his retirement and continuing throughout his natural life, semiannual payments on the fifteenth and last days of each month, such sum as may be necessary, when added to the annuity which he will receive under the laws relating to the retirement of Government employees, to secure him a total annuity of $4,000.

It has been made very clear that there never yet has been any precedent for this sort of action. We are trying tonight to do something which we have never done before. As the gentleman from Texas said, it is safe to predict that we will have thousands of these cases every year. So why open the floodgates?

The argument by the distinguished majority floor leader, Mr. O'CONNOR, applies to thousands of people. The gentleman says this man will be discriminated against because there are some younger men in the service who, when they arrive at the age of retirement, will draw more than he will draw. Every year there are hundreds of men going out who have reached the age of retirement, who will not draw as much as those who will follow them. So if you start this program to equalize persons thus classified, you will have a thousand coming in here every year asking for equalization. They then should do so—this bill deserves to be overwhelmingly defeated. I am sure that will be your decision. [Applause.]

Mr. Speaker, I yield to the gentleman from Missouri [Mr. SHORT], such time as he may desire.

Mr. SHORT. Mr. Speaker, it seems altogether unnecessary and superfluous that anyone should rise in opposition to this bill, which on the face of it is inherently bad.

We are now approaching the close of a prolonged and arduous session of this Congress. Gay as our hearts may be and happy as we may be in the camaraderie that pervades this body, that is unequaled among any other group in all the world, our hearts are sad tonight because of the absence of one of the most able, one of the most fearless, one of the fairest, one of the most lovable Speakers who ever presided over this body, Joe Byrns. There is no Member, regardless of party, who has a higher personal regard or a more genuine affection for our present Speaker, Hon. WILLIAM B. BANKHEAD.

But, Mr. Speaker, I want to say that having sat through the sessions for the last 2 days I have been somewhat dismayed and more displeased at certain tactics that have been employed in the closing hours of this session.

As just one humble Member of this House, I deplore from the bottom of my heart the fact that important legislation is brought in at the last moment and is passed without being read, let alone considered by the membership of this House. It seems to me that this bill is just another illustration of Members who are now tired, fatigued, and worn, anxious to adjourn and go back to their homes, rushing through legislation without serious consideration or ample debate.

I am heartily in accord with the gentleman from Texas [Mr. BLANTON] and the gentleman from Ohio [Mr. JENKINS], who has just spoken, and with the distinguished gentleman from Mississippi [Mr. RANKIN], who now occupies the chair. I do not know why he was placed in the chair at this particular moment unless they did not want to hear his opposition to this bill. [Applause.] I am in accord with them when they say this would establish a dangerous and a bad precedent,

and as just one Member I hope we shall forget all our differences long enough to register a unanimous protest against such proposed legislation.

Mr. RAMSPECK. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, it is rather amusing to listen to the argument of the gentleman from Missouri who has just spoken. He first talks about legislation coming in at the last minute. The gentleman talks about legislation coming in at the last minute and that he has not had an opportunity of reading the bill. The bill has been printed for a long while. Well, the gentleman has not served in a Republican-controlled House. I have.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. SHORT. I do not know how much I served, but I was here in the Seventy-first Congress, and that was almost Republican, just as the Seventy-fifth Congress will be. [Applause.]

Mr. McCORMACK. I can hear the gentleman very plainly. What my friend predicts about the Seventy-fifth Congress is something that will occur in the future and rests with the voters.

The gentleman talks about legislation coming in at the last minute. Now, let us be frank. That is one of the conditions of the closing days of any session, whether the Republicans control the House or the Democrats control the House. I was not critical of my Republican friends when they were in control. It is a condition that confronts whatever party is in control of the House.

The gentleman talks also about the distinguished gentleman from Mississippi [Mr. RANKIN], and, of course, from his intimation, he wants us to infer that the Speaker called the distinguished gentleman from Mississippi to preside in order to take his voice away from this debate. I do not think that becomes the gentleman either, in addition to his other statements.

So far as Chief Moran is concerned, this bill does not establish any precedent. Fifty-three years in the service of the Government, all his life devoted to the service of Presidents, whether Republican or Democratic—Presidents of the United States. I do not look at the President from the angle of Republican or Democrat. This man served 53 years protecting the lives of the Presidents of the United States, 18 of those years as Chief of the Secret Service. During this time, as Chief of the Secret Service, he protected the lives of six Presidents of the United States. It seems to me that such service makes this bill a justifiable exception.

This money does not come out of the retirement fund. He receives no more out of the retirement fund than he would receive by law. The extra money is provided out of another fund. This bill, therefore, does not establish a precedent so far as the retirement fund is concerned.

[Here the gavel fell.]

The SPEAKER pro tempore (Mr. RANKIN). The question is, Shall the rules be suspended and the bill be passed?

The question was taken; and on a division (demanded by Mr. RAMSPECK) there were—ayes 36, noes 125.

So, two-thirds not having voted in favor thereof the motion was rejected.

UNION PARTY PLATFORM AND STATEMENT OF WILLIAM LEMKE, CANDIDATE FOR PRESIDENT

Mr. LUNDEEN. Mr. Speaker, I ask unanimous consent to insert in the CONGRESSIONAL RECORD the statement and platform of the Honorable WILLIAM LEMKE, Union Party candidate for President of the United States. I believe the country is entitled to statements from all Presidential candidates. Their platforms and programs should all be published in the RECORD for the information of the public.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LUNDEEN. Mr. LEMKE's statement and the platform follow:

I have accepted the challenge of the reactionary elements of both of the old parties and will run for President of the United States as the candidate of the Union Party, in accordance with the thousands of messages and requests which I have received from over the Nation.

The Honorable Thomas Charles O'Brien, of Boston, has signified his willingness to seek the Vice Presidency on the same platform.

I have arranged with friends of mine to proceed with filing the name of the Union Party, the emblem, the names of Presidential electors, my own name, and that of Mr. O'Brien in order to fulfill the specific law of each State relative to filing.

I am hoping that the platform which I have submitted to my friends will meet with wide approval. To my own mind, it is the only platform which will embody the principles which will save democracy and put a permanent end to the so-called depression.

Some three-quarters of a century ago this Nation was at the crossroads. The issue of human slavery confronted our people. A decision as to whether the Nation should remain half free or half slavery had to be made. Political parties of that day temporized with the issue of human slavery and brought about the Civil War and incidentally the formation of a new party headed by Abraham Lincoln, dedicated to the preservation of the Union and elimination of human slavery.

Today we are again at the crossroads and the issue again is slavery—economic slavery. Today we are in the midst of another war—a war against a man-made depression. It has reduced our Nation to the lowest economic state in its history, leaving a trail of suffering, starvation, and want in a land of plenty. Two major parties have had ample opportunity to seriously attempt to remedy the economic ills of our Nation. They have been found wanting.

There is only one solution. That is through the formation of a new party, which I am launching today, to be known as the Union Party of the United States.

CONGRESSIONAL CAMPAIGN

As far as the election of Members of Congress is concerned, the Union Party will support Members who voted for progressive and liberal legislation, for the farmer, labor, veterans, and the small-business man, including the Frazier-Lemke bill, regardless of party or party affiliation.

WILLIAM LEMKE.

UNION PARTY PLATFORM

1. America shall be self-contained and self-sustained—no foreign entanglements, be they political, economic, financial or military.

2. Congress and Congress alone shall coin and issue the currency and regulate the value of all the money and credit in the United States through a central bank of issue.

3. Immediately following the establishment of the central bank of issue Congress shall provide for the retirement of all tax-exempt, interest-bearing bonds and certificates of indebtedness of the Federal Government and shall refinance all the present agricultural mortgage indebtedness for the farmer and all the home mortgage indebtedness for the farmer and all the home mortgage indebtedness for the city owner by the use of its money and credit which it now gives to the private bankers.

4. Congress shall legislate that there will be an assurance of a living annual wage for all laborers capable of working and willing to work.

5. Congress shall legislate that there will be an assurance of production at a profit for the farmer.

6. Congress shall legislate that there will be assurance of reasonable and decent security for the aged, who, through no fault of their own, have been victimized and exploited by an unjust economic system which has so concentrated wealth in the hands of a few that it has impoverished great masses of our people.

7. Congress shall legislate that American agricultural, industrial, and commercial markets will be protected from manipulation of foreign moneys and from all raw material and processed goods produced abroad at less than a living wage.

8. Congress shall establish an adequate and perfect defense for our country from foreign aggression either by air, by land, or by sea, but with the understanding that our naval, air, and military forces must not be used under any consideration in foreign fields or in foreign waters either alone or in conjunction with any foreign power. If there must be conscription, there shall be a conscription of wealth as well as a conscription of men.

9. Congress shall so legislate that all Federal offices and positions of every nature shall be distributed through civil-service qualifications and not through a system of party spoils and corrupt patronage.

10. Congress shall restore representative government to the people of the United States to preserve the sovereignty of the individual States of the United States by the ruthless eradication of bureaucracies.

11. Congress shall organize and institute Federal works for the conservation of public lands, waters, and forests, thereby creating billions of dollars of wealth, millions of jobs at the prevailing wage, and thousands of homes.

12. Congress shall protect small industry and private enterprise by controlling and decentralizing the economic domination of monopolies to the end that these small industries and enterprises may not only survive and prosper but that they may be multiplied.

13. Congress shall protect private property from confiscation through unnecessary taxation with the understanding that the human rights of the masses take precedence over the financial rights of the classes.

14. Congress shall set a limitation upon the net income of any individual in any one year and a limitation of the amount that such an individual may receive as a gift or as an inheritance, which limitation shall be executed through taxation.

15. Congress shall reestablish conditions so that the youths of the Nation, as they emerge from schools and colleges, will have the opportunity to earn a decent living while in the process of perfecting and establishing themselves in a trade or profession.

SURVEY OF CABINET GORGE ON THE CLARK FORK OF THE COLUMBIA RIVER

Mr. WHITE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4062) to provide for a survey of the Cabinet Gorge on the Clark Fork of the Columbia River.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

Mr. SNELL. Mr. Speaker, reserving the right to object, may we have the entire bill read at this time?

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) in accordance with the provisions of the act of June 17, 1902 (32 Stat. L. 388), known as the reclamation law, and acts amendatory thereof or supplementary thereto, the Secretary of the Interior is hereby authorized and empowered to make surveys and investigations to (1) determine the power markets that might be served from a suitable hydroelectric power project at the Cabinet Gorge site on the Clark Fork of the Columbia River in the proximity of the Montana-Idaho State line; and (2), provided such markets can be developed, to make further investigations to determine the design and cost of a dam to be constructed at said site.

(b) The Secretary of the Interior shall submit to the President and Congress a report, together with his recommendations on the investigations herein authorized, not later than 8 months from the date of the enactment of this act.

SEC. 2. There is hereby authorized to be appropriated out of any moneys in the reclamation fund, not exceeding $25,000 for the purpose of carrying out the provisions of this act.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

Mr. SNELL. Mr. Speaker, I object.

Mr. WHITE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 4062) to provide for a survey of the Cabinet Gorge on the Clark Fork of the Columbia River.

The SPEAKER. Is a second demanded?

Mr. TABER. Mr. Speaker, I demand a second.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. SNELL. Mr. Speaker, I object.

The SPEAKER. The question is on ordering a second; and the Chair appoints the gentleman from Idaho [Mr. WHITE] and the gentleman from New York [Mr. TABER] to act as tellers.

The question was taken; and the tellers reported there were—ayes 91, nays 49.

So a second was ordered.

The SPEAKER. The gentleman from Idaho is recognized for 20 minutes.

Mr. WHITE. Mr. Speaker, the original purpose of this bill was to provide for a study and survey of the Cabinet Gorge project in order to determine whether a hydroelectric plant may be built at Cabinet Gorge and power used to pump water to rehabilitate five or six existing irrigation districts that are in distress on account of lack of water because their source of supply is failing. The lakes and wells are drying up and there is a shortage of water.

It is the purpose of this bill to make the necessary surveys and investigations to determine if it is practical and feasible to generate power at Cabinet Gorge and use it to rehabilitate these projects. The bill has the approval of the Secretary of the Interior and the Director of the Budget. It has been passed by the Senate and has been approved by the Committee on Irrigation and Reclamation of the House, of which I have the honor of being chairman. The committee report on this bill has been written by a member of the minority. Therefore I feel the bill is entirely in order and merits the support of the Members of the House.

Mr. KVALE. Will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Illinois.

Mr. KVALE. Does this involve the Flathead power system on the Flathead Indian Reservation?

Mr. WHITE. It has nothing to do with the Flathead Indian Reservation.

Mr. KVALE. It has nothing to do with the Yellowstone Basin at all. It has to do with waters that flow to the coast?

Mr. WHITE. It does. This bill has been approved all down the line and simply provides that money shall be used out of the reclamation fund to determine the practicability and feasibility of the project and rehabilitate these irrigation projects, and these old settlements will be restored and an abundant supply of water provided.

Mr. LAMNECK. Will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Ohio.

Mr. LAMNECK. How much will this project cost if finally approved?

Mr. WHITE. That is exactly the reason for the introduction of this bill.

Mr. LAMNECK. Is it true that it will cost $263,000,000?

Mr. WHITE. That is absolutely absurd.

Mr. LAMNECK. I am taking the words of the chairman of the Appropriations Committee.

Mr. WHITE. I do not know where the Appropriations Committee chairman got his figures. It is absurd.

Mr. FULMER. Will the gentleman yield?

Mr. WHITE. I yield to the gentleman from South Carolina.

Mr. FULMER. Is it not a fact this money will come out of the reclamation fund and not the Treasury?

Mr. WHITE. That is the fact.

Mr. FULMER. If it is impossible to impound that water by building a dam, it will mean millions, no doubt, to the farmers in a number of irrigation projects that may eventually have to be abandoned unless they can get water?

Mr. WHITE. The gentleman is correct. The first object of the bill is to rehabilitate these irrigation projects and maybe extend it to the adjoining territory.

Mr. TABER. Will the gentleman yield?

Mr. WHITE. I yield to the gentleman from New York.

Mr. TABER. How much does the gentleman say this project will cost?

Mr. WHITE. I would not know until the surveys had been made and a determination reached. The purpose of this bill is to ascertain how much it will cost and the feasibility and practicability of the whole thing.

Mr. KNUTSON. Should we not wait until we have had an examination made? And where is the money coming from?

Mr. WHITE. I may say to the gentleman from Minnesota what we are seeking to do is to authorize the Bureau of Reclamation to make the surveys and determinations.

Mr. WOODRUFF. Will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Michigan.

Mr. WOODRUFF. Mr. Speaker, I am interested to know whether or not in connection with this proposed project there are to be any new arid lands brought into production through irrigation?

Mr. WHITE. No; I will say there is not. All the land in this particular country is settled and is now in use. There might be some land put under irrigation, but it is not arid land and it is not new land. It is land already under cultivation.

Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. SAMUEL B. HILL].

Mr. SAMUEL B. HILL. Mr. Speaker, I am familiar with this area, since it is just over in Idaho, adjacent to the district I represent in Washington.

The Clark Fork of the Columbia River flows through Lake Pend d'Oreille, which is one of the largest fresh-water lakes in the United States outside of the Great Lakes. The lower end of Pend d'Oreille Lake is about 7 miles from the land involved in this project. The lands are on what is known as Rathdrum Prairie. There are about four privately developed reclamation projects totaling about 15,000 acres situated on Rathdrum Prairie. Those projects have been

getting their water from Hayden Lake and from wells out of which they pump.

In later years the waters in Hayden Lake have been failing, the level of the lake has been going down, and the water tables where the wells are from which they pump, have been gradually lowering also. They have to pump water on these lands, and the rates that they pay now for the electrical power are so high that it is unprofitable, and they are about to lose their homes on these developments.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. SNELL. Is this a Government project at the present time?

Mr. SAMUEL B. HILL. No; they are not. They are private projects.

Mr. SNELL. But you want the Government to take them over and develop them?

Mr. SAMUEL B. HILL. We want the Government to investigate them and determine whether it is feasible to put in a dam and create power at Cabinet Gorge on Clark Fork, in order to provide cheap electricity for pumping water out of the lower end of Lake Pend d'Oreille to put on these lands to rehabilitate the lands and develop them as irrigation projects.

Mr. SNELL. How large a dam and how high a dam does the gentleman have in mind?

Mr. SAMUEL B. HILL. That is one of the things the investigation is to determine, as well as to determine whether there is a market for the power.

Mr. SNELL. Does the gentleman understand that it is currently reported it will cost from $200,000,000 to $250,000,000 to complete the project?

Mr. SAMUEL B. HILL. I cannot conceive that any such figure would be in contemplation because it simply means the building of a dam in a gorge across a small river and then putting in an electrical power plant and transmission line down to the lower end of Pend d'Oreille Lake to pump water out of the lake and run it through a canal to these lands.

Mr. SNELL. This would bring more land into cultivation?

Mr. SAMUEL B. HILL. It will simply rehabilitate the land that was sought to be reclaimed under these private projects.

Mr. SNELL. But it is not being reclaimed at the present time.

Mr. SAMUEL B. HILL. They have some water, but the water is not sufficient and is failing.

Mr. SNELL. Then it will bring more water and in this way produce more agricultural products.

Mr. SAMUEL B. HILL. It will produce more products on the land that is now developed.

Mr. SNELL. That is what I had in mind.

Mr. SAMUEL B. HILL. Yes.

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Speaker, the distinguished chairman of the Committee on Appropriations fought a very gallant battle here in the House this week for the purpose of terminating, or at least limiting to the reclamation fund, this reclamation folly. Tonight in the last hours of the Congress we are confronted with this bill.

I have in my files a letter written to Fred Brinckman, the legislative representative of the National Grange, from a resident of the State of Washington in and about the area that it is proposed to reclaim by this bill, in which the writer states that bringing more land into production in this area means nothing short of confiscation for those who have already invested their life's savings in this area.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. CULKIN. No; not now.

This is the situation with which you are confronted. On the Columbia River the Federal Government has expended $63,000,000, or will expend $63,000,000 when the present appropriations have been used in the building of a dam on the upper Columbia. This dam, in my judgment, will be of the same lasting character and the same sort of world wonder as the pyramids are now. It will have no other function. This project, according to the Reclamation Bureau, will cost $490,000,000 and will bring 1,200,000 acres of land into production.

On the lower Columbia River we will expend at Bonneville approximately $40,000,000 for a joint navigation and power project.

It would seem, therefore, that the State of Washington and the adjoining area is well supplied with all necessary power and all necessary new land.

May I say to you that in the same State of Washington in the last year some 10,000 acres of orchards were pulled for the reason there was no market for the fruit. There is in that area thousands of acres of reclaimed land on which no settlers have gone or will go.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. CULKIN. In a minute.

Mr. WHITE. I should like to correct some of the statements the gentleman is making.

Mr. CULKIN. Oh, the gentleman can do that in his own time. I protest most vigorously against this raid on the Treasury, which is apparently innocent in character, but I assert that it is simply the nose of the camel getting under the reclamation tent. I know the House is tired and exhausted and tired of speech making. [Applause.] And I know these gentleman who are so generous with their applause wish to get this raid through the House without any preliminaries. Nevertheless, I emphasize that this authorization, preliminary and simple as it may seem in character, is, in fact, only preliminary, and a demand for an additional three or four hundred millions dollars will follow. Further, every foot of land that is reclaimed in this area means that the value of land in Kansas, Iowa, Idaho, Nebraska, and all of the Western States will depreciate in value. In addition to that, by bringing this land into production, you prejudice, you injure the men who are already on the reclaimed lands of the West and the men who are on the acreage in the East.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. CULKIN. I notice, Mr. Speaker, that the gentleman from Idaho is the father of the bill. I am very fond of him, and I yield to him for a question but I do not yield to him to make a speech.

Mr. WHITE. I am not going to make a speech, but does the gentleman realize that the products of this land in this section reach up against Canada, and they have a big market in Canada in the lumbering and mining sections, and will not come into competition with the products of the Eastern States at all?

Mr. CULKIN. That is the most guileless, the most ingenious piece of sophistry that I have ever heard. Did any one ever hear of Canada buying any agricultural products from the United States—especially since the promulgation of the reciprocal-trade agreement?

Mr. RANKIN. Mr. Speaker, if the gentleman will yield I will try to answer his question. All of the time that the Republicans had a duty of 42 cents a bushel on wheat——

Mr. CULKIN. Oh, I have yielded for a question, not a speech.

Mr. RANKIN. And I am going to answer the gentleman's question. We were shipping wheat into Canada because wheat was higher there than in the United States. When we had a tariff of 42 cents a bushel on wheat, wheat was higher in the market at Winnipeg by 10 cents than in the United States market.

Mr. CULKIN. Oh, the gentleman goes back into the dark ages. That was before the great western areas of Canada were settled.

Mr. RANKIN. Yes; Republican dark ages, and they never will be that dark again, for the dark days are over.

Mr. CULKIN. Happy days and Landon will soon be here. Gentlemen, do not let these mad reclamationists get their nose into the Federal Treasury via this new and terrible reclamation abortion in the last hours of this Congress. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. TABER. I yield myself 5 minutes. Already there has been expended since the 4th of March 1933 between twenty-four and twenty-five billions of dollars. This present bill is not a big item on the surface, but it leads, according to the information that has come to me, to a couple of hundred millions of dollars more money. Do we want to start on it? Gentlemen will remember that we tried to find out from the gentleman from Idaho [Mr. WHITE] and the gentleman from Washington [Mr. SAMUEL B. HILL] what they thought this project would cost, but we could not do it. The best information that we can get is that it will cost from two to three hundred million dollars.

Mr. SAMUEL B. HILL. Mr. Speaker, will the gentleman yield?

Mr. TABER. In a moment. We get this story; that there are some settlers on a project up there who are suffering from lack of water. We have had that story with reference to every irrigation project that has been before the House in the last 60 days, but we also get the story that there will be more land brought under cultivation if this project goes through.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes; I yield.

Mr. WHITE. I think if the gentleman will recall my statement, I said there would be no more land brought in cultivation, that the land is already under cultivation but not irrigation.

Mr. TABER. It will not raise crops although the land is under cultivation?

Mr. WHITE. Dry farming.

Mr. TABER. Dry farming? Probably dry farming is not successful out there and they would like to have the Government spend two or three hundred million dollars to make it wet farming. Is that it?

Mr. WHITE. I will answer the gentleman. There are five irrigation projects there that are short of water, and the purpose of this bill is to make a study and survey to find out how they can be rehabilitated, and those people can be made secure in their home and in their property.

Mr. SAMUEL B. HILL. I should like to know the source of the information that justifies the statement that this will cost $200,000,000 or $100,000,000.

Mr. TABER. Why, inference from statements that have drifted in here and there through the Reclamation Service. We suggested that that idea was before us, and we tried to find out when the gentleman from Washington and the gentleman from Idaho were before the House what they thought it would cost, and we found out nothing. If they have anything to tell us in the 5 minutes they have left, they ought to tell us. I shall not yield any more to them because I have not the time, but I believe we ought not to start on any more irrigation projects at this time. I think we have gone as far as we ought to go in that sort of thing, and we ought to stop.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Speaker, I do not know much about this project, but I read the report. The bill when it first came here was labeled as one to rehabilitate irrigation districts. The report made by the friends of the bill says that it is for the purpose of putting more water upon this land; that is, for the purpose of remedying an inadequate situation that now obtains with reference to the land. They propose to put this water on, but they say they are not going to bring more land into cultivation. They do admit they are going to raise more crops, however. The very purpose of it is to raise more crops, to produce a greater surplus, and this is at a time when we are proposing to limit and curtail production and bring it into balance with consumption.

To my mind, it is an asinine thing now, when we are spending money to prevent a surplus of crops, to make appropriations to bring more land into crop production. To my mind, it is unjust because it is unfair to the rest of the farm country which is raising crops, without Government help or subsidies. We ought not to allow the Government to compete in this way with the farmers of the country who finance their own farms. The Government has as much right to build mills to manufacture shoes in competition with the private shoe factories. Do not allow the Federal Government to build and finance more farms to produce more crops, to contribute more surpluses to further cheapen farm products. Farmers are having enough trouble already.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. TABER. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, Members of the House, and particularly the Democratic Members of the House [applause], if there ever was a Congress of the United States that has been ruthlessly spending the taxpayers' money, this is the Congress. If there ever has been a Congress that has been doing foolish things, this is the Congress. [Applause.] You go out now and buy, under instructions from the Secretary of Agriculture, 40,000,000 acres of land to put them out of cultivation. Then you turn around and build dams and dams and irrigation projects in the Northwest, and you put into cultivation over 300,000,000 acres of ground. [Applause.]

Then you turn around and you spend money building dams out in the West to make electric power a yardstick to determine power projects, after you have started a project down in the Tennessee Valley to make a yardstick for power where the gentleman from Mississippi [Mr. RANKIN] is trying to prove to the people of this country that they are getting power for a certain figure, cheaper than was ever gotten in any part of the country, when the taxpayers of this country are footing the bills. Yet Mr. RANKIN claims the Government does it at a profit. [Applause.] They do not have that yardstick finished, and they are hoodwinking the American people every minute of the day. They do not know how to figure costs. Now, you are trying to build, under this bill, what we call a power project. Read the bill. It says "for a suitable hydroelectric power project", and then you take the floor and say it is for the benefit of agricultural lands in the committee report. The survey cost is $25,000. We do not need more power in the Northwest nor do we need more lands at this time. So defeat the bill. [Applause.]

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. WHITE. Mr. Speaker, I yield 1½ minutes to the gentleman from Oregon [Mr. EKWALL].

Mr. EKWALL. Mr. Speaker, I want you to listen closely, and I want the gentleman from Pennsylvania [Mr. RICH] to listen, because I am going to answer a question which he has asked for 6 months, namely, "Where are you going to get the money?" Under this bill it is provided we will get the money from the reclamation fund. The reclamation fund is a revolving fund, and it means that no money will come out of the Federal Treasury. So the gentleman from Pennsylvania may go home and get the first night's sleep he has had in 6 months. [Laughter and applause.]

It is like waving a red flag in front of him to mention anything about reclamation to the gentleman from New York [Mr. CULKIN]. [Laughter and applause.]

I think the West is entitled to this consideration. The bill merely authorizes a survey and investigation. [Applause.]

The SPEAKER. The time of the gentleman from Oregon has expired.

Mr. WHITE. Mr. Speaker, I yield myself 1½ minutes.

Mr. Speaker, I just want to tell the gentlemen on the Republican side who are opposed to reclamation in any form that it is the source of the market for the stuff that they consume from the East. Corn and pork from Iowa, and manufactured goods from the industrial East. I wish I had time to go further into that subject.

I want to tell these gentlemen that when I started my campaign for Congress, I was talking to one of the most conservative Republican businessmen in the city of Spokane—Mr. Funicane, of Holley Mason Hardware Co. He said to me, "WHITE, those Republicans have gone crazy in passing the Hawley-Smoot tariff bill." He said, "The president of the Spokane and International Railroad told me that on account of the Hawley-Smoot bill they had lost 1,000 carloads of business of soft fruits and vegetables from the irrigated sections of the State of Washington to Canada, during the month of September of that year, on account of the retaliatory tariff measures." [Applause.]

Let me remind you opponents of irrigation that the products of the irrigated districts marketed over the border in Canada have contributed to the business prosperity of the Northwest—your market for your products, one of the best in the United States. Go into the railroad yards and to the warehouses of these western cities and towns, you Members from central and eastern farming States, and see for yourselves the vast quantities of your finished products—cereals, packing-house products, hams, bacon, lard. You from the industrial East, carload after carload rolling into your best market. Would you curtail this market? Do you desire to arrest the development of this country? Do you want to deprive the unemployed of your cities of an opportunity to become self-supporting? Must we continue to tax ourselves to support them in idleness? If you could realize what the development and prosperity of the irrigated communities of the West mean to the welfare and the prosperity of people of your district, I am sure you would not oppose this bill.

The SPEAKER. The time of the gentleman from Idaho has expired. All time has expired.

The question is, Shall the rules be suspended and the bill passed?

The question was taken; and on a division (demanded by Mr. WHITE) there were—ayes 51, noes 170.

So (two-thirds not having voted in favor thereof) the motion was rejected.

TO FREE INTERSTATE BRIDGES FROM LOCAL TAXATION

Mr. O'NEAL. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3107) to exempt publicly owned interstate highway bridges from State, municipal, and local taxation.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, I ask that the bill be reported in full.

The Clerk read the bill, as follows:

Be it enacted, etc., That each interstate highway bridge and approaches thereto which has heretofore been constructed or acquired or which shall hereafter be constructed or acquired by any State, or by any commission, board, or agency of a State; or by any county, city, town, or other political subdivision or public corporation, or by any commission, board, or agency thereof; or by any commission, board, or authority created by the Congress or by a compact entered into between two States with the consent of the Congress, each thereof being herein sometimes termed a public authority, and which has been, or shall be, constructed pursuant to an act of the Congress consenting to or authorizing such construction, is hereby declared to be a Federal instrumentality for facilitating interstate commerce, improving the postal service, and providing for military purposes, and shall be exempt from all State, municipal, and local taxation so long as such bridge shall be owned and operated by such public authority either as a free bridge or as a toll bridge: *Provided, however,* That if such bridge shall be operated as a toll bridge, it shall not be exempt from such taxation unless all tolls received from the operation thereof, less the actual cost of operation and maintenance, are applied to the repayment to such public authority of the cost of construction or acquisition of such bridge or to the amortization of such cost, with reasonable interest and financing costs; nor unless after the amount contributed by such public authority, with reasonable interest and financing costs, in the construction or acquisition of such bridge has been repaid from the tolls; or after a sinking fund sufficient for the amortization of such cost shall have been provided, such bridge shall thereafter be maintained and operated free of tolls.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. THOMPSON. Mr. Speaker, I demand a second.

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. O'NEAL. Mr. Speaker, I greatly regret that it is necessary to bring up this matter under suspension at this time. I have not been dilatory in bringing this matter to the House, but on two occasions it was passed over on the Consent Calendar without prejudice. This bill was passed by the Senate unanimously. It came to the House and went to the Interstate Commerce Committee, where hearings were held, and both the subcommittee and the full committee reported this bill to the House favorably. The Secretary of Agriculture, the Secretary of the Treasury, and the Secretary of War have either approved of or voiced no opposition to the bill. When the matter came up on the Consent Calendar the objectors on both sides seemed to be in accord and assured me they would interpose no objection. One gentleman, for reasons sufficient to himself, saw fit, which he had the right to do, to ask that it be passed over without prejudice.

This bill, Mr. Speaker, is designed to free publicly owned interstate bridges from State, municipal, or local taxation. In my opinion if this bill passes such bridges will be free from tolls from 1 to 3 years sooner than they would be if this bill is not passed.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield.

Mr. WOLCOTT. As I understand, the bill provides that such bridges are henceforth to be considered instrumentalities of the Federal Government provided that all of the revenue from the bridges is used for the retirement of the bonds, and upon retirement of the bonds the title to the bridges reverts to the municipalities so that eventually these bridges will become the property of the municipalities which are now taxing them.

Mr. O'NEAL. The gentleman is practically correct except title is now in the State. The State does not have to wait until the bridges are free. The title rests in the public agency.

Mr. WOLCOTT. The point I make is that eventually these bridges will become the property of the municipality which is now taxing them; and, of course, they will not tax their own property.

Mr. O'NEAL. That is correct.

Mr. WOLCOTT. And, under the operation of this bill these bonds will be retired that much quicker.

Mr. COCHRAN. Mr. Speaker, if the gentleman will yield for 1 second. Let me cite an example, an outstanding example of the situation that confronts some States and municipalities. The city of St. Louis paid about $12,000,000 to build a free bridge. The city of East St. Louis and the people of Illinois get as much benefit from this bridge as do the people of the city of St. Louis and State of Missouri. The city of East St. Louis taxes this bridge something around $75,000. Title to the bridge will never go to the subdivision that is taxing it. Title will always remain with St. Louis.

Mr. O'NEAL. Mr. Speaker, the question of toll bridges in this country, it seems to me, is very much misunderstood.

This bill has nothing to do with privately owned toll bridges. These are publicly owned interstate bridges. For many years dangerous streams had to be crossed by ferry because cities, counties, and States were unable to build bridges. A few years ago it became possible for cities, counties, and States to borrow money to pay for bridges and to pledge nothing but the revenues from the bridge—that is, to pledge the tolls to the payment of the indebtedness.

When the tolls are so applied, then the bridges will be free and no tolls charged thereafter. All over this country at the present time we have bridges which have been built in that manner, and they will be free as soon as the tolls have been sufficient to pay off the indebtedness.

The purpose of this bill is to make these bridges, publicly owned, free from local taxation. The practice has been for some little town over on the other side of the river, which is getting the benefit of a free bridge when the tolls

are paid, upon seeing a chance to make some money because a pier happens to rest on their side of the river, to stick a tax upon the bridge. This means that the tolls will have to be increased, or it will take longer to pay off the bonds or the indebtedness, and, consequently, through a selfish policy, these public necessities are kept from being free years longer.

This bill makes the bridges Federal instrumentalities, and they cannot be taxed by a local community, by county, or State. If this bill is passed, and it is just that it should be passed, we will have free bridges in a much shorter time.

There are some few communities where they are getting property taxes from toll bridges, yet they get a little more benefit in taxes than in costs from tolls. They want to keep the thing under taxation as long as they can, in order that their little communities may be so benefited, and the general public thereby gets the worst of it.

Mr. HOLMES. Will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Massachusetts.

Mr. HOLMES. I want to make this observation to my colleague from Kentucky: A subcommittee of which I have been a member now for a great many years has given a great deal of serious thought to the question of the continuity of these privately owned toll bridges, with the hope that some time it may be possible to have them as free bridges.

Mr. O'NEAL. Is the gentleman referring to privately or publicly owned bridges?

Mr. HOLMES. I am referring to both.

Mr. O'NEAL. This bill refers only to publicly owned bridges.

Mr. HOLMES. We are dealing with bridges that go over navigable streams, the only ones Congress has jurisdiction over.

Mr. O'NEAL. And publicly owned.

Mr. HOLMES. And publicly owned. Our committee unanimously recommended this bill. We have given it some thought and study for the past 3 years. The Committee on Interstate and Foreign Commerce has also given it consideration and unanimously reported this bill, believing it was about time we created some legislation of this type to act fairly as between communities.

Mr. O'NEAL. I appreciate the gentleman's statement.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMPSON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I regret very much I find myself in opposition to our splendid colleague from Kentucky [Mr. O'NEAL] so far as the merits of this bill that he is so interested in are concerned, but I feel I would be negligent in my duty if I did not oppose it with all my ability. It seems to me that the Federal Government is going a long ways when it undertakes to declare toll bridges built by cities and States instrumentalities of interstate commerce for the use of the Postal Service and the national defense, and tell these States and cities, as well as various other subdivisions, they cannot levy a tax against the property, although it may be assessable under the laws of the States affected.

Mr. Speaker, it seems to me the Federal Government should keep out of this particular field. It involves a very serious question of State rights as to whether or not the Federal Government has a constitutional right to tell one State by congressional enactment that it cannot tax the property of another State located within its own borders. I noted with much interest the statement of the gentleman from Kentucky that if we pass this bill tonight we are going to do away with toll bridges. I do not think the gentleman meant that just as it sounded. I make the statement on my own responsibility that if we pass this bill tonight, or at any subsequent session of the Congress, toll bridges in the United States will not disappear within the life of most of the Members of this body.

Mr. RANKIN. Will the gentleman yield?

Mr. THOMPSON. I yield to the gentleman from Mississippi.

Mr. RANKIN. Will the tolls be increased?

Mr. THOMPSON. I do not know whether they will or not. This bill will not decrease the toll.

Mr. RANKIN. That is what I am speaking of.

Mr. THOMPSON. Absolutely not. We have to keep in mind the bridges covered by this bill have been built by cities and they are managed by cities or counties and States. They are loaded down with overhead, and in most all of the cases the money has been borrowed from the P. W. A. or the R. F. C., and they never will be paid off, and we know they will not be. Unless some action is taken by the Congress of the United States to cancel these loans the tolls will remain on forever, because the history of toll bridges in the United States, whether privately or publicly owned, is nothing but a string of failures, particularly those built in the last 10 years. There is hardly an issue of bonds against a toll bridge in the United States today that is not in default, and yet they tell you if we take off the tax that some little community may lay on valuable property we are going to bring about free bridges.

Mr. LAMNECK. Will the gentleman yield?

Mr. THOMPSON. I yield to the gentleman from Ohio.

Mr. LAMNECK. Will not this deny the municipalities and taxing units a source of revenue, most of which is paid by people who do not live in the taxing district at all?

Mr. THOMPSON. Certainly.

[Here the gavel fell.]

Mr. THOMPSON. Mr. Speaker, I yield myself 5 additional minutes.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON. I yield.

Mr. COLDEN. In principle, why should a publicly owned bridge be taxed any more than a highway or any other city-owned or State-owned utility?

Mr. THOMPSON. That would be very true if the question of reciprocity between the States were involved. I think if two States want to enter into a compact to make the property of each other, confined within their borders, tax free, that is perfectly all right, but I fail to see why the Federal Government should inject itself into a matter that is strictly State business.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON. I yield.

Mr. COCHRAN. The gentleman comes from Illinois, across the river from my State, and he knows about the beautiful $12,000,000 bridge that the city of St. Louis built as a free bridge. The city of East St. Louis gets just as much benefit from it, and millions of citizens of Illinois come across this bridge every year, but still the city of East St. Louis taxes this bridge about $75,000 a year.

Mr. THOMPSON. I do not care to get into an argument with the gentleman, except to say that the city of St. Louis built that $12,000,000 bridge so as to draw trade from Illinois into the city of St. Louis, so that the people of Illinois would do their shopping in St. Louis. This is the case in nearly every instance. Cities went out and borrowed money and created bridge authorities to build bridges in order to attract business to their community, and I think it is a perfectly commendable effort on their part.

Mr. COCHRAN. The gentleman knows that this bridge was built to take away business from the toll bridge, the Eads Bridge, which was the first bridge constructed across the Mississippi River. That is why St. Louis built the bridge and made it a free bridge, so that everyone who wanted to cross the Mississippi River would not have to pay tolls to a private corporation.

Mr. THOMPSON. I suppose business in St. Louis fell off after they put up this free bridge. [Laughter.]

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON. I yield.

Mr. COLMER. Do I understand that this bill will affect any toll bridge on a Federal highway totally within the boundaries of a State unless it happens to be on a border line?

Mr. THOMPSON. Absolutely not, because if it were not an interstate bridge the Congress would not have any control over it and they would have to seek relief from the State legislatures of the States affected.

Mr. COLMER. Even though it were on a Federal highway?

Mr. THOMPSON. That has nothing to do with it whatever.

Mr. RANKIN. Mr. Speaker, will the gentleman yield to me again?

Mr. THOMPSON. I yield.

Mr. RANKIN. The gentleman from Illinois stated a while ago that these toll bridges were not making enough money to pay dividends on their bonds or on their investments.

Mr. THOMPSON. To pay their interest and amortize the bonds.

Mr. RANKIN. Is it not a fact that a great many of these toll bridges have done just what the utilities have done; that is, issued watered bonds or watered stock and inflated their investments far above what was justified and therefore made it impossible, under such circumstances, for them to make enough money or wring enough money from the public to pay dividends.

Mr. THOMPSON. I cannot tell the gentleman about that, but I can say that in a majority of the cases the Federal Government is the creditor. In other words, these municipalities have set up bridge authorities, issued some kind of bonds that satisfied the lender, whether it was the R. F. C. or P. W. A., or private sources.

[Here the gavel fell.]

Mr. THOMPSON. Mr. Speaker, I yield myself 3 additional minutes.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. Do I understand that the bill under consideration has to do with the selection of tolls?

Mr. THOMPSON. No; it does not. It has to do with the exemption of property owned by a State or a subdivision thereof in another State.

Mr. TREADWAY. Then there is no connection between this bill and any tolls necessary to be paid to the Democratic Party for campaign purposes.

Mr. THOMPSON. I am sorry to say there is none.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON. I yield.

Mr. SPENCE. I believe an interstate bridge has been held to be an instrumentality of interstate commerce. If this is true, why should we allow a municipality to place a burden on interstate commerce? Is not this against the very spirit of the Constitution, which gives the Congress of the United States control over interstate commerce?

Mr. THOMPSON. I do not believe a toll bridge is an instrumentality of interstate commerce; a free bridge might be.

Mr. SPENCE. The Supreme Court has held that a bridge is an instrumentality of interstate commerce where it crosses a navigable stream which is the boundary of a State.

Mr. THOMPSON. I do not see that it makes any difference whether a toll bridge is owned by a private bridge company or by a city.

I do not see the difference. The city had a selfish interest to go into it, principally to improve its own business, and that is commendable. No one can find fault with that, but why should a city on the opposite side of a river in another State have some of its valuable property used for an approach taken off the tax rolls so that another State or community in another State can get the benefit of it?

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON. Yes.

Mr. KELLER. Would the gentleman's objection apply to a situation where the loans are paid off and the bridge becomes a free bridge?

Mr. THOMPSON. I don't think it would; no, sir. That is a different proposition, but if they ever get their loans paid off I don't think any of us will live to get the benefit of it.

Mr. KELLER. Oh, yes.

Mr. THOMPSON. I should like to point out that this bill is a Senate bill. I do not know who is the author of it but one of the large bridge construction engineering firms of the United States is vitally interested in it. It is a reputable firm. They have done the engineering on practically all of the large bridges built with Federal loans and grants during the last 4 or 5 years and they are naturally interested, so that they can go out and sell these communities to build more bridges, a good many of which do not improve the transportation system of the country and are built only for selfish reasons.

Mr. KELLER. Is not the gentleman aware that in the State of Kentucky the bridges have paid for themselves all over the State, and they have been made free?

Mr. THOMPSON. Of course the Congress when it grants the right to build a bridge over a navigable stream puts that provision into the law. They are not being charitable; that is the law.

Mr. KELLER. Possibly; but while the gentleman says that they will not pay out, yet they have paid out and they have become free.

Mr. THOMPSON. That might have been in the old days when construction costs were cheaper.

Mr. KELLER. Oh, in recent years.

Mr. THOMPSON. I say that this is a very far-reaching question and, in my opinion, Congress should not undertake to tell these different States how they should handle matters of this character. If the States want to make reciprocal agreements with each other or enter into compacts regarding the treatment of property owned by one State in another, let them do it; but it seems to me that the Federal Government has enough to take care of without telling local communities they shall or shall not be exempt from taxes. I hope the bill will be defeated. [Applause.]

Mr. O'NEAL. Mr. Speaker, how much time remains?

The SPEAKER. The gentleman from Kentucky has 9 minutes and the gentleman from Illinois has 1 minute.

Mr. THOMPSON. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I really believe that there is no jurisdiction here. I do not see how we can assume jurisdiction. This is what this bill aims to do. It aims to exempt publicly owned interstate highway bridges from State, municipal, or local taxation. What right have we to dictate to the States or to municipalities to exempt these bridges from taxation, especially when these bridges are owned and operated by the States or municipalities? I merely know what is aimed at by this bill. A certain bridge has been taken over by a certain city, and the aim here is to relieve that city of certain State taxes which we have no right to do. It is absolutely against the rights of the respective States to dictate to them what they can tax and what they cannot tax.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. O'NEAL. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, if the women in America realized what the T. V. A. is doing for them, there would not be a candidate for public office from Maine to California who would dare to oppose it.

It is doing more to brighten their lives, lighten their burdens, relieve their drudgery, and increase the comforts and conveniences of their homes than anything else has ever done in the entire history of this Republic.

Electric lights, electric irons, electric refrigerators, electric stoves, fans, water heaters, vacuum cleaners, radios, washing machines, water pumps, sewing machines, grills, toasters, dishwashers, and numerous other labor-saving appliances may now be used under the T. V. A. rates for less money than it formerly took to light the home under the old power company rates. It is a new life, a new civilization for the women of this country.

No wonder they are for Roosevelt. He is doing more for the toiling, struggling women of this country by helping to put cheap electric energy within their reach than any other President has done for them in the last 100 years.

Besides we are extending this service into the rural sections, reaching thousands of farm homes that never could have enjoyed the blessings of cheap electric energy, at least during this generation, if it had not been for the T. V. A.

Let me give you an example of how cheap electricity relieves the drudgery of women who have to do their own work. Sometime ago I passed by a rather modest home and saw a little woman out in the yard doing the family washing. Although the weather was extremely hot, she had a blazing fire built around a large pot and she was standing over it punching the clothes down with a long stick, when she was not engaged in replenishing the fire, pumping water—or rather drawing it from the well—looking after her children, or running in and out of the kitchen to see about the dinner that she was cooking. She would then bow down over that board and that hot water and with her hands scrub those clothes for probably an hour or two. Then she would lay them on a block and take a battling stick and beat them till it seemed as if she was knocking all the buttons off. I presume she had to sit up at night and sew those buttons back on—while she rested.

She would then rinse those clothes in cold water, wring them out with her hands, hang them on the line, and hurry into the house and prepare supper. By that time the day was gone.

Tired and worn, looking older at 35 than she ought to look at 60, she sat down to the family meal—without ice and without fans. Of course, her day's work was not over; there were dishes to wash, children to bathe, and other household duties to perform before she could get any rest.

The next day, after her other household work was completed, she had to iron those clothes. She built a hot fire in the fireplace or in the stove, heated her iron, and spent the rest of the day leaning over it ironing the family clothes—absorbing about as much heat as the iron did.

Of course, this is only a portion of the household duties which go on from day to day and from week to week, in endless succession. This picture may not appeal to all of you. Some of you may not realize the drudgery women have to perform.

These are the women who keep the homes, rear the children, and help advance and perpetuate our civilization. I thought of the words of Joaquin Miller:

The bravest battle that ever was fought,
Shall I tell you where and when?
On the maps of the world you will find it not;
'Twas fought by the mothers of men.

Nay, not with cannon, or battle shot,
With sword, or nobler pen;
Nay, not with eloquent word or thought,
From mouths of wonderful men.

But deep in a welled-up woman's heart—
Of woman that would not yield,
But bravely, silently bore her part—
Lo! there in that battlefield!

No marshaling troop, no bivouac song;
No banners to gleam and wave!
But oh, these battles they last so long—
From babyhood to the grave!

Yet faithful still as a bridge of stars,
She fights in her walled-up town—
Fights on, and on, in the endless wars,
Then silent, unseen, goes down!

Now, here is the new picture.

The next time I saw that home it looked like a new place. The house had been repainted, and other improvements indicated that it had taken on new life. A new power line had been built out to it, and the house was fully electrified, at T. V. A. rates. An electric pump had been installed, and the house was supplied with running water. It was not even necessary to press a button, since the pump was automatic.

An electric washing machine had been provided, with an electric wringer attached, as well as an electric iron. The drudgery of washing clothes was gone. The clothes were simply placed in the washing machine, a switch was turned, and in 2 hours the clothes were washed and hanging on the line. The electricity necessary to operate that machine for a family of five people costs less than $1 a year, under the T. V. A. yardstick rates.

That woman looked 20 years younger than she did when I had last seen her scrubbing those clothes in the hot sun. She was happy and enthusiastic over these new additions to her home. She showed us through her kitchen. It was as clean as a soda fountain. An electric refrigerator provided more ice than the family needed and at the same time kept the meats, eggs, milk, butter, and vegetables cool and fresh.

An electric range had replaced the old wood or coal stove and, as she expressed it, "rendered cooking a pleasure"; and, strange to say, it cost less to operate it than it did to furnish fuel for the old one.

That woman uttered one expression that told the whole story. She said, "We have just now begun to live."

This is typical of the changes that are taking place in the T. V. A. area.

One woman writes me that "T. V. A. is the greatest blessing that ever came to the people of this section." She has lights in her home and garage, a radio, electric refrigerator, electric iron, electric range, a vacuum cleaner, and a hot-water heater. During the month of March she used 82 kilowatt-hours of electricity and it cost her $2.14.

Another one says, "It is the best thing that ever came to us." She uses lights, radio, refrigerator, range, fans, vacuum cleaner, sewing machine, hot-water heater, waffle irons, toaster, and percolator, all operated by electricity. During the month of February, the worst month of the year, she used 483 kilowatt-hours, which cost her $7.83.

Under the old power-company rates in effect before T. V. A. came the cost of that 483 kilowatt-hours would have been $36.41.

Here is one from a woman who lives 16 miles from the railroad, who says, "It is the greatest thing that ever came to the rural sections." She uses lights, radio, refrigerator, irons, fans, washing machine, and water pumps. During the month of February she used 38 kilowatt-hours, which cost her $1.52.

Another one writes:

I think T. V. A. is the greatest boon that has ever come to our country, and if you never did anything else to glorify your service, your name will go down in history for this one thing, bringing T. V. A. to our rural people.

She has lights in her home and garage, radio, refrigerator, iron, vacuum cleaner, fans, air conditioner, toaster, hot plates, water pump, bed pads, and a small electric heater for her invalid son, who is a disabled World War veteran. During the month of February she used 443 kilowatt-hours, which cost her $7.67. Under the old power-company rates the cost would have been $33.61, or more than four times what it cost her under the T. V. A. rates.

Another one writes me that T. V. A. power "simply means the difference between drudgery and luxury."

I could fill the RECORD with such testimonials; my files are full of them, all expressing their gratitude for what this cheap electricity is doing for them.

Electricity can be supplied to the people in every city, town, hamlet, and community in any State in the Union at the T. V. A. rates; and I, for one, propose to keep up the fight until that is done. If the people in every county in America will get on every candidate for public office and know that he is honestly and conscientiously for them on the power question before they ever let him get elected to any office, from constable to President, we will have this cheap power in every home in America in less than 3 years. It will be supplied at T. V. A. rates, and those rates will be reduced as time goes on.

Mr. Speaker, the gentleman from Pennsylvania [Mr. RICH] stated a few moments ago that the people I represent who are using T. V. A. power are getting that power below the cost of production, and that the "taxpayers of the country are footing the bill." He says, "Yet, Mr. RANKIN says the Government does it at a profit." He then goes on to criticize the T. V. A. yardstick, repeating the same old propaganda the Power Trust has been peddling for the last 3 years.

Mr. RICH. Will the gentleman yield?

Mr. RANKIN. Certainly I will yield to the Republican leader from Pennsylvania.

Mr. RICH. Everything the gentleman has been saying about power is all wrong. He does not know how to figure costs, and that is what I want the public in this country to know.

Mr. RANKIN. That is on a par with what the gentleman has been saying ever since he has been in Congress. He is just as far wrong on that as he has been on everything else. [Applause and laughter.]

When the Republicans were in power you were selling electricity to the power companies at Muscle Shoals at 2 mills a kilowatt-hour, and your Army Engineers showed that it was being produced and delivered at the switchboard at 1.352 mills a kilowatt-hour, or less than 1½ mills.

But now, when the T. V. A. sells it wholesale at 6 mills a kilowatt-hour—three times what your administration was selling it at to the Power Trust—you say that it is being sold below the cost of production and that the taxpayers of the country are footing the bill.

I wonder who was footing the bill when the power interests were buying this power at 2 mills a kilowatt-hour and selling it to us at 10 cents a kilowatt-hour, or 50 times what they paid for it? You see, the Power Trust had a yardstick also. By the way, let us compare those yardsticks. I have them both here, so we will just compare them. Now, remember, they were both selling the same power, produced at Muscle Shoals. You understand the yardstick is the rate the people who use electric light and power have to pay for it.

Now, here are the yardsticks: We will take the Power Trust yardstick, or the Republican yardstick, or the Hoover yardstick—or, in order to do full justice to the gentleman from Pennsylvania, we might call it the "Rich yardstick", since he has been calling the T. W. V.'s the "Rankin yardstick."

Here it is; here is what the power companies were charging the ultimate consumers for this power which they were buying at 2 mills a kilowatt-hour. I will run each yardstick table up to 1,000 kilowatt-hours a month.

Former power-company yardstick rates

10 cents per kilowatt-hour for first 30 kilowatt-hours per month	$3.00
8 cents per kilowatt-hour for next 170 kilowatt-hours per month	13.60
7 cents per kilowatt-hour for next 300 kilowatt-hours per month	21.00
6 cents per kilowatt-hour for next 350 kilowatt-hours per month	21.00
5 cents per kilowatt-hour for next 150 kilowatt-hours per month	7.50
Total, 1,000 kilowatt-hours per month	66.10

That is what we were paying for this power before the T. V. A. Act was passed—power that cost the power company 2 mills a kilowatt-hour. That is about what you were all paying in every State prior to that time. Many of you are still paying those exorbitant rates. In fact, we would all be paying those rates now and from now on were it not for the T. V. A. and the power policies of this administration.

Here are the T. V. A. yardstick rates for this same power which the Government was selling to the Power Trust at 2 mills a kilowatt-hour under a Republican administration, and which the T. V. A. is selling wholesale at 6 mills a kilowatt-hour under a Democratic administration. Here are the T. V. A. retail rates, the yardstick rates, what the people actually pay for it.

3 cents a kilowatt-hour for the first 50 kilowatt-hours per month	$1.50
2 cents a kilowatt-hour for the next 150 kilowatt-hours per month	3.00
1 cent a kilowatt-hour for the next 200 kilowatt-hours per month	2.00
4 mills a kilowatt-hour for the next 600 kilowatt-hours per month	2.40
Total, 1,000 kilowatt-hours per month	8.90

I hope every consumer of electricity reads these two tables, and especially every domestic consumer. I am especially anxious for every woman in America to read them, and particularly the ones who have to do their own household work. Cheap electricity means so much to them.

I hope everyone reads the following comparative table showing the difference between the two yardsticks, making it so plain that I do not believe our friend from Pennsylvania can misunderstand it:

	Former power company rates	Tennessee Valley Authority rates
First 30 kilowatt-hours	$3.00	$0.90
Next 170 kilowatt-hours	13.60	3.60
Next 300 kilowatt-hours	21.00	2.40
Next 350 kilowatt-hours	21.00	1.40
Next 150 kilowatt-hours	7.50	.60
1,000 kilowatt-hours	66.10	8.90

Thus it will be seen that 1,000 kilowatt-hours a month, which cost a consumer $8.90 under the T. V. A. yardstick rates, would have cost him $66.10 under the old Power Trust yardstick rates, and that the cost in every bracket of this table runs from 3 to 10 times as much under the old rates as it does under the T. V. A. yardstick rates.

What we are doing toward reducing rates in the T. V. A. area we hope to do in every community in America before we get through.

Let me tell the gentleman from Pennsylvania another thing: If the women of that State realize what this cheap power means to them, Roosevelt will sweep Pennsylvania in November.

Mr. Speaker, in order to show further that these T. V. A. yardstick rates are not too low, I give here a comparison of those rates with the Tacoma rates, the Ontario rates, and the old Power Trust yardstick rates in effect prior to the creation of the T. V. A.

As I showed in a former address, Ontario has one of the finest power systems on earth, and the public plant at Tacoma, Wash., is an outstanding success. They are constantly lowering their rates and at the same time paying their plant out.

I hope every woman in America who is interested in the use of electrical appliances to relieve her household drudgeries will read and compare these rates.

Monthly consumption

	25 kilowatt-hours	40 kilowatt-hours	60 kilowatt-hours	100 kilowatt-hours	300 kilowatt-hours	500 kilowatt-hours	1,000 kilowatt-hours
Ontario rates	$0.75	$1.02	$1.54	$1.74	$3.02	$3.92	$6.17
Tacoma rates	1.13	1.52	1.72	2.12	4.12	6.12	8.62
T. V. A. yardstick rates	.75	1.20	1.70	2.50	5.50	6.90	8.90
Old Power Trust yardstick rates	2.50	3.80	5.40	8.60	23.00	37.60	66.10

The Power Trust wants to destroy the T. V. A. so as to force us back to those old rates, before these cheap rates spread to reach the people you represent. The newspapers they own or control are doing everything they can to that end. What do they care how much drudgery the men and women of the country have to undergo? What do they care how much misery the housewives of the country have to endure? They are paid to fight the T. V. A. and destroy it if possible.

There is one newspaper that circulates in my section that has gone so far in this fight that it has been striking my name from every news article in which I was mentioned. It has even struck my name from Associated Press articles that went out from the White House. I know this to be a fact, for I have copies of the paper in my files, and the Associated Press has furnished me with copies they sent out. They even went so far as to publish on their front page an interview which I recently gave out touching a matter of vital interest to the people of Mississippi, but struck my name out and substituted the name of another person who was not even in Washington at the time, and knew nothing at all about the proposition.

That paper seems to be owned or controlled by the Power Trust. It has succeeded in keeping T. V. A. power out of Memphis, and out of certain sections of Mississippi, Arkansas, and Tennessee, with the result that the women in those localities are paying the penalty in drudgery and misery. The powers behind that paper would like to see Roosevelt destroyed, but they have not the courage to come out and say so.

Is it freedom of the press when a corrupt corporation or set of corporations can buy up a once great newspaper and use it in this way? You will ask what the object is in thus prostituting the functions of the press. The answer is, They are trying to control politics in Mississippi and Tennessee. They want to elect men to office who will be subservient to the corrupt influences that now own or control that publication. They want to destroy the T. V. A. They try to control public sentiment with false news statements or misleading headlines.

That paper owns a radio station, but when I broadcast over a Nation-wide hook-up they do not let it go over their station. My people have to get my addresses through Dallas, Tex., Louisville, Ky., Cincinnati, Ohio, or some other station.

What is my offense? What crime have I committed to justify such treatment? I wil tell you: I helped to create the T. V. A. to save the water power of this country for the people who own it; and I have been instrumental in getting the power produced at Muscle Shoals distributed to the people I represent at something like what it is worth. I have helped to make it possible for the men and women in that area to enjoy the use of electricity and to relieve them of the nerve-racking, back-breaking, youth-destroying drudgery they were having to endure before the T. V. A. came.

In other words, I helped to stop the Power Trust from robbing the people I represent and to make it possible for them to enjoy some of the comforts and conveniences of this life. But, worst of all, I have helped to promulgate the T. V. A. yardstick to show what electricity is worth and in that way helped to start a drive to get cheap electricity into every home in America. These are the "crimes" I have committed. The only thing I regret is that I have not yet been able to reach all the people in the district and throughout the whole country with these low rates. But we are on our way.

Fortunately that paper cannot hurt me or the cause I represent, for its opposition is a badge of honor and its support is like the "kiss of death."

Here is another "crime" I have committed against the interest of the Power Trust. I have sponsored a program of rural electrification through which we have secured cheap electricity to thousands of farmers in that area, and we are going to reach the rest of them before we quit.

The T. V. A. represents a great movement that is destined to reach every home in this broad land. Its influence is not confined to the Tennessee Valley area, but is already being felt from coast to coast in the way of reduced light and power rates and the increased use of electrical appliances.

Wherever rates have been reduced the consumption of electricity has been augmented or extended, the use of electrical appliances has been increased, woman's work has been made easier, her drudgery has been diminished, and light has been added to her life along with additional comforts and conveniences she had never known before.

It has been the habit of the American people to boast of the progress made in the invention of labor-saving machinery—from the reaper to the hydraulic dredge. These new machines have usually been designed to do the work of men to lighten man's burden. But they have usually left the women in the home, invariably in the kitchen, doing the same old drudgery in the same old way.

If a new machine came along that was designed to do the woman's work she usually had to operate it with her hands or feet. Invariably it just made it possible for her to do two things at once or enabled her to do work that formerly had to be done by someone else, thereby adding to her lot an additional burden barely within her strength, and increasing rather than diminishing the load she already bore.

It has been said that when the cooking stove was substituted for the old open fireplace with its ponderous vessels and cumbersome pot racks, men boasted that women could then do the firing and handle the heavy vessels themselves; and when the water pump was introduced it was pointed out that the women could then pump the water, whereas the men had formerly windlassed it from the old open well.

A former Pennsylvania Congressman once told me a story of an old farmer up in his district who had a very thrifty and industrious wife and a large crowd of sorry boys. Oil was discovered on the old man's land and the family suddenly became rich. One night just after the first well came in they were all sitting around the fire talking about what they were going to do with the money—they knew they were going to get a large amount, but had no idea how much. Finally one old boy spoke up and said, "Well, I'll tell you what we ought to do first, and that is we ought to buy ma a new ax."

That illustrates some people's ideas of generosity when it comes to doing something to relieve women of the drudgery which usually falls to their lot.

No wonder women are getting away from such drudgery and taking places in stores, offices, and factories that were formerly filled by men. They tell us that a woman's place is in the home, and I believe the average woman had much rather stay in her home if that home were relieved of the drudgery and monotony that grinds away a woman's life, robs her of the joys of living, and makes her old before her time.

Woman has toiled and wept and prayed that something might be done to make her work lighter. Suddenly a new light was flashed upon the horizon of her existence that inspires her with a new hope. Her prayers are answered and her dreams have come true. There is placed within her reach and at her command the greatest servant mankind has ever known—electricity.

For the old oil lamp that smoked up the house, singed her hair and eyebrows, burned her children, and gave just about enough light to obscure everything in the room—for it is substituted an electric light in every room that will really illuminate the house without smoke, without grease, and without danger.

Next, a radio is installed for her. That may shock some of the old guard. I saw a Republican Congressman turn his nose up almost to the ceiling a few years ago as he remarked with derision that if you provided a farmer with cheap electricity, one of the first things he would buy would be a radio.

Well, why not? Why should not a farmer have a radio? It furnishes the cheapest, most wholesome, most elevating, and most enlightening entertainment known to man. It relieves the drab monotony, brings the latest news, and affords the finest music at all times of day, and at the very minimum of cost.

I have sent out some questionnaires to the electric consumers in my district and I find that 95 percent of them have radios. One woman living in the rural district said to me that the best thing about the radio is that it helps to keep her children at home, that they no longer had to leave home to seek entertainment. She said it made the home more pleasant and attractive, intensified the children's love for it, and made them want to stay there. That is the greatest argument for the radio I have ever heard. I hope to live to see one in every farm home in America.

Then came other labor-saving appliances, such as electric irons, refrigerators, vacuum cleaners, electric ranges, water pumps, and others too numerous to mention.

The rest of you Congressmen may do as you please about this power issue. Some of you, I know, are intensely interested, some are indifferent, while some are secretly or openly antagonistic. But so far as I am concerned, there will be no turning back. I have already succeeded in getting a majority of the counties in my district connected up with the T. V. A., saving them more than $500,000 a year on their light and power bills, and making it possible for them to enjoy the use of electrical appliances, and I am going to get it to the rest of them before I quit.

We have already succeeded in taking this cheap power to thousands of farmers in my district—people who never would have had even electric lights in their homes, people

who would have lived and died and their children would in all probability have lived and died without ever having electric lights in their homes if it had not been for the T. V. A. I expect to keep up the drive until we reach them all. Not only am I striving to secure this service for the farmers of my own district but I want to see every farm home in America electrified at rates the farmers can afford to pay. [Applause.]

Mr. O'NEAL. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, 9 years ago I started a fight in this House on privately owned toll bridges. On the first roll call that I forced on a private toll bridge bill, 12 Members of the House joined me. I did not become discouraged but continued my opposition to such bills year after year until I won that fight. This Congress no longer grants franchises for privately owned toll bridges. My contention was if a bridge was needed the State or a subdivision of a State should build it, not a private corporation. I further contended if the State could build roads it likewise could build bridges.

Now we have a situation in my city that is typical of many other places and it justifies the passage of this bill.

East St. Louis, Ill., taxes our bridge, a free bridge. The bridge cost St. Louis about $12,000,000. East St. Louis is taxing our free bridge $75,000 a year. However, East St. Louis is going to build a toll bridge in the near future and when it builds the toll bridge St. Louis undoubtedly is going to tax the East St. Louis Bridge for an equal amount. Other communities, however, will not have such an opportunity where their bridge is being taxed.

Suppose New Jersey and New York and other States separated by rivers should start taxing their bridges? It is possible. Here is an opportunity to prevent it.

Mr. THOMPSON. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. THOMPSON. The gentleman knows that a situation like that can be worked out by agreement between the State of New Jersey and the State of New York and between the State of Illinois and the State of Missouri. Why should the Federal Government get into it?

Mr. COCHRAN. But I will tell the gentleman from Illinois that I know our officials have been trying for years to work it out with his State, but the Illinois Legislature has refused to come to an agreement.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. WHITE. Does the gentleman know between Covington and Cincinnati there was an old bridge built in about 1858, before Abraham Lincoln was inaugurated, that is still in use and still charging tolls?

Mr. COCHRAN. I do not know anything about it but two great cities like Covington and Cincinnati should buy the bridge or build a new one if it is a privately owned toll bridge. Then again, 1858 was several years before I came to Congress. [Laughter and applause.]

[Here the gavel fell.]

Mr. O'NEAL. Mr. Speaker, I yield myself the balance of my time.

It seems to me that when you mention a toll bridge to this Congress everybody thinks something very peculiar must be going on.

Mr. Speaker, this bill was brought before the committee. The committee held hearings on it. They went into the legality of the right of the Government to speak on the subject of these taxes. As the gentleman from Massachusetts told you, they reported unanimously in favor of this bill.

In 4 minutes I do not have time to correct all the mistakes that have been made and all the misstatements that have been made. There have been free bridges all over the United States that were built from tolls paid by those who have used the bridge; bridges that were built by borrowed money, that did not cost the State one dime, that did not cost the State, county, or the municipality one red cent. Every dime came from the people who paid tolls.

The debt is being paid off and the cities, counties, and States have property running into millions of dollars for which the taxpayers of those cities, counties, and States never paid one dollar. What is the situation? I can best illustrate it by the experience of my own city. A bridge was built there costing $5,000,000. The money was borrowed. Not one cent of the taxpayers' money went into the building of that bridge. Bonds were issued against the bridge. All tolls were pledged to the payment of bonds. The result is that $2,000,000 has been paid off. But now a little town across the river comes along and wants to put a large tax on the bridge because piers are located within its jurisdiction and they say they have the right to tax it.

This means that the bridge authorities will have to charge a greater toll or that tolls will have to be charged for a longer period of time. This bill provides that no town, no community, no State, shall levy taxes against such a bridge as is exempted in this bill, thus causing the bridge to carry tolls for a longer period of time.

[Here the gavel fell.]

The SPEAKER pro tempore. The time of the gentleman from Kentucky has expired. All time has expired.

The question is, Shall the rules be suspended and the bill passed?

The question was taken; and on a division (demanded by Mr. THOMPSON) there were—ayes 100, noes 44.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

FOOD, DRUGS, AND COSMETICS BILL

Mr. RAYBURN. Mr. Speaker, by direction of the Committee on Interstate and Foreign Commerce, I call up the bill (S. 5) to prevent the adulteration, misbranding, and false advertising of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes, with a Senate amendment to the amendment of the House and move that the House concur in the Senate amendment to the House amendment.

The SPEAKER. The Clerk will report the Senate amendment.

Mr. PARSONS (interrupting the reading of the amendment). Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and forty-three Members are present, a quorum.

The Clerk resumed the reading of the amendment.

Mr. RAYBURN (interrupting the reading of the amendment). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with, as I think it can be better understood if explained by some member of the committee.

Mr. HOLMES. Mr. Speaker, I object.

The Clerk resumed the reading of the amendment.

Mr. COX (interrupting the reading of the amendment). Mr. Speaker, I understand this amendment is something over 80 pages in length. It will take an hour and a half or 2 hours to read it. I therefore ask unanimous consent that further reading of the amendment be dispensed with.

Mr. HOLMES. Mr. Speaker, I object.

The Clerk resumed the reading of the amendment.

Mr. EDMISTON. Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. HOLMES. Mr. Speaker, I object.

The Clerk resumed the reading of the amendment.

Mr. MILLARD (interrupting the reading of the amendment). Mr. Speaker, I move that further reading of the amendment be dispensed with.

Mr. SIROVICH and Mr. HOLMES objected.

The Clerk resumed the reading of the amendment.

Mr. DONDERO (interrupting the reading of the amendment). Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. Does the gentleman from Michigan insist upon his point of order?

Mr. DONDERO. Not very strenuously.

The SPEAKER. Will it satisfy the gentleman if the Chair can secure order in the Chamber?

Mr. REECE. Mr. Speaker, if a quorum is not present during the consideration of legislation dealing with one of the largest industries in the country, one which vitally affects the lives of the people——

The SPEAKER. For what purpose does the gentleman from Tennessee rise?

Mr. REECE. In view of these facts, Mr. Speaker, I rise to make a point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and fifty-three Members are present, a quorum.

The Clerk concluded the reading of the amendment.

Mr. CHAPMAN. Mr. Speaker, I move that the House concur in the Senate amendment to the House amendment.

Mr. REECE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. REECE. This is the same bill which was brought up yesterday under suspension of the rules and was sent to conference. The conferees have reached no agreement. I wish to know what is the status of the bill in the House at this time.

The SPEAKER. In answer to the inquiry of the gentleman from Tennessee, the Chair will ask the Clerk to read the following message from the Senate in connection with this bill.

The Clerk read as follows:

IN THE SENATE OF THE UNITED STATES,
June 15 (calendar day June 20), 1936.

Resolved, That the Senate recede from its disagreement to the amendment of the House of Representatives to the bill (S. 5) to prevent the adulteration, misbranding, and false advertising of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes, with an amendment as follows.

The SPEAKER. This is the way in which this motion comes before the House.

Mr. REECE. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. REECE. Mr. Speaker, I make the point of order that this bill, coming in as a bill and not as a conference report, should be referred to the committee.

The SPEAKER. The point of order is overruled.

Mr. LAMNECK. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. LAMNECK. I make the point of order that under the rule this bill must lay over for 24 hours.

The SPEAKER. The point of order is overruled.

Mr. McCORMACK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McCORMACK. Is a two-thirds vote necessary to consider this Senate amendment?

The SPEAKER. It is not.

Mr. RAYBURN. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. CHAPMAN].

Mr. CHAPMAN. Mr. Speaker, this is a measure which affects very vitally every man, woman, and child between the two oceans, because every man, woman, and child uses food, drugs, or cosmetics.

Legislation on this subject came up in 1933 and was known at that time as the Tugwell bill. The bill was never accorded a hearing by the Committee on Interstate and Foreign Commerce; but after that, recognizes the necessity for legislation for the protection of the American public, the committee did hold hearings on another bill dealing with the same subject matter. I declare to you tonight that this is not the so-called Tugwell bill and bears no kinship to the original Tugwell bill.

We passed this bill yesterday under suspension of the rules. The distinguished gentleman from Texas [Mr. RAYBURN], chairman of the Committee on Interstate and Foreign Commerce, and I, as chairman of the subcommittee in charge of this legislation, assured the Members of this House that so far as we were concerned the conferees would stand by the House action on this important legislation when we went into conference with the Senate conferees.

There has not been full agreement between the Senate and House conferees. We did agree on everything except the advertising provisions, or perhaps I should say the section providing for the control of advertising. That was the only real controversial issue between the conferees of the House and the Senate, and the Senate has agreed to the House bill with certain and very few exceptions.

Mr. BIERMANN. Will the gentleman yield?

Mr. CHAPMAN. I yield to the gentleman from Iowa.

Mr. BIERMANN. Under the regulations as they now exist, the Federal Trade Commission has to do with advertising in the newspapers, and a newspaper that circulates false advertising innocently is not held liable. The advertiser himself is held liable. If the control of this advertising is moved over to the Department of Agriculture, what assurance have we that the newspapers of this country, and particularly the little country newspapers that have no facilities for investigating advertisements, will not be held liable for inadvertently circulating some false advertisements?

Mr. CHAPMAN. I may answer the gentleman by saying that my understanding is that the newspaper will not be held liable, but the man who pays for the advertisement will be.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Speaker, I yield the gentleman 5 additional minutes.

Will the gentleman yield?

Mr. CHAPMAN. I yield to the gentleman from Texas.

Mr. RAYBURN. There is a specific provision in this bill relieving the newspapers under such circumstances.

Mr. CHAPMAN. That is correct.

Mr. BIERMANN. Will the gentleman yield?

Mr. CHAPMAN. I cannot yield any further.

Mr. BIERMANN. How does the gentleman expect us to vote for the bill when he does not answer any questions?

Mr. CHAPMAN. The gentleman from Texas stated correctly that such a case as that to which the gentleman from Iowa refers is specifically excepted.

Mr. BIERMANN. That was true when the advertising feature was under the Federal Trade Commission, but we moved it over to the Department of Agriculture, and nobody knows how they are going to handle it.

Mr. MERRITT of New York. Will the gentleman yield?

Mr. CHAPMAN. I yield to the gentleman from New York.

Mr. MERRITT of New York. Will the gentleman inform me if this is the original Copeland bill as introduced in the Senate?

Mr. CHAPMAN. If the gentleman had been present when I began my remarks he would have heard me say that this bill bears no relationship to the original Tugwell bill, a hearing on which was never held by the Committee on Interstate and Foreign Commerce.

Mr. MERRITT of New York. I did not say anything about Tugwell. I asked if this is the original Senator Copeland bill.

Mr. CHAPMAN. I will say to my friend, the gentleman from New York, that in thirty-odd places the House committee rewrote the so-called Copeland bill. It is not the same bill. It is in most important particulars virtually a new bill.

Mr. MERRITT of New York. Will the gentleman answer this question: What is the difference between the original Copeland bill and the bill that is pending before the House at the present time?

Mr. CHAPMAN. I will do that if the gentleman will permit me to proceed.

There are certain differences. Amendments were added to the bill, some of which I favor and some of which I do not favor, but I am here tonight supporting the bill as it has come back to us from the Senate.

One of the first changes in this bill made by the Senate tonight is one which I deeply regret, because it affects a large proportion of the people of this country and also a great industry in my own State. The Senate deleted the whisky provision from this bill, which I should like to have seen enacted into law, because I want to see my friends protected and want them to get good whisky if they drink it at all. [Laughter and applause.] I also want to see those who manufacture legitimate, honest whisky protected from the dishonest manufacturers. That is one thing the Senate took out of this bill as it passed the House, and as the conferees of House and Senate agreed upon it. I regret it, but think this bill ought to be passed anyhow.

Mr. HOLMES. Will the gentleman yield?

Mr. CHAPMAN. I yield to the gentleman from Massachusetts.

Mr. HOLMES. It is our understanding when this bill passed the House by unanimous consent yesterday that the conferees would sustain the Committee on Interstate and Foreign Commerce and insist on the House bill.

Mr. STEFAN. Yes.

Mr. HOLMES. I should like to ask how the gentleman stands on the question of advertising.

Mr. CHAPMAN. I say to my colleague on the committee, the gentleman from Massachusetts, that the House conferees, and the chairman of the full committee was present, stood foursquare on that question, and sustained the House committee's action.

Mr. HOLMES. How does the gentleman stand now on this amendment, which the Senate has submitted to the House?

Mr. CHAPMAN. There was a disagreement reported by the conferees. Then the Senator from New York [Mr. COPELAND], in his individual capacity, offered an amendment on the control of advertising. It was his personal amendment.

Mr. HOLMES. May I propound another question?

[Here the gavel fell.]

Mr. RAYBURN. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. HOLMES. Will the gentleman yield for a further question?

Mr. CHAPMAN. I yield to the gentleman from Massachusetts.

Mr. HOLMES. In view of the gentleman's statement to this House that he stands unequivocally and 100 percent back of the House bill, is it his recommendation to the House that we reject the Senate amendment?

Mr. CHAPMAN. I will say to the gentleman that in conference I stood 100 percent for it although I do not think it is the best solution of the problem. In so doing I lived up to my agreements and kept the faith absolutely. Tonight I favor the adoption of the amendment to which the Senate has agreed and know that failure to adopt it will kill this much-needed remedial legislation.

Mr. COOPER of Ohio. Mr. Speaker, will the gentleman yield?

Mr. CHAPMAN. Yes.

Mr. COOPER of Ohio. I think we might just as well understand this matter. The controversy in our committee hinged on whether the Federal Trade Commission or the Department of Agriculture should have jurisdiction over advertising. We understood that the House conferees would stand by the House on that provision.

Mr. RAYBURN. And they did.

Mr. CHAPMAN. I just stated that. We kept the faith in letter and in spirit.

Mr. COOPER of Ohio. If I understand this amendment correctly it gives to the Federal Trade Commission jurisdiction over commercial advertising, but gives the Department of Agriculture jurisdiction over all advertising of pure food and drugs.

Mr. CHAPMAN. No; not exactly that.

Mr. RAYBURN. I may say to the gentleman that the amendment offered does not take one thing away from the Federal Trade Commission it has now with reference to advertising.

Mr. COOPER of Ohio. If that is the case why did you accept the Senate amendment, if it was as good as we had it in the bill?

Mr. RAYBURN. I did not say anything about its being as good as the House amendment. I was telling the gentleman what it provided so the gentleman might understand me.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. CHAPMAN. I cannot yield any further.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CHAPMAN. I am sorry, but I cannot yield.

The House restored the multiple seizures provision, which is very vital to the success of this law, and the Senate conferees agreed to its restoration with an amendment placing the word "grossly" before the word "misleading."

Mr. HARLAN. Mr. Speaker, will the gentleman yield?

Mr. CHAPMAN. I cannot yield.

In case of seizures the House amendment permitted removal of the suit to a district adjacent to the claimant's principal place of business and the conferees changed this with the result that it may be removed to a point agreed upon by the parties.

With respect to advertising control, which we have just discussed briefly, we have made a division of that. In conference your House conferees stood 100 percent in favor of the action of the House. An amendment has come here, after the disagreement of the conferees, which divides it so that commercial advertising and advertising pertaining to trade practices will go to the Federal Trade Commission and advertising affecting the public health will go to the Food and Drug Administration and in this amendment I ask your concurrence.

Mr. HARLAN. Mr. Speaker, will the gentleman yield now?

Mr. CHAPMAN. Yes; I yield.

Mr. HARLAN. Under this bill what kind of advertising could there be brought in question, except advertising pertaining to health? This is a food and drug bill and advertising with respect to food and drugs would be advertising affecting health.

Mr. CHAPMAN. The functions of the Federal Trade Commission relate to trade practices in connection with commercial advertising, and not from the standpoint of consumer protection, which is the purpose of this legislation. If this bill had come up for consideration under a rule, I would have offered an amendment placing advertising control under the Food and Drug Administration. My views on that subject were made known in the statement of "Additional Views" attached to the committee report of the bill and signed by the gentleman from Michigan [Mr. MAPES], the gentleman from Connecticut [Mr. MERRITT], and myself.

When it came up under suspension of the rules, so that no amendment could be offered, the gentleman from Texas [Mr. RAYBURN] and I agreed to attempt in conference to sustain the House position. By that agreement we stood.

After the conference committee reported a disagreement, the Senator from New York [Mr. COPELAND], not as a conferee but as an individual Senator, offered this amendment, which the Senate adopted. The conference is over. This comes to us as a new proposition. The amendment offers a fair compromise. The question is, Will we accept this amendment or will we strangle to death this important bill in the closing hours of this Congress? Will we stubbornly resist this reasonable compromise and thereby deny the consuming millions of American people the protection to which they are entitled? [Applause.]

[Here the gavel fell.]

Mr. RAYBURN. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. REECE].

Mr. REECE. Mr. Speaker, there is on the desk a bill comprising some 75 pages by way of an amendment coming over from the Senate and dealing with a highly important subject. I dare say there is not one Member on this floor who knows what is in this amendment. There is not a member of the committee who knows what is in it. It has come over here from the Senate as a new bill.

One of the more controversial issues involved, however, is where the jurisdiction over advertising shall lie.

The original Tugwell bill provided that the Department of Agriculture should have jurisdiction over advertising. The Copeland bill provided the same thing, and on yesterday, when a motion was made to suspend the rules and pass the bill and some Members asked me what was the difference between the Tugwell bill and the bill that was then being brought up under suspension, I said in reply that one of the main differences was the fact that the House bill provided that advertising should be placed under the jurisdiction of the Federal Trade Commission, with the understanding that the House would stand by that provision of the bill. The rules were suspended and the bill was passed.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. REECE. I yield.

Mr. SIROVICH. Does the gentleman realize that the most important thing upon which the health of the people of our Nation is dependent has been given over to the Department of Agriculture instead of being kept with the Federal Trade Commission, where it properly belongs? We have sacrificed everything for which we fought.

Mr. REECE. Absolutely. The issue involved here now is, will Dr. Tugwell, of the Department of Agriculture, be given jurisdiction over all the advertising involved in this amendment or shall it remain with the Federal Trade Commission, which has had jurisdiction over advertising since the Federal Trade Commission was established? There was no question but that the House was largely in favor of jurisdiction remaining in the Federal Trade Commission, a quasi-judicial body, and if orderly procedure in the consideration had been followed we would have had opportunity to vote upon that.

Now, the only way that we can express ourselves on that question is to vote against the motion of the gentleman from Texas to recede and concur in the Senate amendment. If you want to place the advertising under Dr. Tugwell and give him a whip lash not only over business, but over the press of this country, vote for the motion made, but if you want to give it to the Federal Trade Commission, a quasi-judicial body, vote against it. [Applause.]

Mr. RAYBURN. Mr. Speaker, I yield five minutes to the gentleman from New Jersey [Mr. KENNEY].

Mr. KENNEY. Mr. Speaker, we have to have a food and drug bill before we adjourn tonight. It is very important. The people of this country are looking for it. It affects the health of the country and the well-being of the citizens of the entire land. We ought to decide to turn back these clocks, and give plenty of time for the Senate to act with due deliberation on this amendment. The Senate passed the bill originally, giving jurisdiction over advertising to the Drug Administration. In the House here only yesterday we decided we wanted to place it with the Federal Trade Commission. We went into conference to carry out your mandate. We strove to obtain your will in that conference. The amendment was supposed to come in here by way of a compromise, giving part to the Federal Trade and part to Drug Administration. In my mind it is no compromise. It gives everything by way of health to the Drug Administration and everything else to the Federal Trade, and there is nothing else, in my opinion. Oh, yes, you can work out a hypothetical case where they might take it up, but it will be minor in importance, and it is my opinion Federal Trade Commission would never exercise any jurisdiction over this matter.

Let me warn you again. We ought to pass a bill, but do we want this drug administration to be prosecutor, judge, jury, and executioner? The country has spoken often throughout the hearings. In 1933, the original hearings were held. Last August our subcommittee started hearings, and we heard the opinion and voice of the country, and I am one of those who honestly believe that the people of this country want the control of advertising in the Federal Trade Commission, and if you want it there, vote down this amendment, but decide to stay here until we get a good bill, because the country is anxiously waiting for it. [Applause.]

Mr. RAYBURN. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland [Mr. COLE].

Mr. COLE of Maryland. Mr. Speaker, this bill possibly is the most important that this Congress has had before it, because of the very vital interest every man, woman, and child in the country has in its administration. Its provisions were the subject of long hearings before the Subcommittee of the Interstate Commerce Committee. After that report, for 3 or 4 days we debated the bill in executive session. It is true, as my friends from Tennessee and New Jersey have said, we passed a House bill yesterday, and as one conferee I thought I went into the conference trying to get a food and drug bill, not tied to any particular provision of it as a mandate from the House. I approached the conference committee with Senator COPELAND, Senator VANDENBERG, Senator BAILEY, Senator CARAWAY, and Senator CLARK, and we were there from 9 o'clock this morning until 7 o'clock tonight.

We found it totally impossible to bring back to this House, as the other conferees know, a food and drug bill upon which all conferees could agree. We agreed in conference, as I think these gentlemen will concede, to every disagreement between us except one. There were 36 amendments to this bill inserted by the House committee. The Senate conferees, in my opinion, have been most generous in conceding many of the changes we made in this bill. Now, we come to the point at this late hour in the session quibbling about whether this bill shall be buried because advertising might go here or might go there, as though that is the vital and crucial part of this bill. We have confidence enough in the Food and Drug Department of this Government to let it determine branding and say what is misbranding or labeling and all of the other provisions.

Yet we want to say we will not pass the bill because we do not have the same confidence in that department to administer fairly that part of the advertising which pertains to health, and health alone.

Mr. O'CONNOR. Will the gentleman yield?

Mr. COLE of Maryland. I yield.

Mr. O'CONNOR. The question has been raised as to voting down this amendment and sending it back to the Senate. If this amendment is voted down, there will be no bill, because I am reliably informed after investigation that the Senate will surely have adjourned before 12 o'clock tonight.

Mr. COLE of Maryland. I am glad the gentleman from New York asked that question, because when we disagreed in conference this afternoon it was very frankly and freely discussed in our meeting.

The gentleman from Tennessee [Mr. REECE] said no one knows what is in this amendment, when every man on this conference saw the very amendment which is on the Speaker's desk on the table where we have been all day. That amendment is nothing except a verbatim copy of the House bill with the changes we agreed upon, and one change pertains to advertising upon which we could not agree. It was understood then, it being a Senate bill, that Senator COPELAND would take it back to the Senate, important as the bill is, and submit the whole matter by way of amendment, and the Senate approved that. The Senate approved the unanimous recommendation of the Senate conferees, as I say, a fair and able group of gentlemen, who sat with us today. As Senator BAILEY expressed it, "Why quibble over this little provision or that little provision?" We want a pure food and drug bill as the people of this country are demanding.

I have in my possession a letter which came to us from almost every woman's organization in this country petitioning the conferees to get together on this bill because of its great importance.

As I said yesterday on the floor, the commerce committee of the American Bar Association recommends this bill.

Hon. John Dickinson, Deputy Attorney General, who prosecutes every violation under this bill as Deputy Attorney General of this country, sitting as a member of the commerce committee of the American Bar Association, recommends, after 3 days' hearings, in which he participated, the passage of this bill. He recommended that advertising be left not partially with agriculture but altogether.

The SPEAKER. The time of the gentleman from Maryland has again expired.

Mr. RAYBURN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. COOPER].

Mr. COOPER of Ohio. Mr. Speaker, the Committee on Interstate and Foreign Commerce worked very hard on this bill. We reported it to the House and yesterday it was passed almost unanimously. However, within the last few minutes we find a bill presented to this House, not from the conferees, but a bill that came direct from the Senate, and we are asked to concur in the Senate amendments. No one knows what is in that bill. At least I do not. We could not tell when it was read from the Clerk's desk. It is true that it is an important bill, and we want to see a bill passed, but I believe it is wrong to take up a bill of this character and vote upon it without the membership knowing what is in it. The big controversy in the committee was over the advertising. Our committee was almost unanimous in placing the jurisdiction of advertising with the Federal Trade Commission. We understood when it passed the House yesterday that the House conferees would stand by the committee and leave that power in the hands of the Federal Trade Commission.

Mr. RAYBURN. Will the gentleman yield?

Mr. COOPER of Ohio. I yield.

Mr. RAYBURN. The House conferees did stand, and brought about a disagreement on that very point.

Mr. COOPER of Ohio. Let me ask the gentleman a question. Is the provision in this bill in regard to advertising the same provision that was passed by the House yesterday?

Mr. RAYBURN. Certainly not, because Senator COPELAND was not in favor of it any more than the House conferees were in favor of his provision about advertising.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. RAYBURN. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. MCREYNOLDS].

Mr. MCREYNOLDS. Mr. Speaker, how many of the Members of this House know anything about this bill or have had an opportunity to examine it? How many times has it been read in this House tonight? No one could understand what was in it.

Many times has it been read in this House to you, and no one understands it.

Why was it passed here on yesterday or the day before under suspension of the rules and almost unanimously? You know why; because we understood that the provision placing control of advertisements in the Federal Trade Commission would stay in the bill. [Applause.] That is the reason.

What is the history of this bill? It came over to the House last year. It stayed there and they did not bring it out until the last part of this session—an important bill. And then they asked you gentlemen to concur in the Senate amendment—a way of getting around that which we did not want and which we would not have passed had we known this was going to occur. It places those who stood by this bill and who wanted this bill in an embarrassing position when yesterday we told you we had to accept that bill or the bill could not be passed.

Now, Members of the House, what are you going to do about it? Are you going to turn this over to Tugwell for enforcement or are you going to leave it with the Federal Trade Commission with such men as Judge Davis and other men from this House on that Commission? [Applause.]

Will you do it? [Applause.]

Oh, but they say the Senator says he has taken an oath that the bill shall not pass without his amendment. I say COPELAND shall not pass in this House. [Applause.]

But they say if we do not agree to his amendment they will kill the bill. Are you not getting tired of the Senate saying to this House, "If you do not agree to what we say you shall not pass a bill"? [Applause.] I say, gentlemen, it is time to stand up and demand your rights. Let us send it back to them and say: "If you do not agree with our amendment, you kill the bill."

Mr. HANCOCK of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. MCREYNOLDS. I yield.

Mr. HANCOCK of North Carolina. Does the gentleman think this is a pure food and drug act or a Copeland act?

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. MCREYNOLDS. Gladly.

Mr. RAYBURN. Mr. Speaker, I may say this: That the House committee brought in an entirely new bill, and every man on the Senate committee of conference and every man on the House committee of conference agreed to the bill as it was read there at the desk, with the exception of this one amendment, and they agreed to it today.

Mr. MCREYNOLDS. They say that amendment merely affects advertisements as to health. I ask you what is there in pure foods that does not affect health? And does not that give to the Department of Agriculture full jurisdiction? Am I not correct? Think about it, gentlemen, whether you want them to have it. I leave it to you. [Applause.]

[Here the gavel fell.]

Mr. RAYBURN. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. Speaker, ever since the food and drug bill has been passed, the producers of fruits and vegetables have used a spray, and they have made an effort to have written into that measure a provision that they might have a day in court with reference to the reasonableness of regulations which vitally affect them. This can put them out of business. This bill is sent over from the Senate, and it gives them no day in court.

I appeal to every Member of the House who represents fruit interests, or who represents vegetable interests, to vote against the Senate amendment. [Applause.]

Mr. RAYBURN. Mr. Speaker, I yield one-half minute to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, section (m) which was deleted from this bill, referred to by the gentleman from Kentucky [Mr. CHAPMAN], as the whisky section, and it is really the cereal grain section, represents a sell-out to the blackstrap molasses people in foreign countries, Cuba, for instance, and a sell-out of millions of bushels of grain belonging to the American farmer.

Mr. CHAPMAN. Will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Kentucky.

Mr. CHAPMAN. There can be no whisky made out of anything except cereal grain.

Mr. STEFAN. I understood the gentleman to say that section was deleted.

Mr. CHAPMAN. That is what all connoisseurs say whisky is made out of.

Mr. STEFAN. Did I understand the gentleman to say that section was deleted?

Mr. CHAPMAN. Yes.

Mr. STEFAN. If it has been deleted, we have lost 15,000,000 bushels of corn for the American farmer every year.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. BIERMANN].

Mr. BIERMANN. Mr. Speaker, the Members of the House have received hundreds of letters from country newspapers protesting against a certain feature of this Copeland bill. That feature is exactly the amendment we are asked to adopt tonight. The newspapers protest against turning over to the Department of Agriculture the control of advertising, and the reason is that the Department of Agriculture is not particularly well qualified to pass upon advertising.

The bill that we approved yesterday gave the control of advertising to the Federal Trade Commission, which has

built up some precedent under which the newspapers are given a fair shake, and a series of precedents that amount to something that is somewhere near justice to the newspapers. If this amendment is adopted there is not a country newspaper in your district that will be free to accept advertising that deals with anything having to do with human consumption without being subjected to the harrassment and the uncertainty of some regulations that may be passed by the Department of Agriculture.

Mr. McCORMACK. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Has the gentleman ever known of the Federal Trade Commission receiving the criticism of the Supreme Court for any arbitrariness of action on its part?

Mr. BIERMANN. No.

Mr. McCORMACK. The Supreme Court criticized the Department of Agriculture for failing to give a fair trial and hearing to party litigants in matters pending before that Department.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Speaker, I yield myself 10 seconds to say, in reply to the gentleman from Iowa, it is my distinct understanding the proposition to which he refers is omitted from this bill.

Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. HOLMES].

Mr. HOLMES. Mr. Speaker, I think we ought to approach action on this amendment with a great deal of care. We all know the value of the Federal Trade Commission. We know of its great service to industry and how industry has relied upon it many, many times for its sound judgment and cooperation.

When this bill was passed yesterday we had the assurance of the House conferees that they would stand by the House amendment and keep all advertisement under the control of the Federal Trade Commission. If we adopt this amendment we are going to make the Federal Trade Commission Dr. Tugwell's rubber stamp. That is what we are going to do if we adopt this amendment.

As far as I know there has been nothing but harmonious cooperation between the Pure Food Administration and the Federal Trade Commission. The Pure Food Administration has approved labels and many other forms of advertising in the past, but the responsibility for carrying out and enforcing those provisions has been left to the Federal Trade Commission because that Commission is of a quasi-judicial nature. You are now turning this over to a board that has nothing but a police power—it is a policing division—to police the pure food and drug laws that we have enacted. They have no power of judicial determination. What are you going to do with all the work that the Federal Trade Commission has done in the past 20 years?

[Here the gavel fell.]

Mr. RAYBURN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, in 3 minutes it is not going to be possible to go into this thing in detail. The suggestion has been made this evening if we do not do something pretty quick something is going to happen, because the Senate will say it shall not happen. If you take it from me confidentially and will not let it go further, do not take the Senate seriously all the time. [Laughter.] I have known the Senate to surrender and do the right thing when it is told how to do it.

May I say something about the amendment which we are asked to concur in this evening? I have not had a chance to read it, but I am told upon reliable authority that it provides in effect in relation to advertising that that portion or character of advertising which has to do with business or commercial products is to be left under the jurisdiction of the Federal Trade Commission, and that portion or character of advertising which has to do with public health or relates to health is to go to the Department of Agriculture. I challenge anybody to decide which is which in connection with an advertisement of a cosmetic, medicine, or a food.

Who is to decide, under this proposed amendment, where the jurisdiction of the advertising in question shall go? Where is the line of demarcation? A part of the advertisement may be commercial, advertising the price of the product, and the rest of the advertisement may relate to its curative features. Shall it be split in two, and what officer of the Government shall decide who has jurisdiction. Obviously, we must put the jurisdiction in one place.

Mr. BUCHANAN. No; half and half.

Mr. WADSWORTH. We will get that later. [Laughter.]

As a matter of fact, may I say to the Members of the House that the Federal Trade Commission, as you all know, is a semijudicial body. It has had jurisdiction over advertisements, with respect to unfair-trade practices, for years and years. It has a staff that has been trained for almost a generation to look at these things and weigh and balance them, and it has been fortified by a series of court decisions—very numerous decisions—and I understand that out of a very, very large number of decisions the Federal Trade Commission has been supported in all but two cases. Leave the jurisdiction with the Commission. [Applause.]

Mr. RAYBURN. Mr. Speaker, I yield myself the remainder of the time.

Mr. Speaker, in five minutes, of course, it is going to be impossible for me, as it would be for the members of the subcommittee who are for this motion, to clear away the fog that is here and the dust that has been kicked up.

Let us understand one thing. The amendment, concurrence in which I have asked, takes not one thing away from the Federal Trade Commission that it ever had, but this bill, in its present form, leaves more of the control of advertising in the Federal Trade Commission than it ever had before. The only thing that this amendment does is to leave every particle of advertising control in the Federal Trade Commission it ever had and more, and then it gives to the Department of Agriculture or the Bureau in the Department of Agriculture control only over advertising that relates to health.

You can say what you please about the Senate. Something has been said about the conferees. I was not a member of the subcommittee that considered this bill, and I have not been a member of the conference committee, although I sat with them for more than an hour this afternoon, believing and knowing that the millions of people throughout the land want a law revised that has not been touched in more than 30 years and brought up to date and made so it will protect the health of the children, as well as the grown-ups of this country, and the issue is clear here tonight. Do not be deceived by this little smoke screen with respect to the issue between the Department of Agriculture and the Federal Trade Commission. This is the smallest part of the bill. It amounts to practically nothing when we consider the important provisions of this bill that are necessary to the health, yes, to the very life of the people of the United States, and yet we hesitate, yet we applaud men who get up here and want to throw this whole matter on the scrap heap simply because somebody has heard the word "Tugwell" used in a not very generous fashion.

There might be a little lobbying around here by some people, but there is nobody who has lobbied around this Capitol on any bill in the 23 years I have been in Congress more than the members of the Federal Trade Commission have lobbied on this bill, and I love the Federal Trade Commission. I was a member of the subcommittee that wrote the Federal Trade Commission Act and I have been a Member of the Congress that has brought into existence every commission of the Government except the Interstate Commerce Commission. I like them. I want them to stay in their proper sphere to operate and carry out the law, and when they want to step over and do a thing when the jurisdiction should better lie in another place, in spite of my love for them I am going to stand up and say that the question

before you tonight is not only a question of jurisdiction, but whether you are to have any food and drug act at all. [Applause.]

[Here the gavel fell.]

The SPEAKER. The question is on agreeing to the amendment of the Senate to the amendment of the House to Senate bill 5.

The question was taken; and on a division (demanded by Mr. RAYBURN) there were—ayes 70, noes 190.

So the amendment of the Senate to the amendment of the House to Senate bill 5 was rejected.

THREE HUNDREDTH ANNIVERSARY OF THE FOUNDING OF NORFOLK, VA.

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4670) to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object. Are these silver coins?

Mr. ROBERTSON. Silver coins, and they involve no expense to the Government of the United States. The city of Norfolk will furnish the die.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in commemoration of the three hundredth anniversary of the original Norfolk, Va., land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 20,000 silver 50-cent pieces of standard size, weight, and composition and of a special appropriate design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury.

SEC. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the Norfolk Advertising Board, Inc., affiliated with the Norfolk Association of Commerce, upon payment by it of the par value of such coins, but not less than 5,000 such coins shall be issued to it at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such association, and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event.

SEC. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same; regulating and guarding the process of coinage; providing for the purchase of material and for the transportation, distribution, and redemption of coins; for the prevention of debasement or counterfeiting; for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

ORDER OF BUSINESS

Mr. REECE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. REECE. Whether it would be in order to move to further insist upon the disagreement of the amendment of the Senate.

The SPEAKER. The rejection of the motion to concur in the Senate amendment is equivalent to a motion to further insist.

REPRESENTATIVE BRYANT T. CASTELLOW

Mr. DOXEY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. DOXEY. No matter how long we may have served in this House, Mr. Speaker, no matter what attachment we may have for those with whom we have come in contact, yet in the length of time I have served here I do not know of another man in this Congress than the one I have in mind, who can boast of the same record. He has served here for 4 years. He has never missed a yea-and-nay roll-call vote. He has never missed a meeting of his committee, has been always on time, and at the same time has been a member of one of the most important committees in the House, that of foreign affairs. He has been an inspiration to many of us. Further, he is voluntarily retiring from this House. I shall not attempt at this time to eulogize him, but I do say that we shall all miss him, and that this Congress, his State, and his Nation will lose a great and efficient representative of the people. I refer to BRYANT T. CASTELLOW, of Georgia. [Applause.]

I ask unanimous consent to insert in the RECORD a letter from his distinguished and beloved chairman, Judge McREYNOLDS, and also one from the distinguished Representative from North Carolina, Mr. LINDSAY C. WARREN.

The SPEAKER. Is there objection?

There was no objection.

The letters referred to are as follows:

WASHINGTON, D. C., *June 17, 1936.*

Hon. BRYANT T. CASTELLOW,
House of Representatives, Washington, D. C.

MY DEAR MR. CASTELLOW: I am writing you this letter in behalf of the Foreign Affairs Committee of the House, of which I am chairman, and of which you have been a most faithful member for the past 4 years.

We all regret, and I regret personally, that you are leaving Congress. Your leaving will not only be a loss to your district and the Nation but it is going to be a great personal loss to me as chairman of the committee on which you have served.

No one on this committee has the record that you have. You have never missed a meeting of the committee and you have always been on time at every meeting, except once when you were a few minutes late, unavoidably detained, and you notified the chairman that you would be a few minutes late.

You have taken a great interest in all matters coming before this committee, and many times have I assigned bills to you to be reported out of the committee, as well as looking after their passage in the House and Senate, and never yet have you failed me. In other words, whenever I assigned a bill to you, I could go to sleep on it, knowing that it would have your personal attention, and if I remember correctly, every bill that you have had charge of you have followed it until its final passage. This is a great relief for me to have a member in whom I could put that confidence and in whom I know has the intelligence to put a matter over.

You are genuinely beloved by the whole committee and all of us regret very much that you will not be with us after this session of Congress.

You have shown yourself to be a man of intelligence and your suggestions and advice to the committee have been of great help.

Let me say again, your absence will be my personal loss. The best wishes of this committee will go with you in whatever you may do or wherever you may go.

Assuring you of my friendship and highest personal regards, I am

Sincerely your friend,

S. D. McREYNOLDS,
Chairman, Committee on Foreign Affairs.

WASHINGTON, D. C., *May 21, 1936.*

Hon. B. T. CASTELLOW,
House of Representatves.

MY DEAR MR. CASTELLOW: I did not know until yesterday that you were retiring from Congress. I regret this exceedingly, for I have said many times that I regarded you as one of the strongest and best-balanced men in the House. You will no doubt find much more happiness away from here, but it is most unfortunate that you are leaving the public service at this time.

With high esteem and best wishes, I am,

Sincerely,

LINDSAY C. WARREN,
Chairman, Committee on Accounts, House of Representatives.

REGULATING SALES OF GOODS IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the present consideration of S. 3450, to regulate the sales of goods in the District of Columbia.

The SPEAKER. The gentlewoman from New Jersey asks unanimous consent for the present consideration of the bill S. 3450, of which the Clerk will report the title.

The Clerk reported the title of the bill.

Mr. BLANTON. Mr. Speaker, we want to hear the bill read.

The SPEAKER. The Clerk will report the bill.

The Clerk proceeded with the reading of the bill.

Mr. BLANTON (interrupting the reading). Mr. Speaker, this is too important a bill to be taken up at this late hour. I object.

AMENDMENT TO DISTRICT OF COLUMBIA TRAFFIC ACT

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the present consideration of S. 3976, to amend the act approved February 27, 1931, known as the District of Columbia Traffic Act.

The SPEAKER. The gentlewoman from New Jersey asks unanimous consent for the present consideration of the bill S. 3976, which the Clerk will report.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsection (c) of section 9 of the act of Congress entitled "An act to amend the acts approved March 3, 1925, and July 3, 1926, known as the District of Columbia Traffic Acts, etc., be, and the same is hereby, amended to read as follows:

"(c) Any individual violating any provision of this section where the offense constitutes reckless driving shall upon conviction for the first offense be fined not more than $250 or imprisoned not more than 3 months, or both; and upon conviction for the second or any subsequent offense committed within 2 years from the date of any such previous offense such individual shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MANUFACTURING, DISPENSING, AND SELLING NARCOTIC DRUGS IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3514) to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., The following words and phrases, as used in this act, shall have the following meanings, unless the context otherwise requires:

(a) "Person" includes any corporation, association, copartnership, or one or more individuals.

(b) "Physician" means a person authorized by law to practice medicine or osteopathy in the District of Columbia.

(c) "Dentist" means a person authorized by law to practice dentistry in the District of Columbia.

(d) "Veterinarian" means a person authorized by law to practice veterinary medicine in the District of Columbia.

(e) "Manufacturer" means a person who by compounding, mixing, cultivating, growing, or other process produces or prepares narcotic drugs, but does not include an apothecary who compounds narcotic drugs to be sold or dispensed on prescription.

(f) "Wholesaler" means a person who supplies narcotic drugs that he himself has not produced nor prepared, on official written orders but not on prescription.

(g) "Apothecary" means a licensed pharmacist as defined by the laws of the District of Columbia, and, where the context so requires, the owner of a store or other place of business where narcotic drugs are compounded or dispensed by a licensed pharmacist; but nothing in this act shall be construed as conferring on a person who is not registered nor licensed as a pharmacist any authority, right, or privilege that is not granted to him by the pharmacy laws of the District of Columbia.

(h) "Hospital" means an institution for the care and treatment of the sick and injured, approved by the health officer of the District of Columbia as proper to be entrusted with the custody of narcotic drugs and the professional use of narcotic drugs under the direction of a physician, dentist, or veterinarian. The word "hospital" shall include dental and medical clinics: *Provided*, That said dental and medical clinics are approved by the health officer of the District of Columbia.

(i) "Laboratory" means a laboratory approved by the health officer of the District of Columbia as proper to be entrusted with the custody of narcotic drugs and the use of narcotic drugs for scientific and medical purposes and for purposes of instruction.

(j) "Sale" includes barter, exchange, or gift, or offer therefor, and each such transaction made by any person, whether as principal, proprietor, agent, servant, or employee.

(k) "Coca leaves" includes cocaine and any compound, manufacture, salt, derivative, mixture, or preparation of coca leaves, except derivatives of coca leaves which do not contain cocaine, ecgonine, or substances from which cocaine or ecgonine may be synthesized or made.

(l) "Opium" includes morphine, codeine, and heroin, and any compound, manufacture, salt, derivative, mixture, or preparation of opium.

(m) "Canabis" includes the following substances, under whatever names they may be designated: (a) The dried flowering or fruiting tops of the pistillate plant Cannabis sativa L., from which the resin has not been extracted, (b) the resin extracted from such tops, and (c) every compound, manufacture, salt, derivative, mixture, or preparation of such resin, or of such tops from which the resin has not been extracted.

(n) "Narcotic drugs" means coca leaves, opium, cannabis, and every substance not chemically distinguishable from them.

(o) "Federal narcotic laws" means the laws of the United States relating to opium, coca leaves, and other narcotic drugs.

(p) "Official written order" means an order written on a form provided for that purpose by the United States Commissioner of Narcotics, under any laws of the United States making provision therefor, if such order forms are authorized and required by Federal law, and if no such order form is provided, then on an official form provided for that purpose by the health officer of the District of Columbia.

(q) "Dispense" includes distribute, leave with, give away, dispose of, or deliver.

(r) "Registry number" means the number assigned to each person registered under the Federal narcotic laws.

ACTS PROHIBITED

SEC. 2. It shall be unlawful for any person to manufacture, possess, have under his control, sell, prescribe, administer, dispense, or compound any narcotic drug, except as authorized in this act.

MANUFACTURERS AND WHOLESALERS

SEC. 3. No person shall manufacture, compound, mix, cultivate, grow, or by any other process produce or prepare narcotic drugs, and no person as a wholesaler shall supply the same, without having first obtained a license so to do from the health officer of the District of Columbia.

QUALIFICATIONS FOR LICENSES

SEC. 4. No license shall be issued under the foregoing section unless and until the applicant therefor has furnished proof satisfactory to the health officer of the District of Columbia of the following:

(a) That the applicant is of good moral character, or, if the applicant be an association or corporation, that the managing officers are of good moral character.

(b) That the applicant is equipped as to land, buildings, and paraphernalia properly to carry on the business described in his application.

No license shall be granted to any person who has been convicted of a willful violation of any law of the United States, or of any State, relating to opium, coca leaves, cannabis, or other narcotic drugs, or to any person who is a narcotic drug addict.

The health officer of the District of Columbia may suspend or revoke any license issued by said health officer under the provisions of this act for cause.

USE OF OFFICIAL WRITTEN ORDERS

SEC. 5. An official written order for any narcotic drug shall be signed in duplicate by the person giving said order or by his duly authorized agent. The original shall be presented to the person who sells or dispenses the narcotic drug or drugs named therein. In event of the acceptance of such order by said person, each party to the transaction shall preserve his copy of such order for a period of 2 years in such a way as to be readily accessible for inspection by any public officer or employee engaged in the enforcement of this act. It shall be deemed a compliance with this subsection if the parties to the transaction have complied with the Federal narcotic laws, respecting the requirements governing the use of order forms.

SALE ON WRITTEN ORDERS

SEC. 6. (a) A duly licensed manufacturer or wholesaler may sell and dispense narcotic drugs to any of the following persons, but only on official written orders:

(1) To a manufacturer, wholesaler, or apothecary.

(2) To a physician, dentist, or veterinarian.

(3) To a person in charge of a hospital, but only for use by or in that hospital.

(4) To a person in charge of a laboratory, but only for use in that laboratory for scientific and medical purposes.

(b) A duly licensed manufacturer or wholesaler may also sell narcotic drugs to any of the following persons:

(1) On a special written order accompanied by a certificate of exemption, as required by the Federal narcotic laws, to a person in the employ of the United States Government, or of the District of Columbia, or of any State, territorial, district, county, municipal, or insular government, purchasing, receiving, possessing, or dispensing narcotic drugs by reason of his official duties.

(2) To a master of a ship or a person in charge of any aircraft upon which no physician is regularly employed, or to a physician or surgeon duly licensed in some State, Territory, or the District of Columbia to practice his profession, or to a retired commissioned medical officer of the United States Army, Navy, or Public Health Service employed upon such ship or aircraft, for the actual medical needs of persons on board such ship or aircraft, when not in port: *Provided*, That such narcotic drugs shall be sold to the master of such ship or person in charge of such aircraft, or to the physician, surgeon, or retired commissioned medical officer of the United States Army, Navy, or Public Health Service employed upon such ship or aircraft only in pursuance of a special order form approved by a commissioned medical officer or acting assistant surgeon of the United States Public Health Service.

(3) To a person in a foreign country if the provisions of the Federal narcotic laws are complied with.

POSSESSION LAWFUL

(c) Possession of or control of narcotic drugs obtained as authorized by this section shall be lawful if obtained and used in the regular course of business, occupation, profession, employment, or duty of the possessor.

SEC. 7. A person in charge of a hospital or of a laboratory, or in the employ of the District of Columbia or of any State, or of any political subdivision thereof, or a master of a ship or a person in charge of any aircraft upon which no physician is regularly employed, or a physician or surgeon duly licensed in some State, Territory, or the District of Columbia, to practice his profession, or a retired commissioned medical officer of the United States Army, Navy, or Public Health Service employed upon such ship or aircraft who obtains narcotic drugs under the provisions of section 6 of this act, or otherwise, shall not administer, nor dispense, nor otherwise use such drugs, within the District of Columbia, except within the scope of his employment or official duty, and then only for scientific or medical purposes and subject to the provisions of this act.

SALES BY APOTHECARIES

SEC. 8. (a) An apothecary, in good faith, may sell and dispense narcotic drugs to any person upon a written prescription of a physician, dentist, or veterinarian, dated and signed, on the day when issued, by the physician, dentist, or veterinarian prescribing said narcotic drugs. The prescription when issued shall also state the full name and address of the patient for whom, or of the owner of the animal for which, the drug is dispensed, and the full name, address, and registry number under the Federal narcotic laws of the person prescribing, if he is required by those laws to be so registered. If the prescription be for an animal, it shall state the species of animal for which the drug is prescribed. The person filling the prescription shall write the date of filling and his own signature on the face of the prescription. The prescription shall be retained on file by the proprietor of the pharmacy in which it is filled for a period of 2 years, so as to be readily accessible for inspection by any public officer or employee engaged in the enforcement of this act. The prescription shall not be refilled.

(b) The legal owner of any stock of narcotic drugs in a pharmacy, upon discontinuance of dealing in said drugs, may sell said stock to a manufacturer, wholesaler, or apothecary, but only on an official written order.

(c) An apothecary, only upon an official written order, may sell to a physician, dentist, or veterinarian, in quantities not exceeding 1 ounce at any one time, aqueous or oleaginous solutions of which the content of narcotic drugs does not exceed a proportion greater than 20 percent of the complete solution, to be used for medical purposes.

PROFESSIONAL USE OF NARCOTIC DRUGS

PHYSICIANS AND DENTISTS

SEC. 9. (a) A physician or a dentist, in good faith and in the course of his professional practice only, may prescribe, administer, and dispense narcotic drugs, or he may cause the same to be administered by a nurse or interne under his direction and supervision.

VETERINARIANS

(b) A veterinarian, in good faith and in the course of his professional practice only, and not for use by a human being, may prescribe, administer, and dispense narcotic drugs, and he may cause them to be administered by an assistant or orderly under his direction and supervision.

RETURN OF UNUSED DRUGS

(c) Any person who has obtained from a physician, dentist, or veterinarian any narcotic drug for administration to a patient during the absence of such physician, dentist, or veterinarian, shall return to such physician, dentist, or veterinarian any unused portion of such drug, when it is no longer required by the patient.

PREPARATIONS EXEMPTED

SEC. 10. Except as otherwise in this act specifically provided, this act shall not apply to the following cases:

(a) Prescribing, administering, dispensing, or selling at retail of any medicinal preparation that contains in 1 fluid ounce, or if a solid or semisolid preparation, in 1 avoirdupois ounce, (1) not more than 2 grains of opium, (2) not more than one-quarter of a grain of morphine or of any of its salts, (3) not more than 1 grain of codeine or of any of its salts, (4) not more than one-eighth of a grain of heroin or of any of its salts, (5) not more than one-half of a grain of extract of cannabis, nor more than one-half of a grain of any more potent derivative or preparation of cannabis.

(b) Prescribing, administering, dispensing, or selling at retail of liniments, ointments, and other preparations that are susceptible of external use only and that contain narcotic drugs in such combinations as prevent their being readily extracted from such liniments, ointments, or preparations, except that this act shall apply to all liniments, ointments, and other preparations that contain coca leaves in any quantity or combination.

The exemptions authorized by this section shall be subject to the following conditions:

(1) No person shall dispense, or sell under the exemptions of this section, to any one person, or for the use of any one person or animal, any preparation or preparations included within this section, when he knows or can by reasonable diligence ascertain that such dispensing or selling will provide the person to whom or for whose use, or the owner of the animal for the use of which such preparation is prescribed, administered, dispensed, or sold, within any 2 consecutive days with more than 2 grains of opium or more than 1 grain of morphine, or of any of its salts, or more than 4 grains of codeine or of any of its salts, or more than ¼ of a grain of heroin or of any of its salts, or more than 1 grain of extract of cannabis, or 1 grain of any more potent derivative or preparation of cannabis.

(2) The medicinal preparation, or the liniment, ointment, or other preparation susceptible of external use only, prescribed, administered, dispensed, or sold, shall contain, in addition to the narcotic drug in it, some drug or drugs conferring upon it medicinal qualities other than those possessed by the narcotic drug alone. Such preparation shall be prescribed, administered, dispensed, and sold in good faith as a medicine, and not for the purpose of evading the provisions of this act.

Nothing in this section shall be construed to limit the kind and quantity of any narcotic drug that may be prescribed, administered, dispensed, or sold to any person, or for the use of any person or animal, when it is prescribed, administered, dispensed, or sold in compliance with the general provisions of this act.

RECORD TO BE KEPT

PHYSICIANS, DENTISTS, VETERINARIANS, AND OTHED AUTHORIZED PERSONS

SEC. 11. (a) Every physician, dentist, veterinarian, or other person who is authorized to administer or professionally use narcotic drugs shall keep a record of such drugs received by him, and a record of all such drugs administered, dispensed, or professionally used by him otherwise than by prescription. It shall, however, be deemed a sufficient compliance with this subsection if any such person using small quantities of solutions or other preparations of such drugs for local application shall keep a record of the quantity, character, and potency of such solutions or other preparations purchased or made up by him, and of the dates when purchased, or made up, without keeping a record of the amount of such solution or other preparation applied by him to individual patients: *Provided*, That no record need be kept of narcotic drugs administered, dispensed, or professionally used in the treatment of any one patient when the amount administered, dispensed, or professionally used for that purpose does not exceed in any 48 consecutive hours (1) 4 grains of opium, or (2) one-half of a grain of morphine or of any of its salts, or (3) 2 grains of codeine or of any of its salts, or (4) one-fourth of a grain of heroin or any of its salts, or (5) 1 grain of extract of cannabis, or 1 grain of any more potent derivative or preparation of cannabis, or (6) a quantity of any other narcotic drug or any combination of narcotic drugs that does not exceed in pharmacologic potency any one of the drugs named above in the quantity stated.

MANUFACTURERS AND WHOLESALERS

(b) Manufacturers and wholesalers shall keep records of all narcotic drugs compounded, mixed, cultivated, grown, or by any other process produced or prepared and of all narcotic drugs received and disposed of by them, in accordance with the provisions of subsection (e) of this section.

APOTHECARIES

(c) Apothecaries shall keep records of all narcotic drugs received and disposed of by them, in accordance with the provisions of subsection (e) of this section.

VENDORS OF EXEMPTED PREPARATIONS

(d) Every person who purchases for resale, or who sells narcotic drug preparations exempted by section 10 of this act, shall keep a record showing the quantities and kinds thereof received and sold, or disposed of otherwise, in accordance with the provisions of subsection (e) of this section.

FORM AND PRESERVATION OF RECORDS

(e) The form of records shall be prescribed by the health officer of the District of Columbia. The record of narcotic drugs received shall in every case show the date of receipt, the name and address of the person from whom received, and the kind and quantity of drugs received; the kind and quantity of narcotic drugs produced or removed from process of manufacture, and the date of such production or removal from process of manufacture; and the record shall in every case show the proportion of morphine, cocaine, or ecgonine contained in or producible from crude opium or coca leaves received or produced, and the proportion of resin contained in or producible from the dried flowering or fruiting tops of pistillate plant Cannabis sativa L., from which the resin has not been extracted, received, or produced. The record of all narcotic drugs sold, administered, dispensed, or otherwise disposed of, shall show the date of selling, administering, or dispensing, the name and address of the person to whom, or for whose use, or the owner and species of animal for which the drugs were sold, administered, or dispensed, and the kind and quantity of drugs. Every such record shall be kept for a period of 2 years from the date of the transaction recorded. The keeping of a record required by or under the Federal narcotic laws, containing substantially the same information as is specified above, shall constitute compliance with this section, except that every such record shall contain a detailed list of narcotic drugs lost, destroyed, or stolen, if any, the kind and quantity of such drugs, and the date of the discovery of such loss, destruction, or theft.

LABELS

SEC. 12. (a) Whenever a manufacturer sells or dispenses a narcotic drug, and whenever a wholesaler sells or dispenses a narcotic drug in a package prepared by him, he shall securely affix to each

package in which that drug is contained a label showing in legible English the name and address of the vendor and the quantity, kind, and form of narcotic drug contained therein. No person, except an apothecary for the purpose of filling a prescription under this act, shall alter, deface, or remove any label so affixed.

(b) Whenever an apothecary sells or dispenses any narcotic drug on a prescription issued by a physician, dentist, or veterinarian he shall affix to the container in which such drug is sold or dispensed a label showing his own name, address, and registry number, or the name, address, and registry number of the apothecary for whom he is lawfully acting; the name and address of the patient, or, if the patient is an animal, the name and address of the owner of the animal, and the species of the animal; the name, address, and registry number of the physician, dentist, or veterinarian by whom the prescription was written; and such directions as may be stated on the prescription. No person shall alter, deface, or remove any label so affixed as long as any of the original contents remain.

AUTHORIZED POSSESSION OF NARCOTIC DRUGS BY INDIVIDUALS

SEC. 13. A person to whom or for whose use any narcotic drug has been prescribed, sold, or dispensed, by a physician, dentist, apothecary, or other person authorized under the provisions of section 6 of this act, and the owner of any animal for which any such drug has been prescribed, sold, or dispensed, by a veterinarian, may lawfully possess it only in the container in which it was delivered to him by the person selling or dispensing the same.

SEARCH WARRANT

SEC. 14. (a) A search warrant may be issued by any judge of the police court of the District of Columbia or by a United States commissioner for the District of Columbia when any narcotic drugs are manufactured, possessed, controlled, sold, prescribed, administered, dispensed, or compounded, in violation of the provisions of this act, and any such narcotic drugs and any other property designed for use in connection with such unlawful manufacturing, possessing, controlling, selling, prescribing, administering, dispensing, or compounding, may be seized thereunder, and shall be subject to such disposition as the court may make thereof and such narcotic drugs may be taken on the warrant from any house or other place in which they are concealed.

(b) A search warrant cannot be issued but upon probable cause supported by affidavit particularly describing the property and the place to be searched.

(c) The judge or commissioner must, before issuing the warrant, examine on oath the complainant and any witnesses he may produce, and require their affidavits or take their depositions in writing and cause them to be subscribed by the parties making them.

(d) The affidavits or depositions must set forth the facts tending to establish the grounds of the application or probable cause for believing that they exist.

(e) If the judge or commissioner is thereupon satisfied of the existence of the grounds of the application or that there is probable cause to believe their existence, he must issue a search warrant, signed by him, to the major and superintendent of police of the District of Columbia or any member of the Metropolitan Police Department, stating the particular grounds or probable cause for its issue and the names of the persons whose affidavits have been taken in support thereof, and commanding him forthwith to search the place named for the property specified and to bring it before the judge or commissioner.

(f) A search warrant may in all cases be served by any of the officers mentioned in its direction, but by no other person, except in aid of the officer on his requiring it, he being present and acting in its execution.

(g) The officer may break open any outer or inner door or window of a house, or any part of a house, or anything therein, to execute the warrant, if, after notice of his authority and purpose, he is refused admittance.

(h) The judge or commissioner must insert a direction in the warrant that it be served in the daytime unless the affidavit is positive that the property is in the place to be searched, in which case he must insert a direction that it be served at any time in the day or night.

(i) A search warrant must be executed and returned to the judge or commissioner who issued it within 10 days after its date; after the expiration of this time the warrant, unless executed, is void.

(j) When the officer takes property under the warrant, he must give a copy of the warrant, together with a receipt for the property taken (specifying it in detail), to the person from whom it was taken by him, or in whose possession it was found; or in the absence of any person, he must leave it in the place where he found the property.

(k) The officer must forthwith return the warrant to the judge or commissioner and deliver to him a written inventory of the property taken, made publicly or in the presence of the person from whose possession it was taken, and of the applicant for the warrant, if they are present, verified by the affidavit of the officer at the foot of the inventory and taken before the judge or commissioner at the time, to the following effect: "I, , the officer by whom this warrant was executed, do swear that the above inventory contains a true and detailed account of all the property taken by me on the warrant."

(l) The judge or commissioner must thereupon, if required, deliver a copy of the inventory to the person from whose possession the property was taken and to the applicant for the warrant.

(m) The judge or commissioner must annex the affidavits, search warrant, return, inventory, and evidence, and at once file the same, together with a copy of the record of his proceedings, with the clerk of the police court.

(n) Whoever shall knowingly and willfully obstruct, resist, or oppose any such officer or person in serving or attempting to serve or execute any such search warrant, or shall assault, beat, or wound any such officer or person, knowing him to be an officer or person so authorized, shall be fined not more than $1,000 or imprisoned not more than 2 years.

PERSONS AND CORPORATIONS EXEMPTED

SEC. 15. The provisions of this act restricting the possession and having control of narcotic drugs shall not apply to common carriers or to warehousemen, while engaged in lawfully transporting or storing such drugs, or to any employee of the same acting within the scope of his employment; or to public officers or their employees in the performance of their official duties requiring possession or control of narcotic drugs; or to temporary incidental possession by employees or agents of persons lawfully entitled to possession, or by persons whose possession is for the purpose of aiding public officers in performing their official duties.

COMMON NUISANCES

SEC. 16. Any store, shop, warehouse, dwelling house, building, vehicle, boat, aircraft, or any place whatever, which is resorted to by narcotic drug addicts for the purpose of using narcotic drugs or which is used for the illegal keeping or selling of the same, shall be deemed a common nuisance. No person shall keep or maintain such a common nuisance.

NARCOTIC DRUGS TO BE DELIVERED TO STATE OFFICIAL, AND SO FORTH

SEC. 17. All narcotic drugs, the lawful possession of which is not established or the title to which cannot be ascertained, which have come into the custody of a peace officer, shall be forfeited, and disposed of as follows:

(a) Except as in this section otherwise provided, the court or magistrate having jurisdiction shall order such narcotic drugs forfeited and destroyed. A record of the place where said drugs were seized, of the kinds and quantities of drugs so destroyed, and of the time, place, and manner of destruction shall be kept, and a return under oath, reporting said destruction, shall be made to the court or magistrate and to the United States Commissioner of Narcotics, by the officer who destroys them.

(b) Upon written application by the health officer of the District of Columbia, the court or magistrate by whom the forfeiture of narcotic drugs has been decreed may order the delivery of any of them, except heroin and its salts and derivatives, to said health officer of the District of Columbia for distribution or destruction, as hereinafter provided.

(c) Upon application by any hospital within the District of Columbia not operated for private gain, the health officer of the District of Columbia may in his discretion deliver any narcotic drugs that have come into his custody by authority of this section to the applicant for medicinal use. The health officer may from time to time deliver excess stocks of such narcotic drugs to the United States Commissioner of Narcotics, or may destroy the same.

(d) The health officer of the District of Columbia shall keep a full and complete record of all drugs received and of all drugs disposed of, showing the exact kinds, quantities, and forms of such drugs; the persons from whom received and to whom delivered; by whose authority received, delivered, and destroyed; and the dates of the receipt, disposal, or destruction, which record shall be open to inspection by all Federal or District of Columbia officers charged with the enforcement of Federal and District narcotic laws.

NOTICE OF CONVICTION TO BE SENT TO LICENSING BOARD

SEC. 18. On the conviction of any person of the violation of any provision of this act, a copy of the judgment and sentence, and of the opinion of the court or magistrate, if any opinion be filed, shall be sent by the clerk of the court, or by the magistrate, to the board or officer, if any, by whom the convicted defendant has been licensed or registered to practice his profession or to carry on his business, and the said board or officer may in its or his discretion suspend or revoke the license of the convicted defendant to practice his profession or to carry on his business. On the application of any person whose license or registration has been suspended or revoked, and upon proper showing for good cause, said board or officer may reinstate such license or registration.

RECORDS, CONFIDENTIAL

SEC. 19. Prescriptions, orders, and records, required by this act, and stocks of narcotic drugs, shall be open for inspection only to Federal and District of Columbia officers whose duty it is to enforce the laws of the District of Columbia, or of the United States relating to narcotic drugs. No officer having knowledge by virtue of his office of any such prescription, order, or record shall devulge such knowledge, except in connection with a prosecution or proceeding in court or before a licensing or registration board or officer, to which prosecution or proceeding the person to whom such prescriptions, orders, or records relate is a party.

FRAUD OR DECEIT

SEC. 20. (a) No person shall obtain or attempt to obtain a narcotic drug, or procure or attempt to procure the administration of a narcotic drug, (1) by fraud, deceit, misrepresentation, or subterfuge; or (2) by the forgery or alteration of a prescription or of any written order; or (3) by the concealment of a

material fact; or (4) by the use of a false name or the giving of a false address.

(b) Information communicated to a physician in an effort unlawfully to procure a narcotic drug, or unlawfully to procure the administration of any such drug, shall not be deemed a privileged communication.

(c) No person shall willfully make a false statement in any prescription, order, report, or record required by this act.

(d) No person shall, for the purpose of obtaining a narcotic drug, falsely assume the title of, or represent himself to be, a manufacturer, wholesaler, apothecary, physician, dentist, veterinarian, or other authorized person.

(e) No person shall make or utter any false or forged prescription or false or forged written order.

(f) No person shall affix any false or forged label to a package or receptacle containing narcotic drugs.

(g) The provisions of this section shall apply to all transactions relating to narcotic drugs under the provisions of section 10 of this act, in the same way as they apply to transactions under all other sections.

EXCEPTIONS AND EXEMPTIONS NOT REQUIRED TO BE NEGATIVED

SEC. 21. In any complaint, information, or indictment, and in any action or proceeding brought for the enforcement of any provision of this act, it shall not be necessary to negative any exception, excuse, proviso, or exemption, contained in this act, and the burden of proof of any such exception, excuse, proviso, or exemption, shall be upon the defendant.

ENFORCEMENT AND COOPERATION

SEC. 22. It is hereby made the duty of the major and superintendent of police of the District of Columbia to enforce all provisions of this act except those specifically delegated, and to cooperate with all agencies charged with the enforcement of the laws of the United States relating to narcotic drugs.

PENALTIES

SEC. 23. Any person violating any provision of this act shall upon conviction be punished, for the first offense, by a fine not exceeding $1,000, or by imprisonment for not exceeding 1 year, or by both such fine and imprisonment, and for any subsequent offense by a fine not exceeding $5,000, or by imprisonment for not exceeding 10 years, or by both such fine and imprisonment.

EFFECT OF ACQUITTAL OR CONVICTION UNDER FEDERAL NARCOTIC LAWS

SEC. 24. No person shall be prosecuted for a violation of any provision of this act if such person has been acquitted or convicted under any United States statute governing the sale or distribution of narcotic drugs, of the same act or omission which, it is alleged, constitutes a violation of this act.

CONSTITUTIONALITY

SEC. 25. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

INCONSISTENT LAWS REPEALED

SEC. 26. All acts or parts of acts which are inconsistent with the provisions of this act are hereby repealed.

NAME OF ACT

SEC. 27. This act may be cited as the Uniform Narcotic Drug Act.

TIME OF TAKING EFFECT

SEC. 28. This act shall take effect July 1, 1936.

With the following committee amendments:

Page 2, line 20, after the word "institution", insert the words "or clinic."

Page 2, line 25, strike out beginning with the word "The" down through and including the word "Columbia", on page 3, line 3.

Page 3, line 20, strike out the word "Canabis" and insert the word "Cannabis."

Page 5, line 6, insert the following:

"Licenses shall be issued for a period of 1 year and may be renewed for a like period. A fee of $5 shall be paid to the health officer for any license so issued or renewed. The said health officer is authorized to have printed such licenses as may be necessary and to be paid for out of the money collected by him for the issuance of licenses. At the close of each fiscal year any funds unexpended in excess of the sum of $100 shall be paid into the Treasury of the United States to the credit of the District of Columbia."

Page 6, line 21, after the word "To", strike out the following: "a person in charge of".

Page 6, line 22, strike out the period and insert a colon and the following: "*Provided*, That the official written order is signed by a physician, dentist, veterinarian, or pharmacist connected with that hospital."

Page 8, line 5, after the word "lawful", insert the word "only."

Page 9, line 2, after the word "signed", insert the following: "in ink or indelible pencil."

Page 10, line 7, after the word "prescribe", insert the words "in writing."

Page 10, line 9, insert the following:

"Such a prescription shall be dated and signed by the person prescribing on the day when issued and shall bear the full name and address of the patient for whom the narcotic drug is prescribed and the full name, address, and registry number under the Federal narcotic laws of the person prescribing, provided he is required by those laws to be so registered."

Page 10, line 13, after the word "prescribe" insert the words "in writing."

Page 10, line 15, insert the following:

"Such a prescription shall be dated and signed by the person prescribing on the day when issued and shall bear the full name and address of the owner of the animal, the species of the animal for which the narcotic is prescribed, and the full name, address, and registry number under the Federal narcotic laws of the person prescribing, provided he is required by those laws to be so registered."

Page 13, insert a new section to be known as section 10a and to read as follows:

"No person other than a manufacturer or wholesaler shall dispense or sell tincture opii camphorata, commonly known as paregoric, to any person without a written prescription from a duly licensed physician, dentist, veterinarian, or other authorized person."

Page 13, line 11, strike out the period and insert the following: "in accordance with the provisions of subsection (e) of this section."

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACHIEVEMENTS OF THE SEVENTY-FOURTH CONGRESS AND THE NEW DEAL

Mr. SANDERS of Texas. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech delivered by the gentleman from Texas [Mr. JOHNSON] over the radio last night.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SANDERS of Texas. Mr. Speaker, pursuant to unanimous consent heretofore granted, I submit for the RECORD a very interesting and informative speech delivered by my colleague, Hon. JED JOHNSON, of Oklahoma, chairman of the speaker's bureau of the national Democratic congressional committee, over the NBC network, on Friday night, June 19, 1936.

ACHIEVEMENTS OF THE SEVENTY-FOURTH CONGRESS AND THE NEW DEAL

Ladies and gentlemen of the radio audience, the last session of the Seventy-fourth Congress has virtually become history. Adjournment now seems certain tomorrow. It has been a hectic and strenuous session.

In the brief time at my disposal it is, of course, impossible to more than touch the high spots of the contributions made by the present Congress to the President's recovery program. It being impossible to even mention many problems that have confronted this administration, I shall confine this discussion chiefly to agriculture, unemployment, banking, and social security.

PRESIDENT HAS RESPONSIBILITY

Partisan Republican leaders are vociferously charging that this has been a "rubber stamp" Congress. That is the charge always heard whenever there is reasonable cooperation between the executive and legislative branches of the Government. But I submit that without this cooperation our system of government breaks down. The Constitution places certain responsibilities upon the Chief Executive in matters of legislation. Section 3 of article II of this document states: "He shall from time to time give the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient."

FATE OF NATION HELD IN BALANCE

It seems only a short time ago that thousands of anxious-faced Americans stood here in the city of Washington and watched with bated breath as Franklin D. Roosevelt was sworn into office. Yet some of us may have difficulty in recalling to memory the picture of that dark hour when the very fate of the Republic hung in the balance. I am sure that our opponents would like for the American people to forget that on that day this great Nation, the richest in all the world, was in the grip of a terrible, hope-destroying economic panic that threatened the very foundation of this Government.

FACED MANY GRAVE EMERGENCIES

Undoubtedly the American people have not so soon forgotten that practically every phase of our economic system was paralyzed. Banks were closing in almost every city and hamlet in America. Business firms were going bankrupt by the thousands; farmers saw their homes sold under the hammer for debt; millions were unemployed, and suffering was rampant in this unhappy land. The new administration was faced, not with a single problem, but with a score of grave emergencies. Immediate and drastic action was essential.

FARM CREDIT BANK EXTENDED

In a few weeks after the new administration came into office, the farm-credit system, which had broken down under Republican misrule, was revised and has helped more than a million farmers by refinancing old loans and making new ones providing

more than $3,500,000,000 in credit to our distressed farmers. The opposition may have some difficulty convincing these 1,000,000 farmers that this three and one-half billion has been wasted. Of course, these loans are well secured. I am not one of those who feel that the farm-credit problem has been solved, but certainly the saving of a million farm homes from the sheriff's hammer by the Roosevelt administration needs no apology. It is a record unequaled by any former administration.

AGRICULTURE AFFECTS ALL CITIZENS

Inasmuch as the welfare of agriculture vitally affects every citizen of this land, need I remind you of the terrible plight in which our farmers found themselves on March 4, 1933? Let those who so freely criticize the New Deal farm program remember those dark days of 1930, 1931, 1932, and the first few months of 1933.

Farmers did not make so much as actual cost of production and were going broke at an alarming speed. The country was facing a serious economic crisis. All of us know that we cannot have a prosperous Nation unless our farmers are prosperous. The factory wheels of the East and Middle West cannot turn unless the farmers can buy the goods and services they need. As farm income declined, farmers went into debt and reduced their consumption of manufactured products. As the farmers stopped buying, factory wheels began to slow down.

Railroads had fewer cars to haul. Factory workers lost their jobs. They, in turn, were forced to reduce their purchases of farm products. It was a vicious circle which built up a surplus of farm and manufactured products that brought on bankruptcies by the thousands. Cotton sold for from 4 to 5 cents a pound, wheat was 25 to 30 cents a bushel, and the farmer who took a load of hogs or cattle to market was fortunate if he got enough for them to pay the expenses of hauling.

FARM PRICES ADVANCED UNDER A. A. A.

The new administration also took immediate and effective steps to raise farm prices by passage of the Agricultural Adjustment Act. Farm prices immediately advanced and the annual income of American agriculture was increased $3,000,000,000. We have not yet reached the goal of equality for agriculture, but undoubtedly we are on our way. In the last year of the Wilson administration the gross income of American farmers was $13,600,000,000.

In 1932, under the old deal, it had declined to $5,300,000,000, a loss of more than $8,000,000,000. In 1935 the gross income of the American farmer was $8,110,000,000, a gain of nearly $3,000,000,000. It is also significant that since 1933 nearly 2,000,000 people have returned to the farm.

SOIL CONSERVATION ACT

When the Supreme Court, by a divided opinion, held the Agricultural Adjustment Act unconstitutional, the present Congress did not throw up its hands in despair but promptly passed the Domestic Allotment and Soil Conservation Act in an effort to maintain agricultural purchasing power and conserve our precious soil. Soil conservation is a matter of vital importance to every American citizen. More than 50,000,000 acres of our lands have been destroyed by that giant enemy, erosion; and more than 360,000,000 acres have been seriously damaged. Had this been permitted to continue, this rich Nation, in the not-far-distant future, would be forced to import agricultural products on an enormous scale.

REPUBLICANS DID NOTHING FOR AGRICULTURE

What did the Republicans, now promising so much, do about the farm problem? Nothing constructive, nothing permanent. They established the Farm Board that poured several millions of dollars of the taxpayers' money down the biggest rat hole that any administration has ever discovered. They also called in the old guard quack doctor, who prescribed a big dose of the high tariff. The Tariff Act of 1930 increased the rates on agricultural products 30 percent. Did that help farm prices? Well does the American farmer know it did not; but farm prices continued on the downward toboggan to bankruptcy.

HIGH TARIFF ACT OF 1930 FAILED

The tariff is the remedy that the old guard doctors have for everything, whether it is unemployment, low wages, child labor, sweatshops, or what have you.

Down at Cleveland the other day they said: "We do not need to amend the Constitution. We'll just increase the tariff again. That will cure everything."

UNEMPLOYMENT PROBLEM

Unemployment, the result of a series of economic maladjustments neglected by previous administrations, was one of the extremely serious problems facing the Nation in 1932—is still a major problem—and the people of the Nation should be seriously concerned about how unemployment is to be handled in 1937 and 1938.

The present Congress has twice made appropriations for the relief of unemployment, feeling that this is a matter of concern to the Federal Government with its vast resources. We on the Democratic side have taken the position that if this great Government could spend $40,000,000,000 fighting a war in Europe, that we could spend a small percent of that sum fighting a war against hunger, unemployment, and actual starvation within our borders.

SAID RELIEF LOCAL PROBLEM ONLY

In 1932 the Republican Party went before the country on a relief plank stating:

"True to American traditions and principles of government, the administration has regarded the relief problem as one of State and local responsibility."

That was the administration, you will recall, when prosperity was "Hoovering around the corner" and we were told that there was nothing to get excited about, as the country was still on the gold standard and all that we needed was confidence.

G. O. P DARES NOT DEMAND REPEAL

As chairman of the speakers' bureau of the Democratic National Congressional Committee I have addressed audiences in several States in recent months, and in discussing the first 3 years of the New Deal I have freely predicted that the Republicans in their 1936 platform would not have the temerity to advocate the repeal of a single one of the major New Deal legislative enactments.

That prediction has come true. Did the G. O. P. go on record at Cleveland favoring discontinuance of benefit payments to farmers, so severely criticized by spellbinders in recent months? Oh, no! Did they go on record as favoring repeal of the Farm Credit Act, the Home Owners' Loan Act, the Social Security Act, the National Youth Administration, the banking legislation, neutrality legislation, the act creating the C. C. C. camps, or any other important New Deal legislation? They did not.

WOULD NOW LEND "SOME ASSISTANCE"

But they did go back to their old position on relief, with modifications. True, they did not dare go all the way back. They do not now propose for the States and local communities to carry all of the burden as they did in 1932, but promise that the Federal Government will lend some assistance, with "a fair proportion of the total relief burden to be provided from the revenues of the States and local governments."

LOCAL COMMUNITIES NOW OVERTAXED

You know what the situation was in 1932. The States and local governments were heavily in debt. Many of them had increased their taxes to the breaking point, the maximum allowed by law, in an effort to help the needy unemployed. But people could not pay their taxes. The new burdens forced business firms into bankruptcy and resulted in the sale of many a home for taxes.

What State or local community could even now shoulder 25 percent of the relief burden without increasing local taxes to a point where countless businessmen and home owners would be shouldering a burden they could not possibly bear?

NEW DEAL BANKING LEGISLATION

When the Republicans met at Cleveland to "view with alarm" and yet failed to "point with pride" to the record of the Hoover administration, did they promise to repeal the bank-guarantee law and other remedial New Deal banking acts? They did not. They dared not go on record opposing such popular legislation.

You will recall the dire predictions that were made and the abuse that was heaped upon Congress by the big Republican newspapers, with the Liberty League complex, when the Banking Act of 1935 was under consideration a year ago. Do you remember the partisan Republican spellbinders who predicted that the banking legislation was impractical? Where are those critics now? Apparently they did not get to Cleveland.

REFUSED TO PASS SOCIAL-SECURITY LEGISLATION

What about the Social Security Act? Did the Republicans demand its repeal? Certainly not. As a bid for votes they indicated they now feel that the New Deal has not gone far enough. Yet, you and I know that had the G. O. P. been victorious in 1932, there would be no Social Security Act now and the Cleveland platform would be silent as the grave on that important subject, as was all previous Republican platforms.

Personally I feel that the Social Security Act is not the last word, but rather the first word on the subject. If and when that law is strengthened and liberalized it will not be done by the opposition party, that it is conceded is not in sympathy with this law, but by President Roosevelt and a sympathetic Democratic Congress.

PLATFORM CLEAR-CUT AND PROGRESSIVE

Soon the Democratic chieftains will meet in Philadelphia to write a platform and nominate not only a real Democrat, but a great humanitarian, a great American, Franklin D. Roosevelt, as again standard bearer for the Democratic Party. We have every reason to believe that the Democratic platform will be a straightforward, progressive, clear-cut document; that it will be definite and certain; that it will not try to compete with Republicans in writing a "catch-all" platform, that is all things to all people, but means nothing definite to any and straddles the real issues of the day.

Let us hope that Democrats will stand, not only on their platform, but upon the record of worth-while achievements of this administration. A record made by individuals or party speaks much louder and more definitely than campaign promises.

WILL CONTINUE TO BE "GOOD NEIGHBOR"

Let us also hope that Democratic speakers will not criticize personally the Republican nominee. The citizens of my great State of Oklahoma know the Republican nominee as a good neighbor and like him as a neighbor, and I am very much of the opinion that when the smoke of November's battle has cleared away they will vote to permit him to remain as a neighbor and continue to reside in the great State of Kansas.

"HE ALSO RAN FOR PRESIDENT"

Frankly, I am of the opinion that when the historian shall write the history of this campaign, and especially the history of the Republican nominee, that it will be said of him that he served with more or less distinction as Governor of the wonderful State of Kansas and that he also ran for President.

"LEST WE FORGET—LEST WE FORGET"

Now, when our opponents decry the mistakes of the New Deal, actual and alleged, let us ask them to stick to the subject under discussion. Let us ask them what New Deal laws they would repeal. Let us remind them that they failed to take effective and courageous action when the Nation stood on the brink of a yawning precipice where the spineless and do-nothing policy of their three past administrations had led us. Let us remind them that a hungry man cannot eat a political platform and that a declaration of principles drawn up in a few short hours by a few discarded members of the old guard representing a politically bankrupt party at a political convention will not pay a mortgage. Tell them that we have not forgotten the dark and dismal days of 1931 and 1932. No; I cannot believe our people are going to forget. Lord God of Hosts, be with us yet, lest we forget, lest we forget!

R. D. STEPHENS AND VERA STEPHENS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3808) for the relief of R. D. Stephens and Vera Stephens.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to R. D. Stephens, of Paxton, Ill., the sum of $1,000, and to Vera Stephens, wife of said R. D. Stephens, the sum of $3,000, such sums being in full satisfaction of their claims against the United States for damages arising out of property damage and personal injuries sustained by them when the automobile in which they were riding was struck by a Civilian Conservation Corps truck driven by Joseph L. Kindrai, near Virgin Lake in Oneida County, Wis., on January 2, 1934: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amounts appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISSUANCE OF PATENT TO CERTAIN LANDS TO FLORENCE KERR FACEY

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3733) authorizing the issuance of a patent to certain lands in the State of Montana to Florence Kerr Facey.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of the act entitled "An act to provide for agricultural entry of lands withdrawn, classified, or reported as containing phosphate, nitrate, potash, oil, gas, or asphaltic minerals", approved July 17, 1914, the Secretary of the Interior is authorized and directed to issue, upon payment of final commissions, to Florence Kerr Facey, of Havre, Mont., an unrestricted patent to the east half northwest quarter, and lots 1 and 2, section 19, township 32 north, range 33 east, Montana principal meridian (Great Falls 053718), upon her filing an abstract of title to the land showing her to be the equitable owner thereof, save for the pendency of any application for a permit or lease thereof under the act approved February 25, 1920, and paying into the land office at Great Falls, Mont., the sum of $6.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT OF CERTAIN SALARIES AND EXPENSES TO EMPLOYEES OF GENERAL LAND OFFICE

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill S. 4581, authorizing the payment of certain salaries and expenses of employees of the General Land Office.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SNELL. Reserving the right to object, what is this bill?

Mr. DEROUEN. I will explain it to the gentleman. The gentleman from Pennsylvania [Mr. RICH] knows all about the bill. [Laughter.]

Mr. RICH. It is a worthy bill.

Mr. DEROUEN. It is a worthy bill. That is enough. It pays 23 employees of the General Land Office who were caught in the jam when the Comptroller General ruled that they could not be paid with the money that was appropriated in the first act.

Mr. JENKINS of Ohio. Where are you going to get this money? [Laughter.]

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the allotment to the General Land Office under section 1, title II, of the Emergency Appropriation Act, fiscal year 1935, of $168,000 for necessary office work incident to surveys and resurveys of the public lands is hereby extended and made available for said purpose for the period of July 1 to September 11, 1935, inclusive, and the payment of unpaid salaries for said period is hereby authorized, and the General Accounting Office shall allow credit in disbursing officers' accounts for salaries and expenses so paid for said period.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROPERTY OWNERS DAMAGED BY HIGH WATERS IN BLACKFOOT RESERVOIR

Mr. CLARK of Idaho. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4142) for the relief of owners of property damaged by high waters in the Blackfoot Reservoir.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SNELL. Mr. Speaker, I want to know what this bill is. I will object to it unless I know what it is.

Mr. CLARK of Idaho. This is a bill to authorize the Secretary of the Interior to investigate the claims of certain landowners who have been damaged or alleged to have been damaged by reason of the overflow of a reservoir which has been constructed in Idaho. This is simply an authorization, to authorize the Secretary of the Interior to investigate these claims and report his recommendations to the next Congress.

Mr. SNELL. How much are the claims, how many claims are there, and what do they amount to?

Mr. CLARK of Idaho. The claims amount to about $60,000, if they are justified. That is all the bill provides for.

Mr. JENKINS of Ohio. Why can he not do that now?

Mr. CLARK of Idaho. He has not the authorization. This reservoir was built by the Government. It overflowed.

Mr. JENKINS of Ohio. Cannot these people get in the Court of Claims in any way?

Mr. CLARK of Idaho. They do not think they can.

Mr. RICH. Mr. Speaker, reserving the right to object, how is this different from the overflowing of a river when God puts so much water in the river that the banks cannot contain it and property is damaged? Who is going to make claims for such people?

The SPEAKER. Is there objection to the consideration of the bill?

Mr. TABER. Mr. Speaker, I object.

FIRST, SECOND, AND THIRD NATIONAL STEAMSHIP COMPANIES

Mr. DALY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12671) for the relief of the First, Second, and Third National Steamship companies.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

Mr. DALY. Mr. Speaker, I ask unanimous consent to substitute an identical Senate bill (S. 4684) for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred on the Court of Claims of the United States to hear and determine in any suits instituted in said court, jointly or severally, by the First National Steamship Co., the Second National Steamship Co., and the Third National Steamship Co., corporations organized

and existing under the laws of the State of New Jersey, the claims of such companies on account of (1) certain sums deposited by the said companies with the United States Shipping Board in the year 1920; (3) certain disbursements made by the said companies for and on behalf of the United States in the year 1920 for other than physical operation costs in connection with the vessels *Independence, Hoxie,* and *Scottsburg,* owned by the United States Government; and (3) certain permament improvements and equipment placed aboard the said vessels and not removed therefrom when the vessels were returned to the custody of the United States; and to enter such decrees or judgments against the United States as will provide full reimbursement and just compensation to such companies on the said claims, notwithstanding the bars or defenses of res judicata or of any alleged settlement or adjustment heretofore made or any release heretofore given by the said companies, their agents or attorneys, to the United States and notwithstanding any statute of limitations: *Provided, however,* That the United States shall be given credit for any sum heretofore paid to the said companies on account of the aforesaid deposits, disbursements, and improvements.

SEC. 2. The suits authorized under section 1 hereof may be instituted at any time within 1 year from the date of enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H. R. 12671) were laid on the table.

THE SYMBOLISM OF THE FLAG

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an eloquent and inspired address delivered by the gentleman from Virginia [Mr. ROBERTSON].

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CHAPMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Hon. A. WILLIS ROBERTSON at Harrisonburg, Va., June 14, 1936, to the Harrisonburg Club, B. P. O. E.:

Mr. Chairman, ladies, and gentlemen, I esteem it a high privilege and honor to be permitted to participate with the Elks Club of Harrisonburg in the dedication, to the high purposes of peace and good citizenship, of an American flag, the gift of local Veterans of Foreign Wars.

From time immemorial, nations have employed standards, colors, and flags to indicate their individuality, but these national emblems, usually born of conflict, have in times past represented more the accomplishments of war than those of peace.

Our own flag, for instance, was born of the Revolutionary War. When Great Britain ceased to treat the Colonies as a mother should a child, the "three crosses of England" became repugnant to them. The British flag no longer represented their welfare. Some of the northern Colonies adopted the "pine-tree flag" with the inscription "An appeal to God"; some in the South the serpent flag, representing a coiled rattlesnake ready to strike, with the inscription "Don't tread on me."

Although we declared our independence in July 1776, our present flag was not adopted until June 14, 1777. On that date the American Congress resolved "That the flag of the Thirteen United States be 13 stripes, alternate red and white; that the Union be 13 stars, white in a blue field, representing a new constellation."

Alfred B. Street, in a speech on the Battle of Saratoga, said: "The stars of the new flag represent a constellation of States rising in the west. The idea was taken from the constellation Lyra, which, in the hands of Orpheus, signified harmony. The blue of the field was taken from the edges of the Covenanter's banner in Scotland, significant also of the league and covenant of the united Colonies against oppression, incidentally involving the virtues of vigilance, perseverance, and justice. The stars were deposed in a circle, symbolizing the perpetuity of the Union; the ring, like the circling serpent of the Egyptians, signifying eternity.

The 13 stripes, with the stars, showed the number of the colonies and denoted the subordination of the States to the Union as well as equality among themselves. The whole was a blending of the various flags, previous to the Union flag, namely, the red flags of the Army and the white ones of the floating batteries. The red color, which in Roman days was the signal of defiance, denotes daring and the red blood that was spilled in the defense of freedom and liberty; the white, purity and peace; and the blue, loyalty. What eloquence do the stars breathe when their full significance is known: a new constellation, union, perpetuity; a covenant against oppression; justice, equality, subordination, courage, and purity.

Members of the Benevolent and Protective Order of Elks, this is the flag, born of conflict, that my comrades of the World War have presented to you. Decked with only 13 stars, representing the Thirteen Original Colonies, it had first waved over Washington's raw levies at Valley Forge. As the cluster grew, it was flown by John Paul Jones and disputed on equal terms with the Cross of St. George its ancient lordship of the seas.

Andrew Jackson, whose home in Tennessee I visited last Sunday, kept it flying over New Orleans, and Stonewall Jackson, under Scott, carried it to the heights of Montezuma in the Mexican War. And the boys, who donated it to you, carried it, now bearing its full complement of 48 stars, symbolizing great and free States stretching from ocean to ocean, for the first time upon a European battlefield, where it received as its baptism of fire a salute from the arsenals of hell. Time, the great alchemist, had blotted out the tragic reconstruction era and we could all join in saying:

"Here's to the blue of the wind-swept North;
When they meet on the fields of France
May the spirit of Grant be with them all
As the sons of the North advance.

"Here's to the gray of the sun-kissed South;
When they meet on the fields of France
May the spirit of Lee be with them all
As the sons of the South advance.

"Here's to the blue and the gray as one;
When they meet on the fields of France
May the spirit of God be with them all
As the sons of the flag advance"

You, sons of the noble Order of Elks, in Harrisonburg in Virginia, in a thousand cities and hamlets throughout the United States, are sons of the flag—a flag in your hands dedicated not to war but to the high calling of peace on earth, good will to all men. Your order came into being in 1868—in the midst of the tragic era. Your order was born in a spirit of brotherly love, and through the teaching and practice of charity, justice, and fidelity, you have given form and substance to the highest and noblest symbolism of the flag. In your hands it symbolizes a capitalistic system of society operating under a constitutional form of government "of the people, for the people, and by the people." It symbolizes churches, hospitals, schools, and the sanctity of the home. It means that the strong must protect the weak and in every sense be a good neighbor. For the past 4 years our Nation has been striving to evolve a higher code of business ethics, in the full meaning of the Elks' tenets, benevolent and protective. You realize that the whole of justice is not expressed in the law. "Such sentiments", said Woodrow Wilson, "sweep across our heartstrings like airs from the presence of God, where justice and mercy are reconciled and the judge and the brother are one."

And the veterans who donated to you this flag have marched under its banner in the trying period of a war against depression with the same courage and loyalty with which they carried it upon the fields of France. In every major economic upheaval, enemies of constitutional government seek to capitalize the spirit of unrest. They foment strikes and disorders in the industrial world; they hold out to the aged and infirm the hope of Government bounties that can never be realized; they subsidize the criminal activities of the underworld to make it appear that organized society is disintegrating; in subtle ways they suggest that our Constitution is an instrument of bondage, designed by a capitalistic class for the economic slavery of the masses. To those of us who have served in the Congress during the trying times of the past 4 years nothing has given us more satisfaction nor a greater feeling of security than the realization of the fact that the boys who served under the flag in foreign lands in times of war are still true and loyal to their flag and country in times of peace, and ready to combat all subversive doctrines that seek to undermine and destroy our Constitution, and with it the greatest degree of personal liberty that the people of any nation have ever enjoyed. They subscribe to the sentiments of Daniel Webster, who, on the one hundredth anniversary of the birth of George Washington, said:

"Other misfortunes may be borne, or their effects overcome. If disastrous wars should sweep our commerce from the ocean, another generation may renew it; if it exhaust our Treasury, future industry may replenish it; if it desolate and lay waste our fields, still, under a new cultivation, they will grown green again, and ripen to future harvests. It were but a trifle even if the walls of yonder Capitol were to crumble, if its lofty pillars should fall, and its gorgeous decorations be all covered by the dust of the valley. All these may be rebuilt. But who shall reconstruct the fabric of demolished government, who shall rear again the well-proportioned columns of constitutional liberty, who shall frame together the skillful architecture which unites national sovereignty with State rights, individual security, and public prosperity? No; if these columns fall, they will be raised not again. Like the Coliseum and the Parthenon, they will be destined to a mournful and a melancholy immortality. Bitterer tears, however, will flow over them than were ever shed over the monuments of Roman or Grecian art; for they will be the monuments of a more glorious edifice than Greece or Rome ever saw, the edifice of constitutional American liberty."

Therefore, on this one hundred and fifty-ninth anniversary of the birth of our national flag, the veterans who present it and the Elks who receive it can appropriately clasp hands in a common cause and a mutual understanding. For both, the flag is the symbol of our liberty under the Constitution—the guardian of our homes. The one group swore allegiance to it when it entered military service; the other when it accepted membership in a great fraternal order.

As the silken folds of Old Glory unfold to the breeze, as it rises to the top of yonder flagpole, I can say to you in the words of Henry Ward Beecher: "Accept it, then, in all its fullness of meaning. It is not a painted rag. It is a whole national history. It

is the Constitution. It is the Government. It is the free people that stand in the Government on the Constitution. Forget not what it means; and for the sake of its ideas be true to your country's flag."

"May the spirit of God be with them all
As the sons of the flag advance."

THE DEMOCRATIC PARTY—ITS RECORD AND ACHIEVEMENTS—EMERGENCY LEGISLATION UNDER ROOSEVELT ADMINISTRATION ANALYZED

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address by an illustrious former Member of the House, W. W. Hastings.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DISNEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by former Congressman W. W. Hastings at Colcord, Okla., June 15, 1936:

Mr. Chairman, I am glad to come to Colcord for two reasons:

First. This place is only a short distance from my old home. Near here I attended the public schools, played up and down these streams, and grew up to young manhood.

Second. Colcord is in the First Congressional District, so ably and efficiently represented by my personal friend, Hon. WESLEY E. DISNEY. He is experienced, knows the needs of the people of the district, is in sympathy with them, and enjoys the confidence of the administration and every Member of the House.

The Democratic Party was founded almost a century and a half ago to represent and serve the masses of the people of the country. It has been true to its purpose.

For the first half century of our national life, it continued in power. We experienced unexampled domestic prosperity. We expanded our territorial area from that occupied by the Original Thirteen Colonies fringing along the Atlantic, across the continent to the Pacific. Under the far-seeing and wise leadership of Jefferson, we acquired a vast territorial area by the Louisiana Purchase. He inspired his private secretary, Merriwether Lewis, and Clark to undertake their notable expedition in 1804 which brought under our flag the great Northwest, from which was subsequently carved such splendid Commonwealths as Washington, Oregon, Idaho, Montana, and others. He financed the expedition in part from a private fund.

We acquired Florida, the land of sunshine and flowers and fruits, the playground of the South, under the leadership of Monroe.

We annexed Texas and added the brilliant "Lone Star" to our constellation under the leadership of Polk.

We scaled the heights of Chapultapec in 1848, silenced the Mexican guns, settled the boundary dispute, and extended our domain to the Pacific coast from which was added Arizona, New Mexico, Nevada, and California, an area of unsurpassed beauty and fertility, and from which vast quantities of gold and silver have poured into our Treasury through the enrichment of vast numbers of our individual citizens, lured there through the discovery of these precious metals.

The Gadsen Purchase in the southern part of Arizona in 1853 completed our program of expansion in Continental United States, except Alaska, which was acquired from Russia in 1867.

Through the years that followed the organization of our party, its objective has been service to the great mass of humankind and to protect the weak and unorganized from oppressive and selfish greed, enriched through special-privilege legislation and administration.

Jackson, lovingly remembered as "Old Hickory", from improvised breastworks defeated the crack troops of Great Britain under Packenham on January 8, 1815, and with increased vigor and determination continued his fight for the unorganized masses during the 8 years he occupied the White House after his election to the Presidency in 1828 and his triumphant re-election in 1832.

The present occupant of the White House, Franklin D. Roosevelt, with a sympathy for the "forgotten" masses unexcelled in the history of the Nation, is courageously leading the fight against a depression that has all but engulfed us since 1929, with a constructive program.

He is entitled to the wholehearted support, without regard to party, of all forward-thinking, progressive citizens of the Nation. Oklahoma should take the lead in emphasizing that he will have our earnest, hearty, and undivided support.

Prior to his election to the Presidency, the Republicans had occupied the White House for 12 long years, and during most of that time had complete control of all three branches of the Government. They must therefore assume full responsibility for the disastrous results that led to the stock crash of 1929, followed by a panic the like of which has never before been experienced in the history of the Nation.

During these years, the special interests represented by Fall and Daugherty and Forbes were in riotous control and left wrack and ruin in their wake.

Dominated by such leadership, there was an orgy of corruption and misrule sickening to the heart of every patriotic citizen. The stories told of the intrigues entered into in the little "Green House" on K Street during the Harding administration for the enrichment of those holding cabinet and other high positions are nauseating and disgusting. The Government of the masses was a prey to those political freebooters. Special privilege was in the saddle everywhere.

This administration was followed by the "Silent Cal" who was impotent to change the trend of affairs. The great engineer then mounted the engine and took hold of the throttle, lauded as the best qualified man by experience who ever entered the White House, and in less than 15 months, headed us into the most disastrous wreck of all time.

In his efforts to stage a comeback, he makes frequent radio addresses critical of the program of the present administration, and in the interest of big business and the special interests. The wrack and ruin was complete when his term was ended.

The farmers of the Nation were broke beyond hope of recovery. In 1932 wheat was selling at the thresher at 25 cents per bushel, oats at 12 cents, corn at from 10 to 12 and much at less, and cotton at around 5 cents per pound, all starvation prices and below the cost of production. Taxes could not be paid, and as a result, schools were closed in thousands of the rural districts.

Mortgages were foreclosed by the millions and farm lands went into foreign ownership. Improvements were allowed to go to ruin. The crops were not rotated. The soil eroded and became less productive. In these circumstances the farmers, comprising one-third of our population throughout the Nation, lost their purchasing power.

Cattle, hogs, and other livestock fell to the lowest level in the history of the country.

As a result, the businessmen, including the merchants in the small towns, began to fail. Soon the panic extended to the larger trade centers. Finally the factories receiving insufficient orders were closed. Millions of laborers were thrown out of employment. Railroads were all headed for receivership. The panic-stricken people, seized with fear, began to withdraw their deposits from banks. Banks in increasing numbers were failing. There was no ray of hope for any business or industry. Hope had fled; despair was upon every countenance, and fear ruled because of the want of confidence in every heart and mind throughout the country.

Such were the conditions among a terror-stricken people when Franklin D. Roosevelt entered the White House March 4, 1933.

Congress was called into almost immediate session March 9, 1933. Conditions would not permit of delay to work out a program.

A banking moratorium order, the most courageous of any ever made, was issued. The Governors of the States joined as to State banks. Confidence was restored.

Legislation ratifying the action of the President and giving him power over foreign exchange and authority to prevent hoarding of gold was enacted by unanimous consent.

The fears of the people were calmed because they soon realized that a man of action and courage was in the White House.

A program was outlined and legislation prepared touching innumerable subjects.

Agricultural legislation to raise the price of farm products was enacted. As a result the price of most farm products has doubled and trebled. Although sharply criticized by political writers and those who exploit them, the farmers at every opportunity register their votes in favor of the program.

The Rural Credit Act was amended and farm land-bank bonds, both principal and interest, were guaranteed by the Government, thus making adequate funds for loans at lower interest rates to all farmers.

Recent legislation was enacted extending the time of making loans to farmers for 1 year at 3½-percent interest.

The Home Owners' Loan Corporation Act was passed for the benefit and protection of those who live in cities and towns.

Critics of the New Deal program, do you object to this legislation?

Comprehensive banking legislation, including the guarantee of bank deposits up to $5,000, was enacted.

In the 3 years preceding the inauguration of Roosevelt there had been 10,775 bank failures involving many billions in deposits, sweeping away the earnings of untold thousands.

Since this law was enacted the reports show only 25 banks failed and the ultimate or final losses to depositors are negligible.

Do you want this constructive legislation repealed?

Railroad legislation was enacted designed to assist railroads in refinancing their properties and to avoid receiverships. This was in the interest of the small shippers, the laboring man, and the thousands of bondholders.

The N. R. A. was enacted to permit industries to make codes of fair competition to regulate hours of labor and to make rules so as to establish uniform working conditions.

Part of this program has been sharply criticized, some of it held to be unconstitutional.

If no legislation had been enacted, of course there would have been nothing to criticize and nothing to challenge as unconstitutional. We prefer to do something. Of course, with such a vast program, mistakes may be expected, both in legislation and administration.

Legislation is the result of the meeting of many minds and represents compromises between the President and Members of both branches of Congress.

Do you want the President to sit down and let things "drift", as under previous administrations?

There was appropriated by the Seventy-third Congress $3,300,000,000 to be expended either as directed in the act or by the President for the relief of people out of employment, hungry, naked, and in dire distress.

An additional $4,880,000,000 was made available by the Seventy-fourth Congress. The deficiency appropriation bill carries a further item of $1,425,000,000 for future relief.

In every war there is unavoidable waste. There was in the World War. The same is true of all wars. We are fighting a real war against the worst panic—left to us by the Hoover administration—in our history. In our efforts to put out a fire to save our homes there will necessarily be some waste of water.

There has been confusion as to details of administration. This is to be regretted. Naturally, there have risen differences of opinion as to the purposes for which the money should be expended.

We should welcome every constructive criticism, from whatever source it comes. Every effort should be made to correct abuses. The money should be spent as intended by Congress and the President; to give relief, to afford employment, and to aid the distressed.

Tariff legislation authorizing reciprocal agreements to expand our foreign markets was enacted.

Such an agreement was recently entered into with Canada and was almost universally commended.

Every effort should be made to restore our foreign trade for our surplus industrial and agricultural products. However, until this is done, we should enact temporary legislation to insure a fair price in our domestic markets.

We must not continue to follow a "do nothing" policy and dump our products on a domestic market below the cost of production.

The Seventy-third Congress enacted legislation for the registration of securities, both foreign and domestic, to protect prospective investors from being defrauded into buying worthless stocks and bonds. Our uninformed citizens were defrauded out of billions of dollars in the speculative months culminating in the stock crash of October 1929. Do honest people anywhere criticize this legislation to protect the people against stock gambling and international bankers?

Thousands lost their savings for years and many for a lifetime.

Those who, for selfish reasons, oppose legislation usually hide behind the Constitution as a smoke screen. Is there any wonder in the enactment of a great constructive program to restore happiness and prosperity to the masses and in correcting the abuses that have grown up in the interest of the privileged few that some legislation should be held unconstitutional? Legislation enacted under every administration has been declared unconstitutional by the Supreme Court. The same is true of practically every State administration.

The record shows 20 acts passed by Democratic administrations and 42 when the Republicans were in control held violative of the Constitution. Of these, six were under Franklin D. Roosevelt, seven under Theodore Roosevelt, and six under Lincoln, and seven under Grant.

Of course, if no effort had been made through new and emergency legislation to aid the people in their dire distress, there would have been nothing to challenge. In an effort to find an issue the number has been greatly exaggerated.

The truth is, on March 4, 1933, that all classes of people and all kinds of business, great and small—banks, railroads, industries, farmers, stockmen, and loboring men—were headed for receiverships, bankruptcy, and financial ruin. They pleaded with President Roosevelt to be saved. Through emergency legislation and administration he rescued them and brought them to financial safety. The records show that most of the program generally known as the New Deal was supported by the Republican leaders in and out of Congress. Now that the corner has been turned and they have been saved from the wreck and a few of the measures, by a divided Court, have been held unconstitutional, they conceal the fact they supported the legislation and are now the sharpest critics of it.

They are ingrates, demagogues, and hypocrites.

They are unwilling, now that they have been towed to the shore, to contribute to the relief of the poor and distressed.

They hide behind every smoke screen. They are so-called defenders of the Constitution. They are desperately afraid State rights will be invaded.

They fear for the freedom of speech, the press, and religion. They are afraid of a dictatorship. They organized the Liberty League and dozens of others with names to deceive the people, all financed by the Du Ponts and their allies, enriched through special privilege, and employ high-salaried newspaper and magazine writers to publish propaganda against the New Deal and the Roosevelt administration.

These men, for the most part, are the members of chambers of commerce. They prepare and circularize the country with resolutions, all critical of the New Deal, and all against the further contribution through taxes to relieve the unemployed, to feed the hungry, and to aid the old and infirm. Their financial, selfish souls have withered until they could not be seen with the highest powered microscope.

They resort to all kinds of misleading propaganda to deceive. The truth is, they are opposed to all kinds of progressive social-security legislation for the benefit of the great mass of humankind.

They know no party allegiance. They are political acrobats, who jump from one party to another with both brazenry and agility.

They never had the experience of the joy of unselfish service.

If they temporarily were inspired to act as described by the following lines of the Battle Hymn of the Republic—

"In the beauty of the lilies
Christ was born across the sea;
As he died to make men holy,
Let us die to set men free"—

they would die of heart attack.

Their pleasure lies in counting the mounting shekels wrung from the poor. They are prevented by the Constitution, State rights, and all kinds of manufactured propaganda from contributing to the happiness of mankind.

At the head of the list stand the Du Ponts, millionaire munition makers of Delaware. They have contributed heavily to financing the Liberty League, directed by Jouett Shouse at a salary of $35,000 per annum.

Sloan, at the head of the General Motors, in 1934 received $201,128. He has been criticizing the New Deal before chambers of commerce across the continent.

W. R. Hearst, who owns a string of papers from New York to California, is another critic and Landon admirer. He is allotted a salary of $500,000. Recently he announced the removal of his citizenship from the State of California because of the State income-tax law.

William S. Knudsen, executive vice president of General Motors, draws $211,128. The highest paid executive in 1934 was Thomas J. Watson, president, International Business Machines Corporation. He received $365,358.

Does anyone believe that either of these high-salaried executives is in sympathy with the depressed or wants to contribute through taxes to his welfare?

Charles Schwab, chairman of the Bethlehem Steel, receives $250,000.

Eugene Grace, president of Bethlehem Steel, receives $180,000.

George Horace Lorimer, editor of Saturday Evening Post, $100,000. Has anyone seen an article in his magazine in favor of the New Deal? The highest priced writers in the Nation are hired to criticize Roosevelt and the New Deal in its columns.

Sewell Avery, president of Montgomery, Ward & Co., $100,000. They can and do contribute millions to defeat progressive legislation to better the conditions of the people.

One of their subsidiary organizations is named the Sentinels of the Republic. There are dozens of them, all financed by the captains of industry, to press down more heavily the crown of thorns on the brow of labor.

They handpicked Harding in 1920, threw up a smoke screen of the League of Nations behind which he and Fall and Daugherty and Forbes concealed themselves and chuckled when they deceived the people. They were to pick the "best minds" to run the Government.

The Hoover convention at Cleveland selected Landon because his views on national questions were unknown. The convention was dominated by Hoover. He was the leading spirit. Do you want a return of the stock crash of 1929; the price of farm products of 1932? If so, vote for Landon. He was transplanted from Pennsylvania a few years ago. He has the Pennsylvania viewpoint now. Those opposed to Roosevelt looked him over, found him colorless, his views on national questions unknown, and after studying his background, this Hoover convention placed their stamp of approval upon him.

It is urged that the public debt has been increased and the Budget remains unbalanced. To this there are three answers:

First. In the name of humanity, employment must be found for those out of work so that their families shall not suffer, their children go hungry and naked.

Second. Much of the money has been loaned through the R. F. C., H. O. L. C., and other agencies, and is now being returned to the Treasury and will be used to assist in retiring the bonds.

Third. The increased indebtedness has been financed not in the interest of Wall Street, but at extremely low rates of interest so that the interest on the outstanding public debt is less than under the Hoover administration.

Fourth. The Budget has been balanced as to the ordinary expenditures. The extraordinary or emergency expenditures, including $750,000,000 for flood control, $1,425,000,000 for future relief for the unemployed, approximately $2,235,000,000 for the payment of the soldiers' bonus, and other emergency expenditures, in all aggregating more than $5,000,000,000, and none ordinary expenditures, makes it impossible while the emergency continues to balance the Budget.

Everything points to continued recovery. While the newspaper headlines and editorials criticize and abuse Roosevelt every news item points to improved conditions.

Every economist in the country predicts the worst of the depression is over.

The industries are all running. Freight earnings are better. Post-office receipts are above normal. Farm prices have trebled and but for the droughts of 1934 and 1935 the farmers of Oklahoma would be in fair condition. Every business, great and small, reports an increase. Confidence has been restored.

We must take no backward step that leads to the despair of 1932.

Roosevelt carried all but six States in 1932.

The recent primary vote in Illinois when he received 450,000 more votes than the combined votes for the Republican candidates BORAH and Knox, now Republican Vice-Presidential nominee, and by the tremendous majority he received in rock-ribbed Pennsylvania, Maryland, and other States, he may carry the other six States in November 1936.

Roosevelt carried Oklahoma in 1932 by 516,468 votes to 188,165 for Hoover.

This was a majority of 328,303, or approximately 3 to 1. We must maintain this majority over Hoover's candidate, Landon, in 1936. And with him we must elect an entire State, congressional, and county ticket in sympathy with his program.

Franklin D. Roosevelt has a fine educational background. He knows the history of our Government. He has had extended experience. He was an aggressive liberal in the New York State Legislature. He served as Assistant Secretary of the Navy during the World War, during the Wilson administration; he ran for Vice President on the Democratic ticket with James M. Cox in 1920, and the Republicans won with their colorless nominee, Warren G. Harding, whose administration they have been trying to forget ever since; he served two terms as Governor of New York, elected for the first term by 25,000 majority and reelected for the second term by 725,000 majority.

He was inaugurated President March 4, 1933. He is a man of great courage, of broad vision, and high ideals. No man who has ever occupied the White House has shown greater sympathy for the toiling masses or for the farmers of the country. When the history of his administration is written it will stand out among the best in the history of our Nation.

EXTENSION OF REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a letter addressed to the gentleman from Massachusetts [Mr. CONNERY] by President Green, of the American Federation of Labor on House Joint Resolution 632.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RICH. Mr. Speaker, I object.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 12796. An act to amend the act entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina", approved May 10, 1928, as amended (U. S. C., 1934 ed., title 28, sec. 179; U. S. C., Supp. I, title 28, sec. 179).

The message also announced that the Senate agrees to the amendments of the House to bills and joint resolutions of the Senate of the following titles:

S. 1790. An act for the relief of Margaret Murphy;

S. 3055. An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes;

S. 3505. An act for the improvement and protection of the beaches along the shores of the United States;

S. 4490. An act for the relief of F. W. Elmer;

S. J. Res. 38. Joint resolution to provide for an inquiry by the Court of Claims with respect to losses sustained by cooperative marketing associations in connection with stabilization activities in grain; and

S. J. Res. 196. Joint resolution to correct errors in the enrollment of Private Act No. 349, Seventy-fourth Congress, approved August 29, 1935, and to clarify the duties of the Comptroller General in connection with said act.

The message also announced that the Senate had agreed without amendment to a concurrent resolution of the House of the following title:

H. Con. Res. 63. Concurrent resolution providing that when the two Houses of Congress shall adjourn on June 20, 1936, they stand adjourned sine die.

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

WILLIAM B. OLIVER, GEORGE HUDDLESTON, AND A. H. CARMICHAEL

Mr. STEAGALL. Mr. Speaker, in the shifting turns of political fortune it is not unusual for any State to lose the services of a valuable Member. It seldom falls to the lot of a State, however, to sustain a threefold loss such as befalls Alabama at the end of the present Congress.

One of these retiring Members who quits because of physical exhaustion and loss of health incident to the hard work imposed upon Members of Congress in these unusual times, held high place on one of the great committees of this House, the Committee on Appropriations, and was one of our most valuable and beloved Members, industrious, of wide information, a great Member of Congress, WILLIAM B. OLIVER. [Applause, the Members rising.]

Another Member of our delegation does not retire voluntarily nor does he retire with the consent or with the approval of any colleague in this House on either side of the aisle [applause]. A Member of the great Committee on Interstate and Foreign Commerce, a man of superb courage, marvelous ability, unflagging industry, the dread of every antagonist that ever opposed him in debate, the intrepid GEORGE HUDDLESTON. [Applause, the Members rising.]

Another member of our delegation whose tenure has been brief who retires voluntarily, leaves us with the esteem, confidence, the affectionate regard and admiration of every Member of this House. A man who won high place in the legislature of his State from term to term, having been honored by the highest office within the gift of that body, a great lawyer. For personal reasons he prefers to retire to private life and resume the practice of his beloved profession. A man who is worthy of every confidence and every honor, a man who is capable of winning the highest place in this body, had he seen fit to continue his service. He leaves us enjoying the esteem, the admiration, and the confidence of every Member of this House, ARCHIE CARMICHAEL. [Applause, the Members rising.]

We are proud of these beloved Members of this body. We are proud of the record they leave as a great heritage to their State and to the Nation. They quit with the good wishes and affectionate regard of every Member of this body. [Applause.]

Mr. HILL of Alabama. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HILL of Alabama. Mr. Speaker, it might seem an anticlimax for me to attempt to add anything to what my colleague [Mr. STEAGALL] has said of the three Members from Alabama who are retiring. The applause and ovation that you have given these three gentlemen demonstrates the esteem and the affection in which they are held in your hearts, and yet I would be recreant to my strongest impulse if I did not leave some record here of my individual feelings and of my regret that these gentlemen are to depart from us.

Mr. OLIVER enjoys a unique record. Not only was he esteemed and beloved by his colleagues in this House, but for a period of some 20 years' time he was returned continuously to this House without opposition. Of the many able and splendid gentlemen who have served in this body during the past quarter of a century, he stands in the front ranks, and as long as our Nation can send to the Congress of the United States such able, conscientious, devoted, courageous, and exceptional statesmen as he, the country is safe.

No man could serve in this body with Mr. HUDDLESTON without admiring his fine courage, his absolute sincerity, his devotion to principle, and his superb ability. He leaves us, but he leaves us with the knowledge that he never retreated, he never surrendered, that he fought a good fight, and that he kept faith with his own conscience. [Applause.]

I have often said to our colleague [Mr. CARMICHAEL] that his one mistake was that he did not come to this body 25

years ago. He has written his name into the legislative history of Alabama, having placed upon our statute books perhaps more legislation for the cause of education, for the cause of public health, and of good roads, than any other man who has ever served that State. In this body he has served faithfully, loyally, and with distinction.

I know I voice the sentiments of each of you when I say that we wish to these friends, these gentlemen, all Godspeed in the days to come. [Applause.]

Mr. SABATH. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER pro tempore (Mr. O'CONNOR). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I fully appreciate the great loss the House of Representatives is about to sustain in the retirement of the three Alabama statesmen just mentioned; but Alabama is not the only State that is about to lose splendid Representatives. The State of Illinois is, I regret to say, about to lose by voluntary retirement four of the most active and able Members of the House, and it has lost by resignations and the death of our late amiable and able colleague, Mr. Buckbee, who served here many years with rare devotion and singular success, during this Congress three other Members of like qualities.

The House of Representatives and the great State of Illinois are experiencing and will continue to experience a serious, temporary deficiency in the voluntary retirement of these experienced legislators.

I have been a Member of the House for 30 long years, and I want to say quite seriously that the State of Illinois, which has made monumental contributions to the membership of this House, during this period never has been represented by more loyal and able Representatives than those who have served our State during the last two Congresses.

They have been untiring and zealous in the application of their rare ability for the public weal. Their successors shall have to work hard to equal—they cannot surpass—the enviable reputations of these gentlemen. They have made a valuable contribution here to their country's welfare in a most important era, and as they return to private life I am sure their foremost thoughts and efforts will continue to be directed to the common good of our great country.

I regret exceedingly, as I know the House and the country as a whole do, the loss of our colleagues Mr. Dobbins, Mr. Adair, Mr. Mason, Mr. Brennan, Mr. Igoe, and Mr. Arnold, the latter having been honored by appointment to an important judicial position in our Government. Mr. Igoe early in his service here was prevailed upon to accept the position of United States attorney for the northern district of Illinois, which deprived the House of a legislator of inordinate ability and sagacity. I am sure that we all wish them good health and much deserved success in any endeavors.

In addition to the loss of these outstanding Members we are losing a good many other very able Members from other States by their voluntary retirement. I hope that the States will see to it that we here get in their stead loyal and able Representatives who will assiduously cooperate for the continued uniform success of beneficient Democratic principles. [Applause.]

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER pro tempore. Is there objection?

Mr. RAYBURN. Mr. Speaker, I concur fully and wholly in what has been said by my colleague about the beloved Members who are leaving the House, but I would be untrue to my feelings, and I would fail to express the wish of every Member of the Texas delegation if I did not for them and for myself take this moment to express our deep regret that our friend and colleague, O. H. CROSS, will not be a Member of the next Congress. [Applause.]

I know, speaking in his hearing, that I express the wish of every Member of this House when I say that in the years to come all of us wish that he shall enjoy to the fullest extent the rich blessings of health, peace, and prosperity. [Applause.]

GEORGE BURNHAM

Mr. CARTER. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CARTER. Mr. Speaker, the State of California is losing a man who has served our State faithfully and well during his term of office. I am sure that I express the sentiment of every man in this House on either side of the aisle when I say that we all deeply regret that GEORGE BURNHAM, of California, is not going to return to the next Congress. [Applause, the Members rising.]

Mr. BURNHAM, by his kindly manner, has endeared himself to each and every one of us. He has represented his district in a most efficient and effective way. It is a great loss to the people of his district, his State and country that he is unwilling to seek reelection and, Colleague GEORGE BURNHAM, I am sure I express the sentiment of each and every Member of this House when I say to you that the good wishes of all of us go with you throughout the years that are to come. [Applause.]

ISABELLE GREENWAY

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, I entirely concur in all that the previous speakers have said of the colleagues who have been associated with us for so many years and who will be absent in the next Congress. I deeply regret, just as you do, that they will not be with us when the Seventy-fifth Congress convenes, and may I also at this time say that we are conscious of great regret, and I feel I am voicing the sentiments of all my colleagues in the House when I say we are sorry we shall not have with us in the next Congress Mrs. GREENWAY. [Applause, the Members rising.]

In the very short time that Mrs. GREENWAY has been with us she has endeared herself because of her fine qualities of mind and heart, and we sincerely hope that in a very short time Mrs. GREENWAY will return to us, if not on this side of the House on the other side of the Capitol. [Applause.]

May I say, Mrs. GREENWAY, we need women of your type in public life. You carry with you not only our regard but also the affection of every Member of this House. We hope you will have the greatest success in whatever you may undertake and the best of health to carry on the plans you are now making to relieve unemployment in the country. [Applause.]

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I read with a great deal of interest the speeches made at Cleveland by our minority leader and the Senator from Oregon [Mr. STEIWER].

I ask unanimous consent, Mr. Speaker, that I may be permitted to place in the RECORD the address of the keynoter at the Democratic convention in Philadelphia, Senator BARKLEY, the address of the permanent chairman of the convention, and the address of the man who will receive the nomination at that convention and be elected President of the United States in November next.

Mr. KNUTSON. Mr. Speaker, reserving the right to object——

The SPEAKER pro tempore. The Chair demands the regular order. Is there objection?

There was no objection.

JOHN J. M'SWAIN

Mr. FULMER. Mr. Speaker, I regret exceedingly to announce to you this evening that one of our colleagues from South Carolina is voluntarily retiring from this body and

going back to his beloved State of South Carolina, where he will engage in the practice of law. He is leaving us of his own free will and accord, and going back to practice his profession of law where he lived before coming to the Congress.

I may say that it would not be any trouble for my friend and colleague to be returned to this House if he would go back and ask his constituents to send him here. His leaving us is largely because of his physical condition, which has been brought about because he has given his every energy to the welfare and interests of the people of South Carolina and of the country.

I announce with deep regret to my colleagues that our friend and colleague JOHN J. MCSWAIN will not come back to us in the next Congress. [Applause.]

Mr. HILL of Alabama. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HILL of Alabama. Mr. Speaker, I concur in all that has been said by the gentleman from South Carolina [Mr. FULMER] about that generous friend and princely gentleman [JOHN MCSWAIN] of South Carolina. [Applause.]

Mr. ROGERS of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. HILL of Alabama. I yield to my colleague on the committee.

Mr. ROGERS of New Hampshire. Will the gentleman add that without the shadow of a doubt that sentiment is concurred in by every Member who ever served under him as Chairman of the Committee on Military Affairs? [Applause.]

Mr. HILL of Alabama. The gentleman from New Hampshire is absolutely right. There is no braver, manlier man than JOHN MCSWAIN [applause,] and it is with a feeling of deep sorrow that I salute him tonight and see him depart from this body.

A few days ago the gentleman from New Jersey [Mr. MCLEAN], a member of the Committee on Military Affairs of which the gentleman from South Carolina [Mr. MCSWAIN] has been chairman, tendered a luncheon to the members of that committee. On the occasion of this luncheon, the minority leader, the gentleman from New York [Mr. SNELL], the gentleman from New Jersey [Mr. MCLEAN], and I attempted to voice our appreciation and our esteem of the gentleman from South Carolina and, Mr. Speaker, I ask unanimous consent that I may have permission to extend my remarks by placing in the RECORD the addresses delivered by the gentleman from New York, the gentleman from New Jersey, and myself.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PRESENTATION OF SILVER VASE TO HON. JOHN J. M'SWAIN, OF SOUTH CAROLINA

Mr. HILL of Alabama. Mr. Speaker, on June 4 last the gentleman from New Jersey [Mr. MCLEAN], entertained the members of the Committee on Military Affairs at a luncheon in his office. On this occasion the members of the Committee presented to the retiring chairman of the committee, the gentleman from South Carolina [Mr. MCSWAIN], a beautiful silver vase as a token of their appreciation and esteem. The gentleman from New Jersey [Mr. MCLEAN], the gentleman from New York [Mr. SNELL], the minority leader, and I endeavored to voice our regret as well as that of the other members of the committee and of the membership of the House over the fact that Mr. MCSWAIN is leaving Congress and we sought to express the great esteem in which he is held. Mr. MCSWAIN made response to the remarks. Under leave granted me, I extend herewith the remarks made on the occasion.

REMARKS OF MR. M'LEAN, OF NEW JERSEY

Mr. MCSWAIN, Mr. SNELL, and colleagues of the committee, what started out to be a simple little social gathering of the members of the Committee on Military Affairs has developed important proportions. When we arranged this party a week or so ago it was merely for the purpose of affording an opportunity to conclude the work of the committee and bid each other adieu in somewhat the same pleasant manner that we began the work of the Seventy-fourth Congress together as the guests of the chairman at his home. Undertaken facetiously, it concludes seriously.

On Saturday our chairman announced his determination to retire from Congress, and last night Joseph W. Byrns, Speaker of the House, beloved by all of us who have served under him, was taken from us. Only yesterday he asked me the hour of our meeting and gave me his assurances he would be with us today. I made the suggestion that in view of the tragedy perhaps we should cancel our program, but after conference with others it was decided to carry it out as arranged, that with due reverence and with his memory warm in our hearts and minds it would not be construed in any way disrespectful to his memory, and that no doubt it would be his wish that we should do so.

When word came to me of the determination of Mr. MCSWAIN to retire, our proposed gathering provided an opportunity to honor him, and the occasion could not have been more happily arranged had we been in possession of advance information.

One does not have to prove that the Committee on Military Affairs, as now constituted, is not only an important committee but a useful, hard-working, and harmonious committee as well. All that we are ready to admit. It is a fact that every member is so familiar with its work that any one of them is prepared to act as chairman whenever occasion may require. Our deliberations are marked by the freest discussion and exchange of confidence, and partisan differences do not seem to disturb our otherwise cordial relations.

There is a reason for this. The real work of Congress is done in committee and much depends on the chairman. His duties extend beyond that of a mere presiding officer, or as the director of the committee program. The proper sort of chairman regards himself as responsible in some degree for the success of the new Members of Congress assigned to his committee, and will hold himself always ready to assist them in shaping their congressional career in and out of the committee. Mr. MCSWAIN has always been considerate and thoughtful. He has assigned the work with the idea of developing in each of us knowledge of facts and procedure, and has been willing to assume responsibility for any mistakes that might occur. Those of us who have come to the committee since he has been its chairman—and that covers a large majority of its members—have been made to feel that he regarded us as the affectionate schoolmaster regards his pupils, and glories in their progress. And so we have arranged that he may have a reminder of our happy association together, our affection and esteem, which it has seemed appropriate should be presented to him by the gentleman from Alabama [LISTER HILL].

REMARKS OF MR. HILL OF ALABAMA

Mr. MCLEAN, Mr. SNELL, and gentlemen of the committee, I am sure that I express the sentiments of all of us when I say how happy and how honored we are to have the distinguished minority leader of the House, Mr. SNELL, with us. The last words our beloved Speaker, Joe Byrns, spoke to me were that he would be with us at this hour and what a pleasure it would be to him. Just before I left the office our new Speaker, Mr. BANKHEAD, of Alabama, telephoned and asked me to say to you how sorry he was that he could not be at this gathering, but that a call to come to the White House made it impossible.

It was with a sad heart and with feelings of deep emotion that I heard our chairman, JOHN MCSWAIN, announce last Saturday evening in my home city of Montgomery, Ala., that he would not be a candidate for reelection to Congress. I know that the deep regret which I feel over his going is shared by each and every one of you. Since our chairman's announcement of his retirement I have seen many Members of the House—there has not been a single one of them who has not borne testimony in the highest terms of his appreciation of JOHN MCSWAIN and who has not expressed his regret that he is to leave us.

"What is the secret of your life?" asked Elizabeth Browning of Charles Kingsley; "tell me, for I want to make mine beautiful, too." His reply was, "I had a friend." We of the Committee on Military Affairs have had a friend. We have had JOHN MCSWAIN, and because of his friendship our lives have been made fuller and richer and our memories will be sweeter and happier. We shall never forget the fine, rollicking good humor of his friendship and his hearty laugh. We shall never forget his many acts of gracious kindness, his desire always to be fair and impartial, and his efforts to help, to guide, and to promote each and every member of the committee. We have been proud of him as our chairman. Creative of thought, indefatigable of effort, independent of spirit, and always the patriot, he has during the 12 years of his service on the committee made notable contributions to its work. I think the record will show that no man has contributed more constructively, more profoundly, or more greatly to the legislation of the committee. He has ever sought to serve the best interest of the committee, the best interest of the Congress, and the welfare of his country. His name is written into the legislative history of our Nation.

Because of his exceptional ability, his unswerving devotion, and most of all because of his high courage, JOHN MCSWAIN has been an outstanding chairman. During the past 12 years there have been in the House of Representatives no finer or higher exhibitions of courage than those displayed by him. Oftentimes when I have seen him sick of body and tired of mind, harassed and

vexed by a thousand trials and tribulations, I have thought of the lines of the old English ballad:

"Fight on, my men," says Sir Andrew Barton,
"I am hurt, but I am not slaine;
I'll lie me down and bleed a while,
And then I'll rise and fight againe."

Men like to follow a brave leader. JOHN MCSWAIN has been a lusty warrior—worthy of the best of us. We have felt privileged to follow his leadership. He has been one of the choice and master spirits of the House—a knight without fear and without reproach.

As I stand here today realizing that JOHN MCSWAIN is soon to leave us, into my mind come the lines of Scotland's sweet poet, Bobby Burns, on his friend the Earl of Glencairn:

"The bridegroom may forget the bride
Was made his wedded wife yestreen;
The monarch may forget the crown
That on his head an hour has been;
The mother may forget the child
That smiles sae sweetly on her knee;
But I'll remember thee, Glencairn,
And a' that thou hast done for me!"

This silver vase bears this inscription: "To Hon. JOHN J. MCSWAIN, chairman of the Committee on Military Affairs of the House of Representatives, from his colleagues of the committee as a token of their esteem and affection, June 4, 1936." We present it to you, John. It literally overflows with our esteem and our love. It carriers with it our wish that it may be a constant reminder to you that although you are not with us in person you remain in our hearts. Our appreciation of you and our devotion to you are as abiding as time itself.

REMARKS OF MR. SNELL, OF NEW YORK

Mr. MCLEAN and members of the House Military Affairs Committee, I feel greatly honored on being invited to join with the members of the Military Affairs Committee at an informal luncheon in honor of the chairman of your committee, Mr. MCSWAIN, of South Carolina.

Mr. MCSWAIN and I have been very warm personal friends for a great many years, and it so happened that when Mr. MCSWAIN came to Congress I was chairman of the War Claims Committee, and Mr. MCSWAIN was assigned to that committee. At that time there were a great many very important matters before that committee, and I think I can truthfully say that we gave each and every one of them very careful and considerate attention. I was impressed from the very beginning with the thoroughness and careful attention that Mr. MCSWAIN gave to each claim that was assigned to him.

Mr. MCSWAIN has also done me the honor to invite me to visit him at his home in South Carolina. I have always thought that I should avail myself of the opportunity, but up to the present time I have been unable to do so, but I have been assured by him that the latchstring is still hanging out, and I hope to be able to take advantage of the invitation some time in the near future.

It was with very deep regret that I learned a few days ago that our old friend "Mac" did not intend to be a candidate for reelection to Congress. While, of course, I know that he has good and sufficient reason for that decision, nevertheless it is a real disappointment to his many friends here in the House that he has decided to go back to his chosen profession, the practice of law.

Whether he has any other political aspirations or not I do not know, but I am very sure that if he does have that all of his colleagues here in the House, on both sides of the aisle, firmly hope that he will be successful along that line. We are also very sure that there will be no question about his immediate success in taking up and renewing his law practice. Whatever he does his colleagues wish him Godspeed, and will always be pleased to see him when he makes, as I hope he will, frequent visits to the House of Representatives.

REMARKS OF MR. M'SWAIN, OF SOUTH CAROLINA

Mr. MCLEAN and my colleagues of the Committee on Military Affairs, You have done me too great honor by this gathering and by the generous remarks already made by such friends as LISTER HILL, Mr. SNELL, and others. Words are inadequate to express my deep appreciation for all the kindness that you have shown me through all these years, and more especially for the material evidence of your kindly feeling toward me in the form of the magnificent silver vase, so appropriately inscribed.

My colleagues and my friends, I am voluntarily leaving the Congress after 16 years of hard work, and I beg each of you to testify that during that time I have never advocated or urged a single measure that was tinged in the slightest with selfishness for either myself or for the district that has sent me here to represent its people. I have tried to give all my service to the benefit of all the people of all the country. It is my belief that one section or part of the country cannot prosper or thrive at the expense of another section. It is impossible for one district to grow rich by Federal appropriations that must represent taxes from other districts. I have been fortunate, and I modestly believe that the country has been fortunate, in that I have no fort, field, arsenal, or other War Department activity in my district. For that reason, I have been free of the inevitable local pressure to make terms with the War Deparment in order that my district might get more appropriations. I have regarded national defense as a national problem. I have not been the partisan of the Army as against the Navy, nor of the Air Corps as against the ground troops or the sea forces. I am as much interested in one instrumentality for insuring the national defense as I am in another instrumentality. I am as much for the Navy as I am for the Army, and I am no more for the air forces than I am for the ground forces and the sea forces. I have repeated these generalities in your presence, not because you are unfamiliar with my views. I know that you have already heard them hundreds of times, but I thought that the solemnity of the occasion might add impressiveness to their restatement.

I thank the minority leader for his attendance at our little gathering and I wish to record the sorrow and sense of loss in my own heart occasioned by the sudden and unexpected death of our Speaker last night, and I feel that each of you mourns the loss of the Speaker as a personal friend. His patience, his tolerance and toleration, his zeal for efficiency and for economy in government, will long remain as an inspiration to all of us who have labored with him.

While this is, in a sense, a good-bye gathering, and while it is hard for me to tear myself away from these good and strong patriotic citizens with whom I have been laboring, yet I must confess a sense of relief in that the burdens will soon pass from my shoulders. This is a very hard working committee. We have approximately fifteen hundred bills on our calendar now. It is especially hard for the chairman. Under the burden of these labors I have struggled as best I could. All of you know the mistakes that I have made, but amidst them all there has been but one great outstanding purpose and objective in my mind and heart, and that has been to promote the well-being of our country from sea to sea and from lake to Gulf, by promoting the efficiency and the economy of our defense forces. At this stage of the world's development it is absolutely essential that we maintain a reasonably adequate defensive establishment for the protection of our people against the invasion of our rights, whether by sea or by air or by land. National defense with me is a unity and not a trinity. National defense is the single concrete result that we all should seek, and it should be at the minimum of expense to insure reasonable safety. I believe that the investigation which we have conducted will promote both efficiency and economy in the Army for at least the next 50 years.

Though I must lay these burdens and responsibilities down I am sure they will be carried on by younger, stronger, and better soldiers of the common good. Especially am I happy that my dear friend, LISTER HILL, whom I love as I would a younger brother, will become the chairman of this great committee, and I feel sure that his administration of its affairs will add increased luster to the fame of the committee, and that the interests of the country, so far as the jurisdiction of this committee is concerned, will be safe in his hands, especially when they are upheld by the other members of the committee.

And now, in conclusion, I repeat that I have sought to follow the example set by those predecessors under whom I have served, such as Percy Quin, W. Frank James, John M. Morin, John C. McKenzie, and Julius Kahn, by ignoring party lines and by distributing the responsibility for decision and action throughout the entire membership of the committee. It has been my slogan that "Where national defense begins, partisan politics must end." I do not recall that party names have ever been used in any committee meeting except sometimes in a jocular way. I am sure partisan feeling has never been in my heart, and I do not believe it has been in the heart of any member of the committee on either side. We are interested in the safety of America. The problems of national defense are the same and will be the same, irrespective of which party may be in power. Our national policies, which in a large measure determine our defensive policies, and our strategic situation and its problems are all fixed quantities and do not admit of variation when the party label changes in the administration of our Government's affairs.

Already I feel the exhilaration of freedom. Already I can face my friends and constituents without being perplexed by political considerations. I am going back to South Carolina, back to my home town of Greenville, there to live among the friends of a lifetime. I am not going to be hanging around Washington, pretending to practice law, while, in fact, snatching a few fees here and there for lobbying or quasi-lobbying. Of course, I may be a visitor among you occasionally, and, of course, I would not turn down a good fee to be earned in any honorable manner, but I will be a home-town lawyer and not a hanger-on around Washington. For that reason I am enjoying a sense of exhilaration, so dear to a Scotchman's heart, arising from the realization that henceforth I will be free, and that I can and will serve my people and my country as a private citizen without constantly keeping in mind the thought of my personal political fortunes. Believe it or not, such freedom is the life breath of a Scotchman's soul.

APPOINTMENT OF COMMITTEES AND COMMISSIONS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the second session of the Seventy-fourth Congress, the Speaker be authorized to appoint commissions and committeees authorized by law or by the House.

The SPEAKER. Is there objection?

There was no objection.

REPORT OF COMMITTEE TO NOTIFY THE PRESIDENT

Mr. O'CONNOR. Mr. Speaker, your committee appointed to join a like committee on the part of the Senate to inform the President of the United States that the Congress is ready to adjourn, and to ask him if he has any further communication to make, has performed that duty. We are directed by the President to inform the Congress that he has no further communication to submit to the Congress.

REPRESENTATIVE SAMUEL B. HILL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, I would be unfaithful to my highest sense of duty were I not to express my profound and sincere regrets and my own personal loss and, I am sure, the loss to each Member of this House, by the voluntary retirement from the Congress of the Honorable SAMUEL B. HILL, of the State of Washington, to take up his important work in another branch of the Government. [Applause.] To me, Mr. Speaker, this is a loss that I cannot adequately express by mere words. Since I have had the honor of presiding over the great Committee on Ways and Means, for almost 4 years SAM HILL has sat at my right as the ranking member of that great committee.

I can say in all truth and sincerity that during my more than 25 years of service here, knowing so many able and capable men, I have never known one who has served his committee and his country with greater ability and with greater fidelity than SAM HILL. He is a man of outstanding ability and is as loyal a man as ever walked the earth. He has been to me not only a friend but a most useful and indispensable helper. In the great work of our committee I have had the faithful and loyal assistance of every member on that committee, but SAM HILL, sitting at my right, has never been called upon for any service that he has not faithfully and efficiently performed in a most thorough manner. I am sure that I voice the sentiment of every Member of this House when I express a most deep, sincere, and profound regret at his leaving, and also a fervent and earnest hope that he may be as useful and as happy in his new work as he has been in the work that he so ably performed here, and that his future life may be strewn with roses of most perfect perfume. I regret that I do not have language at my disposal, that my words are inadequate, to express my profound regret at his departure from this House. [Applause.]

REPRESENTATIVE THEODORE CHRISTIANSON

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to proceed for 2 or 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. KNUTSON. Mr. Speaker, I am sure that the House shares with the Minnesota delegation regret at the retirement from this body of our colleague, former Governor THEODORE CHRISTIANSON. [Applause.] He has served with distinction in this body for the past 4 years. Governor CHRISTIANSON will go to the Senate, where, I am sure, he will add further luster to a long distinguished career.

While I am on my feet, Mr. Speaker, may I bid hail and farewell to the 125 or 150 of our colleagues who will involuntarily retire from this body. We shall miss them, but I assure them that when we take over the reins everything will go as per schedule.

WILLIAM B. OLIVER AND JOHN N. SANDLIN

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BUCHANAN. Mr. Speaker, I do not rise to speak. I rise to testify—to give my testimony to the splendid record of the application of the principles of intelligent economy to the administration of Federal Government by two of my colleagues on the Committee on Appropriations who will not serve in the next Congress, Mr. OLIVER and Mr. SANDLIN, of Louisiana. [Applause.]

They need no praise from my lips. Their records speak louder than the lips of men and testify to the fact that this country has lost the most valuable service of two of the most valuable Members of Congress. I thank you. [Applause.]

WARREN J. DUFFEY, WILLIAM L. FIESINGER, AND STEPHEN M. YOUNG

Mr. CROSSER. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CROSSER. Mr. Speaker, on behalf of the Ohio delegation I just want to say a word or two about the departure from our body of three distinguished Members from Ohio, Messrs. DUFFEY, FIESINGER, and YOUNG. All of us who have had occasion to serve with those three gentlemen can testify very truthfully as to their high degree of ability, and their conscientious devotion to duty. I know we regret their passing. I am sorry to say Mr. DUFFEY, because of illness, is not able to be with us here tonight, to give us an opportunity to say a word of kindness to him and to cheer him on his way. I hope and I know we all hope that he will soon recover.

Edward Markham wrote a few lines that it seems to me should indicate our feeling toward the three men of whom I am speaking, when he said:

"There is a destiny that makes us brothers,
None goes his way alone;
All that we send into the lives of others,
Comes back into our own."

The truth of these words should give those three gentlemen who are retiring from service much comfort, because they have sent into the lives of others things from which they will receive much joy in receiving them back to their own.

I thank you. [Applause.]

EDWARD MORAN AND WILLIAM N. ROGERS

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER pro tempore (Mr. O'CONNOR). Without objection, it is so ordered.

There was no objection.

Mr. CONNERY. Mr. Speaker, we are about to lose one of our New England colleagues from this House, a Member who is voluntarily retiring, a man who could return to Congress, possibly, as often as he wanted to, but who is voluntarily retiring. He is a man who has given fine service in his terms in the House of Representatives. I refer to Mr. EDWARD MORAN from Maine, who is voluntarily retiring. [Applause.]

Mr. Speaker, I know that the House will be very glad to learn that a distinguished member of the Committee on Military Affairs is going to be the next United States Senator from the State of New Hampshire, leaving this House, WILLIAM N. ROGERS. [Applause.]

TILMAN B. PARKS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, as we approach the closing minutes of the Seventy-fourth Congress our hearts are saddened to be reminded that many of our colleagues, for one reason or other, will not return to the next Congress. Several are voluntarily retiring from public life. Among those distinguished Members who are leaving Congress voluntarily is a neighbor of mine, who has served with distinction from the great State of Arkansas for the past eight consecutive terms. He is not only a patriotic American, but he is a statesman and a gentleman, who has the confidence, respect, and admiration of all Members of this House. I know I voice the sentiment of all Members of this body when I say we sincerely regret that he will not return to Congress, where he has given 16 years of valu-

able, unselfish service to his State and Nation.. I refer to none other than the distinguished and patriotic Member who is chairman of one of the important subcommittees of the Appropriations Committee of the House, the Honorable TILMAN B. PARKS, of Arkansas. [Applause, the Members rising.]

THE SPEAKER

Mr. SNELL. Mr. Speaker, I offer the following resolution, and ask for its immediate consideration.

The SPEAKER pro tempore. The gentleman from New York offers a resolution, which the Clerk will report.

The Clerk read as follows:

Resolved, That the thanks of the House are presented to the Honorable WILLIAM B. BANKHEAD, Speaker of the House of Representatives, for the able, impartial, and dignified manner in which he has presided over the deliberations and performed the arduous duties of the Chair.

Mr. SNELL. Mr. Speaker——

The SPEAKER pro tempore. The gentleman from New York.

Mr. SNELL. Mr. Speaker, I am very pleased personally, and on behalf of the minority, to offer this resolution expressing our thanks and appreciation for the consideration and courtesy that has been shown us by the present Speaker. [Applause.] The same was true of him during the time that he acted as and was majority leader of the House.

I consider the position of Speaker of the House of Representatives one of the greatest positions in the gift of the American people. It is certainly second only to the Presidency of the United States. No man ever comes to that position unless he has real ability, character, and legislative experience. I consider that the present Speaker of this House has a generous amount of each of these qualifications [applause], and I am proud to call him "Mr. Speaker" and "my personal friend WILL BANKHEAD."

I desire at this time also to express my appreciation to the able, genial chairman of the Rules Committee and acting majority leader. [Applause.] As today has developed, I do not always agree with the chairman of the Rules Committee, but usually when I have criticized him on the floor of the House he has retorted in this manner: That his long association and service with another gentleman from New York who once was chairman of the Rules Committee had influenced him to do such things as he did. [Laughter.] I want him to know that I appreciate, outside of that, the consideration he has given us.

While I am on my feet, Mr. Speaker, I desire to express my thanks for the loyal and hearty support the Members of the majority have given me during this session of Congress. At the same time, I desire to express my appreciation to my friends on the other side of the aisle also for the consideration they have given the minority leader. [Applause.]

And to all my colleagues I wish, as you depart for home, that you have a very pleasant, enjoyable, and happy vacation; that you may have the rest you are entitled to after the arduous work of the Seventy-fourth Congress. God bless you all. [Applause, the Members rising.]

The SPEAKER pro tempore. The question is on the resolution offered by the gentleman from New York.

The resolution was agreed to.

Mr. BANKHEAD. Mr. Speaker [applause, the Members rising]——

The SPEAKER pro tempore. The gentleman from Alabama.

Mr. BANKHEAD. Mr. Speaker, I am, of course, profoundly grateful, not only for the resolution offered by the distinguished minority leader and adopted by this House but also for his cordial and generous expressions of praise for my humble and limited services as a Member of this body.

I must confess that I make this acknowledgment of my gratitude and appreciation with a saddened heart, because I must remember that it has only been a few days since one greater than I presided over the destinies of this House. We took him to Tennessee and laid him to rest, surrounded, to use a quotation, by the proud and affectionate solicitude of a great constituency. Peace to the ashes of a great Speaker of this House! He was the friend of every man who sat in it on either side of the aisle; and so my elevation to the distinguished and responsible post to which I have been raised by the unanimous approval of my colleagues came to me tinged with sadness and with elements of great personal sorrow and regret.

But I want to thank you, my colleagues, for this mark of your confidence and esteem.

I have served in this Chamber and in this body for 20 years, one-fifth of a century. This is a rather long time for a man to serve in any legislative body, longer probably than I have deserved to serve here. I do not know how many hundreds of men I have seen come and go during this period of service, but I may say to my colleagues here upon this floor, to those who may be listening in the galleries tonight as American citizens, to those cartoonists who desire to make smart epigrams, and to those who sometimes desire to lampoon the individuality and personality of the Congress of the United States that as long as the Congress of the United States is represented by the type of men in character and attainment that I have served with here for the last 20 years, so long is this Republic secure. [Applause.]

Oh, we have differences of opinion. This is a Government by political parties in large measure, and even on our own side or on your side there are honest differences of opinion and judgment between men who are anxious to preserve their moral and intellectual integrities as they should. But in its last analysis, this so-called dividing line between the Democrats and Republicans is but a myth and a tradition. We who sit on this side representing our great Democratic constituencies, you gentlemen who sit on that side representing Republican constituencies, or Independent or Progressive constituencies are but the agents of the American people.

We are here to perform a great and solemn act and duty. If we may make mistakes in judgment, we may make mistakes in conclusions, but it is an honor, as I see it, to serve in this body. There is not a man or woman who has ever come to this House except there was some reason of talent, attainment, credit, or honor why they should have been sent here.

I did not intend to embark upon a discourse on the character of this body and I beg your pardon for it. I am deeply grateful to you for the honor you have paid me under the tragical circumstances of my succession to the speakership.

I walked out there in the Speaker's lobby this afternoon and looked at the portraits of the great men who have filled this position in the past, and I felt in my heart that I could never measure up to the great heights of the men who had served in this exalted office. But I did pray God to let me do the very best I could within the limits of my capabilities.

So I thank you, my friends. You have had a hard and strenuous session. We have had our differences of opinion. I do not know how our tasks will be approved by the country. I imagine that some of my friends on the left will say we have made some mistakes, not only in this session but in others. This is a matter of political controversy, but this is a government of public opinion, and we will meet the issue in November. But that is not what we are thinking about here in this last meditative hour of the closing session of a great Congress midst the representatives of a great people. Whether you be from the West, the East, the North, or the South you are their Congressmen, you are their friends, and we have all on both sides of this aisle done our dead level best to help our constituencies. We have made mistakes. Maybe we can correct them. Maybe our constituents will correct some of them by sending somebody else here as their representative. [Laughter.]

In departing, allow me to express my deep gratitude and thanks for the honor you have conferred upon me. I hope you may return to your homes in good spirits and in good health and carry with you the assurance that whether you come back here or not is in the lap of the gods, politically speaking. Whether you have been here for 1 term or 10

terms, you have served in this great popular branch of the Federal Government under the ensign of your State above you as the Representative of a great and a free people, and you are representing the people of a great republic, which, despite all of this clamor about communism, fascism, and all other isms, by the grace of God will endure for centuries because of the inherent patriotism and fine judgment of the American people. I thank you. [Applause.]

The SPEAKER resumed the chair.

Mr. COX. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, as has been remarked, we have approached the moment of the close of the second session of the Seventy-fourth Congress. It has been a session full of toil and sorrow, because the dreaded black camel has knelt at the gates of many of our friends, but this is an hour when differences are forgotten, when, as the Speaker remarked, the aisle separating the minority from the majority disappears. We are no longer at this moment Democrats or Republicans, but Members of one great family that respects and trusts one another, that honors our Speaker, that loves truth and justice and the flag of our country which floats above the Speaker's head.

Mr. Speaker, in the name and on behalf of a united membership, I salute you, sir, and wish for you long life, health and happiness. [Applause.]

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 255. An act to provide for the commemoration of the Battle of Eutaw Springs, in the State of South Carolina;

H. R. 1362. An act conferring jurisdiction upon the United States District Court for the Western District of Texas to hear, determine, and render judgment upon the claim of R. A. Ramey, doing business as Ramey Bros.;

H. R. 1397. An act to withdraw certain public lands from settlement and entry;

H. R. 1962. An act for the relief of Albert H. Jacobson;

H. R. 2155. An act for the relief of Francisco M. Acayan;

H. R. 2335. An act for the relief of Cora Akins;

H. R. 2435. An act for the relief of the Citizens State Bank of Marianna, Fla.;

H. R. 2932. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of the International-Great Northern R. R. Co. against the United States;

H. R. 3777. An act for the relief of the Herald Publishing Co.;

H. R. 3866. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Emanuel Bratses;

H. R. 3943. An act for the relief of D. E. Wooldridge;

H. R. 3952. An act for the relief of Mr. and Mrs. Bruce Lee;

H. R. 4059. An act for the relief of Ella B. Kimball, daughter and only heir of Jeremiah Simonson;

H. R. 4364. An act for the relief of Andrew Johnson;

H. R. 4641. An act authorizing the President to present a gold medal to George M. Cohan;

H. R. 4707. An act validating certain applications for and entries of public lands, and for other purposes;

H. R. 5078. An act for the relief of Mrs. Charles F. Eikenberg;

H. R. 5754. An act for the relief of Emma M. Pearson;

H. R. 5829. An act for the relief of Daniel J. Hagerty;

H. R. 6668. An act for the relief of S. John Hegstad;

H. R. 6719. An act to amend the Canal Zone Code;

H. R. 6773. An act to provide for an investigation to determine whether the water rights of the United States have been violated in the Clear Lake watershed, California, and for other purposes;

H. R. 6951. An act for the relief of Thomas J. English;

H. R. 7256. An act for the relief of Perry H. Callahan and Malcolm W. Callahan;

H. R. 7463. An act for the relief of Lawrence R. Lennon;

H. R. 7642. An act for the relief of the estate of Frank W. Trick;

H. R. 7727. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of George B. Marx, Inc.;

H. R. 7736. An act to provide for the establishment of the Whitman National Monument;

H. R. 7818. An act for the relief of Caroline M. Hyde;

H. R. 7839. An act for the relief of C. E. Rightor;

H. R. 7864. An act for the relief of Edward P. Oldham, Jr.;

H. R. 8107. An act to authorize the coinage of 50-cent pieces in connection with the celebration of the one hundredth anniversary of the opening of the tri-State Territory of east Texas, north Louisiana, and south Arkansas by Capt. Henry Miller Shreve, to be held in Shreveport, La., and surrounding territory in 1935 and 1936;

H. R. 8316. An act to modify section 20 of the Permanent Appropriation Repeal Act, 1934, with reference to individual Indian money;

H. R. 8321. An act for the relief of Julia Long;

H. R. 8322. An act for the relief of Merwin A. Kiel;

H. R. 8368. An act to enforce the twenty-first amendment;

H. R. 8373. An act for the relief of James Fitzgerald;

H. R. 8502. An act for the relief of Theresa Link, Wencel Link, Edward Block, and John Meyers;

H. R. 8521. An act for the relief of Elsie O'Brine;

H. R. 8555. An act to further the development and maintenance of an adequate and well-balanced American merchant marine, to promote the commerce of the United States, to aid in the national defense, to repeal certain former legislation, and for other purposes;

H. R. 8597. An act to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea"; to maintain discipline on shipboard; and for other purposes;

H. R. 8643. An act for the relief of Mr. and Mrs. Frank Daley;

H. R. 8688. An act for the relief of Grace Schultz;

H. R. 8720. An act for the relief of Louis Manzumin;

H. R. 8799. An act for the relief of John N. Hunter, Edmund M. Cook, Fred C. Putnam, Merchants National Bank of South Bend, Ind., and St. Joseph Loan & Trust Co., of South Bend, Ind.;

H. R. 8841. An act for the relief of Estelle Mary MacDonald and Marilyn MacDonald;

H. R. 9078. An act for the relief of Bertha W. Lamphear;

H. R. 9111. An act for the relief of Evenell Durrance;

H. R. 9191. An act for the relief of dependents of James B. Kiley;

H. R. 9313. An act for the relief of the estate of Hans Ditmanson, deceased;

H. R. 9314. An act for the relief of the estate of Henry Copple, deceased;

H. R. 9315. An act for the relief of the estate of Fred Wilkins, deceased;

H. R. 10044. An act for the relief of Lt. Col. Fernand H. Gouaux;

H. R. 10094. An act to amend section 1 of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269);

H. R. 10168. An act for the relief of Arch A. Gary;

H. R. 10279. An act for the relief of the Pocahontas Fuel Co., Inc.;

H. R. 10439. An act for the relief of John B. Ricketts;

H. R. 10504. An act for the relief of Booth & Co., Inc., a Deleware corporation;

H. R. 10591. An act to authorize the Secretary of Agriculture to investigate and report on traffic conditions, with recommendations for corrective legislation;

H. R. 10919. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11022. An act for the relief of Ethel Armes;

H. R. 11123. An act for the relief of Edward A. Foote, Jr., and others;

H. R. 11176. An act increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark.;

H. R. 11180. An act to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes;

H. R. 11331. An act to authorize the sale and conveyance by the Department of the Interior to the State of Minnesota of the SW¼NW¼ sec. 3, T. 159 N., R. 35 W., fifth principal meridian, in the State of Minnesota;

H. R. 11379. An act for the relief of William H. Milton;

H. R. 11538. An act for the relief of the Orland reclamation project, California;

H. R. 11555. An act to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission;

H. R. 11581. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11597. An act for the relief of L. A. Peveler;

H. R. 11615. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

H. R. 11688. An act providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union;

H. R. 11926. An act to provide for a term of court at Durham, N. C.;

H. R. 12002. An act to authorize a preliminary examination of the Lackawanna River, with a view to the control of its floods;

H. R. 12007. An act to authorize a preliminary examination of the Penobscot River, Maine, and its tributaries, with a view to the control of their floods;

H. R. 12008. An act to authorize a preliminary examination of the Androscoggin River, in Maine and New Hampshire, and its tributaries, with a view to the control of their floods;

H. R. 12062. An act to authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona in exchange for certain other lands, and for other purposes;

H. R. 12144. An act for the relief of the Federal Enameling & Stamping Co.;

H. R. 12220. An act to authorize the adjustment of the boundary of the Fort Marion National Monument, Florida, in the vicinity of Fort Marion Circle, and for other purposes;

H. R. 12257. An act to extend the jurisdiction of the United States Court for China to offenses committed on the high seas;

H. R. 12324. An act to amend section 723 (a) of the Revenue Act of 1932, as amended;

H. R. 12353. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925;

H. R. 12395. An act to provide revenue, equalize taxation, and for other purposes;

H. R. 12410. An act to amend section 8 of the act entitled "An act to establish a National Archives of the United States Government, and for other purposes", approved June 19, 1934;

H. R. 12455. An act to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes;

H. R. 12458. An act authorizing a preliminary examination of the intracoastal waterway throughout Broward County, Fla.;

H. R. 12490. An act authorizing a preliminary examination of the Levisa Fork of Big Sandy River in the vicinity of the Breaks of Sandy;

H. R. 12494. An act to provide for the establishment of a Coast Guard station on Lake St. Clair, Mich.;

H. R. 12624. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes;

H. R. 12758. An act to increase the pension to certain veterans of the Regular Establishment on the rolls March 19, 1933;

H. R. 12796. An act to amend the act entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina", approved May 10, 1928, as amended (U. S. C., 1934 ed., title 28, sec. 179; U. S. C., Supp. I, title 28, sec 179);

H. R. 12876. An act to waive any exclusive jurisdiction over premises of resettlement or rural-rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes;

H. R. 12971. An act to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.;

H. R. 13001. An act to eliminate unnecessary expense in the administration of estates of deceased and incompetent veterans, and for other purposes;

H. J. Res. 366. Joint resolution providing for the establishment of a game management supply depot and laboratory, and for other purposes;

H. J. Res. 388. Joint resolution to authorize the issuance of a reentry permit to Tomio Mori Moto and his readmission upon application while such permit remains valid;

H. J. Res. 532. Joint resolution for the establishment of a commission in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg in 1938;

H. J. Res. 606. Joint resolution amending section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1935;

H. J. Res. 608. Joint resolution extending for 2 years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1938, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter;

H. J. Res. 639. Joint resolution to provide certain administrative expenses for the Division of Territories and Island Possessions, Department of Interior, and for other purposes; and

H. J. Res. 642. Joint resolution to enable the Secretary of Agriculture to apply such methods of control of grasshoppers as in his judgment may be necessary.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 81. An act to provide for the collection and publication of statistics of peanuts by the Department of Agriculture;

S. 1146. An act for the relief of Michael Dalton;

S. 1567. An act to amend section 5 of the act of March 2, 1919, generally known as the War Minerals Relief Act;

S. 1790. An act for the relief of Margaret Murphy;

S. 1793. An act to amend the act entitled "An act authorizing the Attorney General of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602);

S. 1896. An act to provide interest payments on American Embassy drafts;

S. 2039. An act making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies;

H. J. Res. 641. Joint resolution making appropriations for the payment of expenses incurred in an election contest for a seat in the House of Representatives from the Twentieth Congressional District of the State of New York;

S. 2268. An act for the relief of Bausch & Lomb Optical Co.;

S. 2293. An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States;

S. 2460. An act to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes";

S. 2647. An act authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors, materialmen, and laborers for material and labor furnished in the construction of a post-office building at Hempstead, N. Y.;

S. 2953. An act to provide for the inspection, control, and regulation of steam boilers and unfired pressure vessels in the District of Columbia;

S. 3055. An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes;

S. 3107. An act to exempt publicly owned interstate highway bridges from State, municipal, and local taxation;

S. 3143. An act for the relief of the Passaic Valley Sewerage Commissioners;

S. 3175. An act for the relief of Jesse Ashby;

S. 3247. An act to waive any exclusive jurisdiction over premises of Public Works Administration slum-clearance and low-cost housing projects, to authorize payments to States and political subdivisions in lieu of taxes on such premises, and for other purposes;

S. 3405. An act for the relief of Capt. James W. Darr;

S. 3505. An act for the improvement and protection of the beaches along the shores of the United States;

S. 3733. An act authorizing the issuance of a patent to certain lands in the State of Montana to Florence Kerr Facey;

S. 3808. An act for the relief of R. D. Stephens and Vera Stephens;

S. 3843. An act to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes;

S. 3879. An act for the relief of James W. Grist;

S. 3976. An act to amend the act approved February 27, 1931, known as the District of Columbia Traffic Act;

S. 4020. An act to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon;

S. 4152. An act validating certain conveyances by Kickapoo Indians of Oklahoma made prior to February 17, 1933, providing for actions in partition in certain cases;

S. 4241. An act to provide for the sale of a certain isolated tract of the public domain in the State of Oregon;

S. 4268. An act to authorize the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn.;

S. 4390. An act to amend the National Defense Act relating to the Medical Administrative Corps;

S. 4432. An act authorizing and directing the Secretary of War to lease land on the Fort Moultrie (S. C.) Military Reservation to the owners of certain cottages thereon;

S. 4457. An act authorizing the appointment of an additional circuit judge for the third circuit;

S. 4490. An act for the relief of F. W. Elmer;

S. 4567. An act to authorize the Secretary of Agriculture to extend and renew for the term of 10 years a lease to the Chicago, Milwaukee & St. Paul Railway Co., a tract of land in the United States Department of Agriculture Range Livestock Experiment Station in the State of Montana, and for a right-of-way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 9, 1926;

S. 4581. An act authorizing the payment of certain salaries and expenses of employees of the General Land Office;

S. 4608. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of York County, Maine;

S. 4633. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

S. 4634. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

S. 4648. An act to promote safety at sea in the neighborhood of ice and derelicts, and for other purposes;

S. 4670. An act to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., as a borough;

S. 4684. An act for the relief of the First, Second, and Third National Steamship Companies;

S. 4699. An act to provide a commissioned strength for the Corps of Engineers, United States Army, for the efficient performance of military and other statutory duties assigned to that corps;

S. 4719. An act for the relief of the Bridgeport Irrigation District;

S. 4727. An act to quiet title and possession with respect to certain lands in Lawrence County, Ala.;

S. 4773. An act to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels;

S. 4780. An act to extend the laws governing inspection of vessels, and for other purposes;

S. 4784. An act to permit mining within the Glacier Bay National Monument;

S. 4786. An act to authorize the Secretary of Agriculture to make such adjustments and revisions found to be due on contracts entered into by the Government with crop producers under the Agricultural Adjustment Act;

S. J. Res. 38. Joint resolution to provide for an inquiry by the Court of Claims with respect to losses sustained by cooperative marketing associations in connection with stabilization activities in grain;

S. J. Res. 115. Joint resolution designating the last Sunday in September as "Gold Star Mother's Day", and for other purposes;

S. J. Res. 177. Joint resolution to define the term of certain contracts with Indian tribes;

S. J. Res. 196. Joint resolution to correct errors in the enrollment of Private Act No. 349, Seventy-fourth Congress, approved August 29, 1935, and to clarify the duties of the Comptroller General in connection with said act;

S. J. Res. 251. Joint resolution granting the consent of Congress to the city and county of San Francisco to construct a causeway and highways on Yerba Buena Island in San Francisco Bay, and for other purposes;

S. J. Res. 255. Joint resolution to provide for the participation of the United States in commemoration of the seventy-fifth anniversary of the Battle of Antietam;

S. J. Res. 277. Joint resolution to investigate corporations engaged in manufacture, sale, or distribution of agricultural implements and machinery; and

S. J. Res. 291. Joint resolution amending section 11 of the Soil Conservation and Domestic Allotment Act.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 255. An act to provide for the commemoration of the Battle of Eutaw Springs, in the State of South Carolina;

H. R. 1362. An act conferring jurisdiction upon the United States District Court for the Western District of Texas to hear, determine, and render judgment upon the claim of R. A. Ramey, doing business as Ramey Bros.;

H. R. 1397. An act to withdraw certain public lands from settlement and entry;

H. R. 1962. An act for the relief of Albert H. Jacobson.

H. R. 2155. An act for the relief of Francisco M. Acayan;

H. R. 2435. An act for the relief of the Citizens State Bank of Marianna, Fla.;

H. R. 2932. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of the International-Great Northern Railroad Co. against the United States;

H. R. 3943. An act for the relief of D. E. Wooldridge.

H. R. 3952. An act for the relief of Mr. and Mrs. Bruce Lee;

H. R. 4059. An act for the relief of Ella B. Kimball, daughter and only heir of Jeremiah Simonson;

H. R. 4364. An act for the relief of Andrew Johnson;

H. R. 4641. An act authorizing the President to present a gold medal to George M. Cohan;

H. R. 4707. An act validating certain applications for and entries of public lands, and for other purposes;

H. R. 5078. An act for the relief of Mrs. Charles F. Eikenberg;

H. R. 5754. An act for the relief of Emma M. Pearson;

H. R. 5829. An act for the relief of Daniel J. Hagerty;

H. R. 6668. An act for the relief of S. John Hegstad;

H. R. 6951. An act for the relief of Thomas J. English;

H. R. 7256. An act for the relief of Perry H. Callahan and Malcolm W. Callahan;

H. R. 7463. An act for the relief of Lawrence R. Lennon;

H. R. 7642. An act for the relief of the estate of Frank W. Trick;

H. R. 7727. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of George B. Marx, Inc.;

H. R. 7818. An act for the relief of Caroline M. Hyde;

H. R. 7839. An act for the relief of C. E. Rightor;

H. R. 7864. An act for the relief of Edward P. Oldham, Jr.;

H. R. 8316. An act to modify section 20 of the Permanent Appropriation Repeal Act, 1934, with reference to the individual Indian money;

H. R. 8321. An act for the relief of Julia Long;

H. R. 8322. An act for the relief of Merwin A. Kiel;

H. R. 8368. An act to enforce the twenty-first amendment;

H. R. 8373. An act for the relief of James Fitzgerald;

H. R. 8502. An act for the relief of Theresa Link, Wencel Link, Edward Block, and John Meyers;

H. R. 8521. An act for the relief of Elsie O'Brine;

H. R. 8597. An act to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea"; to maintain discipline on shipboard; and for other purposes;

H. R. 8643. An act for the relief of Mr. and Mrs. Frank Daley;

H. R. 8688. An act for the relief of Grace Schultz;

H. R. 8720. An act for the relief of Louis Manzumin;

H. R. 8799. An act for the relief of John N. Hunter, Edmund M. Cook, Fred C. Putnam, Merchants National Bank of South Bend, Ind., and St. Joseph Loan & Trust Co., of South Bend, Ind.;

H. R. 8841. An act for the relief of Estelle Mary MacDonald and Marilyn MacDonald;

H. R. 9078. An act for the relief of Bertha W. Lamphear;

H. R. 9111. An act for the relief of Evanell Durrance;

H. R. 9313. An act for the relief of the estate of Hans Ditmanson, deceased;

H. R. 9314. An act for the relief of the estate of Henry Copple, deceased;

H. R. 9315. An act for the relief of the estate of Fred Wilkins, deceased;

H. R. 10044. An act for the relief of Lt. Col. Fernand H. Gouaux;

H. R. 10168. An act for the relief of Arch A. Gary;

H. R. 10279. An act for the relief of the Pocahontas Fuel Co., Inc.;

H. R. 10439. An act for the relief of John B. Ricketts;

H. R. 10504. An act for the relief of Booth & Co., Inc., a Delaware corporation;

H. R. 10591. An act to authorize the Secretary of Agriculture to investigate and report on traffic conditions, with recommendations for corrective legislation;

H. R. 10919. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11022. An act for the relief of Ethel Armes;

H. R. 11123. An act for the relief of Edward A. Foote, Jr., and others;

H. R. 11176. An act increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark.;

H. R. 11180. An act to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes;

H. R. 11331. An act to authorize the sale and conveyance by the Department of the Interior to the State of Minnesota of the SW¼NW¼ sec. 3, T. 159 N., R. 35 W., fifth principal meridian, in the State of Minnesota;

H. R. 11379. An act for the relief of William H. Milton;

H. R. 11538. An act for the relief of the Orland reclamation project, Calif.;

H. R. 11555. An act to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission;

H. R. 11581. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11597. An act for the relief of L. A. Peveler;

H. R. 11615. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

H. R. 11926. An act to provide for a term of court at Durham, N. C.;

H. R. 12002. An act to authorize a preliminary examination of the Lackawanna River with a view to the control of its floods;

H. R. 12007. An act to authorize a preliminary examination of the Penobscot River, Maine, and its tributaries, with a view to the control of their floods;

H. R. 12008. An act to authorize a preliminary examination of the Androscoggin River, in Maine and New Hampshire, and its tributaries, with a view to the control of their floods;

H. R. 12062. An act to authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona in exchange for certain other lands, and for other purposes;

H. R. 12144. An act for the relief of the Federal Enameling & Stamping Co.;

H. R. 12220. An act to authorize the adjustment of the boundary of the Fort Marion National Monument, Florida, in the vicinity of Fort Marion Circle, and for other purposes;

H. R. 12353. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925;

H. R. 12490. An act authorizing a preliminary examination of the Levisa Fork of Big Sandy River in the vicinity of the Breaks of Sandy;

H. R. 12494. An act to provide for the establishment of a Coast Guard station on Lake St. Clair, Mich.;

H. R. 12624. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes;

H. R. 12758. An act to increase the pension to certain veterans of the Regular Establishment on the rolls March 19, 1933;

H. R. 12971. An act to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.;

H. R. 13001. An act to eliminate unnecessary expense in the administration of estates of deceased and incompetent veterans, and for other purposes;

H. J. Res. 366. Joint resolution providing for the establishment of a game management supply depot and laboratory, and for other purposes;

H. J. Res. 388. Joint resolution to authorize the issuance of a reentry permit to Tonio Mori Moto and his readmission upon application while such permit remains valid;

H. J. Res. 532. Joint resolution for the establishment of a commission in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg in 1938;

H. J. Res. 606. Joint resolution amending section 5 of Public Resolution, No. 6, Seventy-fourth Congress, approved March 4, 1935;

H. J. Res. 608. Joint resolution extending for 2 years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1938, the time within which Hungarian claimants may make application for payment under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter;

H. J. Res. 639. Joint resolution to provide certain administrative expenses for the Division of Territories and Island Possessions, Department of Interior, and for other purposes; and

H. J. Res. 641. Joint resolution making appropriations for the payment of expenses incurred in an election contest for a seat in the House of Representatives from the Twentieth Congressional District of the State of New York.

MESSAGE FROM THE PRESIDENT

A message from the President announced that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 19, 1936:

H. R. 8033. An act for the relief of Juanita Filmore, a minor;

H. R. 8442. An act to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes;

H. R. 8759. An act to amend the act known as the Perishable Agricultural Commodities Act, 1930, approved June 10, 1930, as amended;

H. R. 9483. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become part of the Umatilla and Whitman National Forests;

H. R. 10712. An act to authorize the transfer of land from the War Department to the Territory of Hawaii;

H. R. 11819. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 11820. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

H. R. 11916. An act to authorize the transfer of a certain piece of land in Muhlenberg County, Ky., to the State of Kentucky;

H. R. 12074. An act to consolidate the Indian pueblos of Jemez and Pecos, N. Mex.;

H. R. 12408. An act for the relief of Robert D. Baldwin;

H. R. 12461. An act to extend the times for commencing and completing the construction of a bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.;

H. R. 12514. An act authorizing the Chesapeake Bay Authority to construct, maintain, and operate a toll bridge across the Chesapeake Bay from a point in Baltimore County, Md., over Hart Island and Miller's Island to a point near Tolchester, Kent County, Md.;

H. R. 12622. An act for the relief of Dr. Harold W. Foght;

H. R. 12685. An act granting the consent of Congress to the county of Horry, S. C., to construct, maintain, and operate a free highway bridge across the Waccamaw River, at or near Red Bluff, S. C.;

H. J. Res. 589. Joint resolution to authorize the Secretary of the Treasury to permit the transportation of bonded merchandise by other than common carriers under certain conditions;

On June 20, 1936:

H. R. 12. An act to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C.;

H. R. 300. An act for the relief of F. P. Bolack;

H. R. 686. An act for the relief of John Collins;

H. R. 993. An act for the relief of Frank A. Boyle;

H. R. 2262. An act for the relief of William H. Locke;

H. R. 2387. An act for the relief of Julia Miller;

H. R. 2400. An act for the relief of Blanche Knight;

H. R. 2495. An act for the relief of Thomas Berchel Burke;

H. R. 2496. An act for the relief of Thomas J. Moran;

H. R. 2497. An act for the relief of William H. Hildebrand;

H. R. 3160. An act for the relief of Irene Magnuson and Oscar L. Magnuson, her husband;

H. R. 3388. An act for the relief of Jessie D. Bowman;

H. R. 3907. An act for the relief of James L. Park;

H. R. 4219. An act for the relief of John J. Ryan;

H. R. 4565. An act for the relief of Lucile Smith;

H. R. 4619. An act for the relief of Joseph Salinghi;

H. R. 4688. An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes;

H. R. 4699. An act for the relief of Estelle M. Gardiner;

H. R. 4955. An act for the relief of the estate of Jennie Brenner;

H. R. 5870. An act for the relief of K. S. Szymanski;

H. R. 5900. An act for the relief of Joseph E. Moore;

H. R. 6258. An act for the relief of D. E. Woodward;

H. R. 7270. An act for the relief of Clara Imbesi and Domenick Imbesi;

H. R. 7555. An act for the relief of W. N. Holbrook;

H. R. 7743. An act for the relief of Mrs. David C. Stafford;

H. R. 7764. An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes;

H. R. 8028. An act for the relief of the Great Northern Railway Co.;

H. R. 8200. An act for the relief of the seamen of the steamship *Santa Ana;*

H. R. 8671. An act for the relief of R. H. Quynn, lieutenant, United States Navy;

H. R. 9926. An act for the relief of Robert B. Barker;

H. R. 10435. An act for the relief of Emma Hastings;

H. R. 10677. An act for the relief of Cora Fulghum and Ben Peterson;

H. R. 10916. An act for the relief of Carl Hardin, Orville Richardson, and W. E. Payne;

H. R. 11103. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.;

H. R. 11203. An act for the relief of Andrew Smith;

H. R. 11218. An act to provide for the disposition of tribal funds now on deposit, or later placed to the credit of the Crow Tribe of Indians, Montana, and for other purposes;

H. R. 11461. An act for the relief of the estate of N. G. Harper and Amos Phillips;

H. R. 11522. An act to amend the charter of the National Union Insurance Co. of Washington in the District of Columbia;

H. R. 11614. An act to amend the Judicial Code to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga.;

H. R. 11690. An act relating to the admissibility in evidence of certain writings and records made in the regular course of business;

H. R. 11915. An act to amend the Coastwise Load Line Act, 1935;

H. R. 12006. An act to authorize a preliminary examination of the Kennebec River, Maine, and its tributaries, with a view to the control of their floods;

H. R. 12073. An act to reserve certain public-domain lands in New Mexico as an addition to the school reserve of the Jicarilla Indian Reservation;

H. R. 12202. An act to provide for a preliminary examination of Six Mile Creek in Logan County, Ark., with a view to flood control and to determine the cost of such improvement;

H. R. 12240. An act to authorize a preliminary examination of the tributaries, sources, and headwaters of the Allegheny and Susquehanna Rivers in the State of Pennsylvania, where no examination and survey has heretofore been made, with a view to the control of their floods and the regulation and conservation of their waters;

H. R. 12311. An act for the relief of the P. L. Andrews Corporation;

H. R. 12419. An act to apply laws covering steam vessels to seagoing vessels of 300 gross tons and over propelled by internal-combustion engines;

H. J. Res. 179. Joint resolution authorizing the President to present the Navy Cross to J. Harold Arnold;

H. J. Res. 444. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally", approved August 27, 1935;

H. J. Res. 522. Joint resolution for the relief of William W. Brunswick; and

H. J. Res. 583. Joint resolution authorizing the Veterans' Administration to prepare and publish a compilation of all Federal laws relating to veterans of wars of the United States.

EXTENSION OF REMARKS

ACHIEVEMENTS OF THE ADMINISTRATION OF FRANKLIN D. ROOSEVELT

Mr. BANKHEAD. Mr. Speaker, we are approaching the final meeting of the Seventy-fourth Congress and the time when most of us must go before the electorate to be judged on the record we have made as Members of this body.

Perhaps some of us in public life are too fond of thinking that what we have accomplished is memorable and that sympathetic historians are waiting in eagerness to inscribe the records of our achievements on imperishable parchment. Yet I feel that on this occasion we may properly use the word memorable without being accused of exaggeration or lack of modesty. Certainly even those who disagree with what has been done are careful to point out that the work of this Congress may have an important bearing on sociological, economic, and political conditions in this country for generations to come. At least no one may honestly use that phrase of bygone years, so often a term of derision and contempt, that another do-nothing Congress is limping to a close.

The work of the Seventy-fourth Congress has been significant and far reaching and in my humble judgment every Member of this House who has played a part in its deliberations should have a feeling of just pride and satisfaction in what has been accomplished. We have enacted measures that will live for decades as pioneering landmarks on the trail of wise social and cultural legislation. In normal times the work of the Seventy-fourth Congress would stand by itself but because of the extraordinary conditions and the extreme emergency existing when this present administration came into power, I am going to review the work of the Seventy-third Congress and the Seventy-fourth Congress as one. The great majority of you participated in the deliberations of both Congresses, the program we attempted fits into one great pattern, and the results are traceable to the success of the general policy rather than to specific legislative enactments.

With your kind indulgence I am going to take the time of the House to review the state of the Union as we know it now, and to gage what has been done here in the light of what we endeavored to accomplish and against the background of conditions as we knew them 4 years ago.

It is not my purpose to weary you at this time by a long recital of the dreadful and terrifying conditions which prevailed when the Roosevelt administration was given the duty and obligation of revitalizing and rebuilding a Nation, caught helpless and suffering in the grip of a devastating economic depression. The picture of business and banking, commerce and agriculture, lying prone and inert, has been painted too often to need retouching by me. Yes; your own realization of the grave responsibility entrusted to your care is, I am certain, still fresh and vivid in your memory.

What I should like to have you recall is the state of mind experienced by you and the state of mind apparent in the Nation in those stirring days when we were at grips first-hand with the problem of restoring the economic lifeblood of the Nation. We know that the eyes of every individual in this country and, to a large extent, the eyes of the world were turned here to see if in a democracy a President and a Congress would work harmoniously and swiftly for the public good. Cynics said it was impossible; millions of others hoped for the best but were painfully conscious that in the past cooperation had too often crumbled away on the rocks of dissension, factionalism, and partisanship.

I say it is essential to recall the public state of mind which existed when the New Deal program was undertaken in order to arrive at a just appraisal of the measures we attempted and difficulties we confronted. The economic well-being of the people has taken giant strides forward in the last few years, the ship of state is now lying in comparatively quiet and calm waters, and, as usual, under such circumstances a great many critics are finding fault with the President and Congress for attempting too much. That attitude of mind has been sharpened considerably by the fact that the courts have seen fit to rule against many of the measures which we enacted in the great job of combating the depression and which did play a notable part in aiding the march back to better and more prosperous times.

I am not going to divert myself from the subject at hand to enter into a lengthy discussion of the constitutional question involved in the various legislative enactments of the New Deal. But I say without fear and contradiction that if Congress was wrong in assuming that it had the power to cope with these great economic problems on a national scale, then every man, woman, and child in this country was wrong, because, without exception, they were looking to Washington in March 1933 for a solution of their trials and difficulties.

The newspapers which today are excoriating the Roosevelt administration for what they profess to believe were illegal acts were crying back in 1933 for the enactment of the very measures which they now condemn. They urged Federal spending; they urged public works; they clamored for an end to the disastrous practice of price cutting; they appealed for a restoration of the price level—in short, they implored Congress to do just what Congress did. And I say further that even if some of those measures exceeded the precise powers of Congress as interpreted by the Supreme Court, there is no question that while they were on the statute books they aided greatly in restoring a balanced economic life in this country.

I say again that in the early days of 1933 there was a universal appeal from all the people of this country for the President and Congress to undertake a program, national in scope and swift in execution, for the alleviation of distress and the restoration of business and agriculture. And I say to you Members of Congress that when you hear yourselves criticized because in patriotic fashion you voted for these measures in the great emergency, just reflect on the fact that if Congress had failed to enact those measures, if Congress had continued to let things drift, every single one of us would have been swept out of office by an aroused public, and we would have been replaced by men and women pledged to do what the American people wanted done. And you have the further consolation of knowing that those who profited most by the measures you advocated are now leading members in the chorus of condemnation.

In all my memory of years in Congress I never recall a time when the Members of both Senate and House were more realistic or more courageous in grappling with the complex questions of economics and politics than they have been in the 4-year period just ending. The legislation enacted has touched virtually every field of human endeavor, it has been marked by a sincere effort to cure old wrongs and old injustices, and to establish a new reign of economic well-being for the great mass of American citizens under the age-old processes of democracy.

We are entitled to be judged on results and results alone, just as every other Congress and every other body of men is judged. The record is plain and incontrovertible. In a little over 3 years, under the wise policy of cooperation between the President and Congress, this country has been lifted from a condition of industrial and economic prostration to a high plane of prosperity, well-being, and contentment. Tranquillity and good feeling prevail in domestic relations, while in the field of foreign affairs the United States is the envy of all the world. Those are the facts, and it is a record of which every Member of this body may well be proud.

There is a disposition on the part of some people, who either don't know the facts or who like to ignore them, to cry down the work of this administration and to repeat the fallacy that our present measure of prosperity has been attained without the aid of the New Deal program. In reply to such short-sighted criticism it is my intention to review swiftly some of the outstanding measures written into law, and to reveal the part they played in the great work of restoring normal business and commercial conditions.

The matter of banking legislation naturally comes first in reviewing the achievements of the Roosevelt administration. The country still remembers the dramatic swiftness with which President Roosevelt and the Congress acted in unison to reestablish confidence and to bolster up the banking system, which had been literally falling apart until at last the process of disintegration culminated in a wave of State-wide banking holidays. The job of stabilizing the banking structure, of protecting the outflow of gold, and of restoring confidence was accomplished in swift and vigorous fashion, and the whole country applauded.

But what most people fail to realize is that since that time, in the normal working of Congress, we have written into law banking reforms that have strengthened the whole structure, that will guard against future disastrous occurrences of the same kind, and that without such banking reforms the restoration of business we are now experiencing would have been absolutely impossible. The business of this country cannot go on without a stable banking system in which the people have complete confidence.

We wrote into law the epoch-making provision providing for the insurance of deposits up to $5,000. The benefits flowing from that provision are already in evidence. Bank deposits are now in excess of $24,000,000,000, more than two billions above what they were in the boom period of 1929. The number of depositors is also about 2,000,000 above what it was in the boom days. That is a record of which we may well be proud and it is a direct and convincing proof of the way in which the measures we adopted helped bring recovery.

In addition to that, the Glass-Steagall bill provided for many needed reforms in banking practices. It likewise provided a number of checks and restraints that will enable the Federal Reserve System to act more surely and swiftly in the future in the event unhealthy financial factors appear likely to upset the normal flow of business and commerce.

But these measures alone do not constitute the full quota of what was done by Congress in the great work of rebuilding and stabilizing the banking system of the country. One of the great contributing factors was the Home Owners' Loan Corporation, which assisted literally hundreds of banks over a difficult time by providing them with quick liquid assets in exchange for assets temporarily frozen because of the stagnation in the real-estate market. In other words, the long-term risk was simply transferred to Uncle Sam with results that were profitable for the home owners, for the banks, and for the country generally.

The Farm Credit Administration likewise did a tremendous amount of good along the same line. We all know that the small banks in the agricultural areas were among the heaviest sufferers as a result of the severe depression. They had assets that were fundamentally sound, but with farm prices down and cash scare, it was absolutely imperative for them to have temporary help. They got that help from the Farm Credit Administration.

The establishment of the Securities and Exchange Commission was another landmark in the task undertaken by Congress to make certain that the people of the country are protected against another such speculative debauch as that which preceded the market crash and the beginnings of the depression in 1929. The purchaser of securities now has a greater protection than he ever had before, and in the light of experience it is my belief that the work of the Commission will become of greater value as time goes on. Taken together, the various acts written into law for the stabilization of the banking system form a united whole, upon the basis of which we are now building up the finest and safest banking system the country ever had.

I think it is now generally agreed that the loss of purchasing power on the part of the agricultural population of this country was the greatest single factor in bringing on the depression. When the great majority lack money to buy, quite naturally the whole country suffers. The present administration and Congress lost no time in enacting a whole series of laws to restore the farmers' purchasing power. Those enactments have been successful in the highest degree.

They have increased the buying power of the farmers' by an aggregate amount of several billions. Before it was declared unconstitutional, the A. A. A. had achieved the basic purpose of helping to restore a balance between production and consumption. I am hopeful that the Soil Conservation Act, enacted to replace the A. A. A., will prove equally effective, and that it will perform the vitally necessary task of putting submarginal lands out of production and conserving good lands from erosion and destruction.

There have been a number of other acts which have been of great assistance to the farmers, including the Jones-Costigan Sugar Act, the Bankhead cotton-control bill, the Tobacco Inspection Act, and the Farm Research Act.

The Farm Credit Administration was also enacted into law. It has been efficiently managed and, through its wise provisions, more than 500,000 farmers have been saved from dispossession. I think this measure has had as much to do

as any single measure in restoring the faith of the planters and growers in the desire of the Government to help them through their financial difficulties.

But apart from specific enactments, the great fact is that the entire United States is now convinced, as a result of the experience of the past few years, that we must continue to ensure the population of this country a decent income because, without it, neither they nor the country can prosper.

What this Congress has done to restore industry and manufacturing is best illustrated by the figures and statistics showing how production and profits have grown by leaps and bounds from the low point of the depression to the high levels of today. The automobile industry and many other industries are enjoying the most prosperous times in their history.

The restoration of the banking system was the first step needed to revive industry. The expansion of the R. F. C. and the widening of its loaning power was another tremendous factor in the industrial gain. Through that agency literally billions of dollars were poured out to help the railroads, insurance companies, and other establishments over a temporary financial crisis. The money was wisely loaned and it has proved a good policy for all concerned.

Perhaps the greatest benefit conferred upon industry was the quick steps taken to halt the downward deflationary movement of prices which had been taking place at an alarming rate before this administration came into power. By devaluating the gold content of the dollar, the downward spiral of price levels was turned into an upward curve. Although the N. R. A. was later banned by the courts, we should remember that it was enacted into law with the urgent encouragement of both business and labor leaders, and that it performed its primary purpose of starting the rise in both wages and prices.

The reciprocal-trade program, authorized to cut a hole in the tariff barriers thrown around this and other countries, has been successful in the initial work of restoring the flow of international trade. The agreements signed with other countries are winning the approval of both manufacturing and farming interests in this country. As time goes on this program will become increasingly important.

The spectacle of 15,000,000 or more employable people in this country without funds, without work, and without a chance to earn a livelihood was one of the grave problems to confront this country a few years ago. It was no time to preach musty dogmas about the responsibility of local taxing units and private charity to care for these unfortunate people. The only agency in the country big enough to meet the emergency and do the job was the Federal Government, and we proceeded to the task without shirking.

Under this administration, Congress has enacted a whole series of measures to help the destitute and the unemployed, but, of course, the outstanding measure was the $4,800,000,000 relief bill. The purpose of that great measure was to end the dole, to end the practice of handing grocery slips to men and women who wanted work, and to make certain that in return for funds expended the country got a construction program of needed public works. The policy embraced in the Work Relief Act is now the subject of spirited controversy, and it is not my purpose to explore at this time the reasons which impelled us to adopt the policy which we did.

But there are two outstanding things for us to remember about the Work Relief Act. The first is that it provided employment for millions of men and women in the great cities and centers of population where they needed work. I think it is to the lasting credit of the President and Congress that we got through the greatest depression in the Nation's history with a minimum of civil disorders and industrial disturbances. The spirit of the country was on a high plane because men and women were given something to do. There were no idle mobs of men and women congregating in city squares and on street corners to brood over their fate and to give the needed spark for those unfortunate street riots and disorders which have happened all too frequently in the past.

The work-relief program has also helped hundreds of municipalities and towns from going into bankruptcy. It has helped them carry on needed improvements and necessary civic work at a time when the cities were unable to perform such work for themselves. No one who knows the record need be ashamed of what the works program has accomplished, and in this connection it is well to remember that it was unanimously approved by the United States conference of mayors.

Another great factor in promoting recovery has been the fine program of public works authorized by Congress for the country as a whole. As we go about the country we are impressed by the fact that the stimulation of building and construction is due entirely to the prudent use of Federal money for needed projects. Public buildings, public roads, schoolhouses, dams, and other types of construction are providing work for large numbers of the unemployed. The effect this money has had in stimulating buying is almost incalculable.

One of the earliest acts of the Seventy-third Congress was to put through a bill legalizing light wines and beers, which brought large sums of sorely needed revenue into the Treasury. Congress also hastened the amendment by which the States were enabled to repeal the eighteenth amendment to the Constitution. The result has been to increase revenues while at the same time putting a check upon lawless elements that were reaping a harvest through violations of the law.

The bill providing for cash payment of the soldiers' adjusted-compensation certificates was also written into law, and before long the checks should be going out to veterans everywhere, thus paying off a debt of honor owed by the Government and at the same time adding purchasing power to the country generally. A number of other measures were passed insuring generous treatment for the veterans of the World War and Spanish-American War in connection with war-service disabilities.

One of the worst and most disastrous effects of the prolonged depression was the wholesale manner in which home owners were being dispossessed because they were unable to keep up payments on their property. There is no more demoralizing happening than for a family to lose its home. Congress took cognizance of that situation.

The Home Owners' Loan Corporation was established, and through its operations more than a million home owners were able to save themselves from the distressing penalty of dispossession. In addition to that, Congress passed the Federal Housing Act, through which a much-needed stimulus has been given to home building and repair.

In the rural areas the Resettlement Administration has been assisting hard-pressed farmers on submarginal lands to find a new location on fertile soil where these farm men and women will be able to win a living out of their back-breaking toil. That policy was designed not only to help these farm families over the depression but to keep them off the relief rolls permanently.

Unlike certain other elements, the laboring men of this country are not ungrateful to the President and Congress when measures are adopted for the protection of their fundamental rights and to promote their welfare. There has been more legislation passed to help the workingmen during the last 3 years than during any comparable period in the history of the country. The N. R. A. was a magnificent attempt to root out child labor, sweat-shop working conditions, and insensibly long hours at pittance wages. The Guffey Coal Act was another attempt to do justice to the workingmen in one of the country's basic industries. While it was held unconstitutional by a majority of the Supreme Court, there is no denying the fact that it was a powerful factor in keeping peace in the industry during its life on the statute books. The Wagner Labor Relations Act is another in the long series designed to protect and safeguard the laboring people of this country.

There is one law placed upon the statute books by this Congress that is assured of a place in the permanent policies of this Government. I refer to the Social Security Act, the basic principle of which is now favored by an overwhelming

majority of the people of this country. It is a frank recognition upon the part of the Federal Government that we owe a measure of care and protection to the sick, the aged, and the infirm—that it is our duty to make certain, by all the means within our power, that the weak and unfortunate are not again subjected to the rigors of economic depression without the slightest effort being made to alleviate their condition. If this Congress had done nothing else, it would have won the undying gratitude of generations to come by the enactment of the Social Security Act.

During the last 4 years we have written a new policy on water power onto the Federal statute books, and in my judgment it constitutes another landmark along the pathway of wise and humane legislation. Congress has seen to it that the great natural power sites shall remain in the hands of the people for all time to come and that the power itself shall be developed for the use of those who need it. Muscle Shoals, Grand Coulee, Bonneville, and other tremendous projects are the visible signs of that intelligent policy. At the same time we have enacted legislation to curb the monopolistic tendencies of holding companies and other large combines within the power industry itself. While a few people representing selfish interests like to cry out that they have been hurt by these policies, the fact is that power consumption in the United States today is greater than it ever was before.

This present Congress and the Seventy-third Congress have done an extremely important work in providing for the upbuilding of the defense of this country on land, on the sea, and in the air. The science of military and naval warfare moves forward rapidly and the fact is that our defenses had been neglected in hazardous and perilous fashion for a great many years. We had no adequate replacement program for ships and airplanes. Our land defenses had been neglected. The program adopted by this Congress and the preceding Congress will build up our defenses as they should be built up without in any way constituting a threat to the peace of any other nation. The fact is that if a well-balanced replacement program had been placed in effect long before this the present expenditures would be greatly less than they are.

The most noteworthy development in the field of foreign affairs was the passage of the Neutrality Act, which gave assurance to this country that in the event of war in Europe or Africa this country intended to remain out of it. By the early adoption of that act we gave notice to the world that we intended to remain apart from the quarrels of other nations and at the same time we lifted any uneasiness that may have existed in this country. It was a policy founded on foresight and common sense, and the fact that we have been enabled to steer clear of the present unrest in international affairs is the surest testimony of its effectiveness.

I have covered in the briefest manner possible the legislative program adopted by this Congress and the preceding Congress and the humane and far-seeing policies which promoted the enactment of this program into law.

Once again I repeat that as legislators we are entitled to be judged upon the record of accomplishments we have made. The state of the Union, yes, the fate of the Nation was placed in the hands of the President and Congress in that dramatic hour 3 years ago, and I say to every carping critic that you have more than justified the faith which the country placed in you. The proud and prosperous United States, which today stands out in all its vigor among the nations of the world, was brought to that preeminent position as a result of the fruitful and beneficial policies enacted by this Congress. It is significant indeed that the class of people who today sneer at Congress for what has been done is the same class that back in 1933 was sighing aloud for a dictatorship to take over the reins of government.

This work of this Congress has been memorable and historic, and it is my honest conviction that in the years to come the Members of this body may look back with keen satisfaction upon the fact that they were Members of the Congress which helped to vindicate the processes of democratic government in this country.

THE NINETEENTH CONGRESSIONAL DISTRICT OF TEXAS

Mr. MAHON. Mr. Speaker, the session is nearly over. Approximately 435 Members of Congress will soon return home to their constituents. Some Members from the cities and more populous sections will return to districts no larger in area than many of our west Texas farms. I will return to a newly created district of about 23,000 square miles, a district of 25 counties and 254,000 people, a district larger in area than any one of the following States of the Union: Rhode Island, Delaware, Connecticut, New Jersey, Massachusetts, New Hampshire, Vermont, and Maryland.

Since this is a new district and I have the honor of being its first Representative, I think it appropriate that I very briefly call to the attention of the Congress its resources, its people, and its relationship to this Democratic administration.

The Bureau of the Census reports show a growth in population of the 25 counties of my district from 110,127 in 1920 to 254,367 in 1930, an increase of 130.9 percent. I have prepared a table which I will include in the RECORD which shows the name and area of each county, its population in 1920 and in 1930, the population figure per square mile, and the percentage of increase of the 1930 population figure over that of 1920. This table shows an astounding growth for certain of these counties, particularly Hockley, Cochran, and Lamb. Every county experienced a material increase in population and a consequent growth in wealth in the form of homes, business houses, schools, roads, farming equipment, and production.

In this section we produce cotton and feedstuffs with much less labor and cost per acre than in any other section in America. Hence, the natural advantages of the area for farming coupled with the availability of land at fair prices has, no doubt, accounted in large part for the growth of this section.

The United States Department of Agriculture reports the value of all farms in the Nineteenth District of Texas in 1935 to be $231,603,519. We have approximately 30,000 farms in the district.

No less significant in the growth of this area is the type of people who have been responsible for this development. This area is within what is truly the last great American frontier. Its people are in every sense of the word pioneers. They have carved out of the heart of the old cattle kingdom an agricultural empire. The development of this section has been wrought by the strong determination and preseverance of a people with one purpose in their hearts—to build a new home for themselves. In this task they have not been unmindful of those community projects which are so vitally important to the individual home. In a short space of years hundreds of churches have been erected, hundreds of schools have been built, hundreds of miles of good roads have been constructed, Texas Technological College at Lubbock has been born and is rapidly achieving national recognition.

It is true that the climatic characteristics of this area have brought droughts with their hardships, disappointments, and financial reverses. Yet the people have always been sustained by a faith that has endured through the severest losses and have written their record of progress in an economic and social order, the stability of which is no longer questioned. The predominance of real American stock and the solidarity of the people are not surpassed in any other section of the United States. To represent in Congress such a great people would challenge the fidelity and effort of any man.

The relationship of my district to the National Government has perhaps been more strongly emphasized in the minds of the people during this Democratic administration than ever before in its history. To my mind the real test of the success of any governmental program lies in the local fulfillment of its purposes.

As a Member of the Seventy-fourth Congress and as a Democrat, I have worked in harmony with this administration whenever I reasonably could, after considering the needs and wishes of my own district. I have sought to as-

sist in the passage of all worthy legislation and in securing every possible benefit for our new district.

A table which I will include shows the large number of farms in my district which have been saved from foreclosure by the Federal land bank at the lowest rate of interest ever known to the farmer. Another table which I am inserting will show A. A. A. benefits which have come to the farmer in each county of my district. The program worked considerable hardship in my district, but it was not without benefit to us.

More than 25,000 emergency feed-seed, drought, and crop-production loans have been made to the farmers of my district through the Farm Credit Administration during 1933, 1934, and 1935 for the total sum of approximately $5,163,700. Most of this money has been promptly repaid to the Government by the farmers and stockmen.

A works program and the administration of relief is a difficult problem to handle, yet under this program the needy have been saved from starvation. Mistakes on the side of mercy are somewhat excusable. Considerable good work has been done in my district. Highways have been improved, numerous school buildings constructed, fine dormitories at Texas Technological College have been built. Most every county in my district with a serious relief problem can point to some worth-while accomplishment in the form of better roads, parks, schools, and so forth. We all know that some of the work has not been worth while, and that in some cases unemployment and indifferences have been encouraged rather than discouraged. We are endeavoring to eliminate the evils that grew up, and much progress is being made.

We of this Congress have brought about the payment of the soldiers' adjusted-service certificates. Veterans of my district will secure approximately $4,000,000.

I am proud to have been a Member of the Congress that has pioneered in old-age-pension and general social-security legislation. The Republicans, though long in power, had shown no interest in old-age pensions and social security. We have started a national program of old-age pensions which we must continue to improve and make more liberal in order that this great problem may be adequately met. Complete success in a big program of this kind involving a great Nation and millions of people cannot be achieved instantaneously. None of our great problems have ever been solved without sacrifice and much patience and effort.

This administration has endeavored to be a "home saving" administration. To bring the Government home to the people is a worthy thing indeed. When one American home is foreclosed upon and lost, the ill effects do not end there. Had it not been for the Federal land bank and its new policy during this administration, hundreds of west Texas farmers who are now doing quite well would be totally ruined financially. But I have called attention to the Farm Credit Administration work in behalf of the farmers. The Home Owners' Loan Corporation has saved from foreclosure in America about 1,000,000 urban homes, which includes about 1,400 in my district, which is not an urban district.

I do not recall any bank failures in my district during this Democratic administration. These have been only 5 national bank failures in the United States within the last 2 years, whereas there were more than an average of 900 State and National bank failures per year from 1921 through 1933. There were more than 6,000 such failures during the Hoover administration. The improvement in the condition of the banks and in the state of mind of the depositors during this administration will never be forgotten by a thoughtful and grateful electorate.

This administration has spent much money in my district and billions in the Nation. Too much money, no doubt, has been spent. However, a nation that is worth having is worth saving, even at great expense.

Including the payment of the soldiers' adjusted-service certificates, our national debt is now about $34,000,000,000. Our annual interest payments on this debt will amount to about $7 per capita. This administration has refinanced the national debt at a lower rate of interest, and the per-capita carrying charge on the debt now is not greater than on our national debt just after the World War or at the conclusion of President Hoover's administration. In comparing the per-capita carrying charge on our national debt I have, of course, taken into consideration our increase in population since the war. Our national wealth is well over $350,000,000,000. So our Government owes less than 10 percent of the wealth of our Nation. A business that is as sound as that is as solid as the everlasting hills. We are not facing bankruptcy. Our Government spending has temporarily increased somewhat, but it must be remembered that our national income in 1935 exceeded by more than 38 percent our national income in 1932.

The following tables which I have prepared will show some interesting facts.

TABLE 1.—*Population and area of Nineteenth Congressional District, by counties*

County	Area in square miles	Population			
		1930		1920	Percent increase 1920–30
		Total	Per square mile		
Andrews	1,565	736	0.5	350	110.3
Bailey	1,030	5,186	5.0	517	903.1
Borden	895	1,505	1.7	965	56.0
Cochran	869	1,963	2.3	67	2,829.9
Crosby	870	11,023	12.7	6,084	81.2
Dawson	903	13,573	15.0	4,309	215.0
Dickens	881	8,601	9.8	5,876	46.4
Floyd	1,011	12,409	12.3	9,758	27.2
Gaines	1,540	2,800	1.8	1,018	175.0
Garza	870	5,586	6.4	4,253	31.3
Hale	1,036	20,189	19.5	10,104	99.8
Haskell	923	16,669	18.1	14,193	17.4
Hockley	867	9,298	10.7	137	6,686.9
Howard	891	22,888	25.7	6,962	228.8
Kent	875	3,851	4.4	3,355	15.5
King	867	1,193	1.4	655	82.1
Lamb	1,022	17,452	17.1	1,175	1,385.3
Lubbock	868	39,104	45.1	11,096	252.4
Lynn	864	12,372	14.3	4,751	160.4
Martin	904	5,785	6.4	1,146	404.8
Mitchell	885	14,183	16.0	7,257	88.4
Scurry	887	12,188	13.7	9,003	35.4
Stonewall	852	5,667	6.7	4,086	38.7
Terry	870	8,883	10.2	2,236	297.3
Yoakum	879	1,263	1.4	504	150.6
Total	23,924	254,367	10.6	110,127	130.9

TABLE 2.—*Federal land bank and Land Bank Commissioner loans outstanding, by counties, in the Nineteenth Congressional District of Texas for the period May 1, 1933, through Dec. 31, 1935*

County	Federal land bank		Land Bank Commissioner		Total (bank and Commissioner)	
	Number	Amount	Number	Amount	Number	Amount
Andrews	3	$11,900	3	$5,100	6	$17,000
Bailey	58	171,100	104	174,850	162	345,950
Corden	41	215,400	54	81,450	95	296,850
Cochran	41	135,300	70	115,800	111	251,100
Crosby	217	817,400	218	400,950	435	1,218,350
Dawson	223	605,000	272	328,800	495	933,800
Dickens	87	300,400	178	259,700	265	560,100
Floyd	258	936,300	327	623,750	585	1,560,050
Gaines	7	19,200	30	55,900	37	75,100
Garza	90	321,600	103	189,500	193	511,100
Hale	349	1,426,400	391	803,450	740	2,229,850
Haskell	196	598,600	224	333,050	420	931,650
Hockley	395	1,159,600	453	766,150	848	1,925,750
Howard	93	391,600	166	269,300	259	660,900
Kent	36	250,700	85	172,850	121	423,550
King	6	88,900	8	17,500	14	106,400
Lamb	536	1,481,900	682	1,090,050	1,218	2,571,950
Lubbock	450	1,547,100	491	819,800	941	2,366,900
Lynn	314	998,300	365	664,500	679	1,662,800
Martin	97	433,500	204	317,300	301	750,800
Mitchell	167	514,800	258	407,050	425	921,850
Scurry	102	350,000	159	259,750	261	609,750
Stonewall	50	218,200	142	256,100	192	474,300
Terry	102	272,400	193	300,250	295	572,650
Yoakum	2	10,900	17	23,800	19	34,700
Total	3,920	13,276,500	5,197	8,736,700	9,117	22,013,200

TABLE 3.—*Rental and benefit payments and profits on cotton options made in connection with the commodity program from the beginning of those programs through Feb. 29, 1936, for the Nineteenth Congressional District, Texas, by counties*

County	Cotton	Profits on cotton options	Wheat	Corn-hog	Rice	Peanuts	Total
Andrews	$9,544.06			$3,430.61			$12,974.67
Bailey	565,908.99	$107,114.06	$20,430.64	34,558.74			728,012.43
Borden	114,517.77	29,067.38		4,126.45			147,711.60
Cochran	173,333.71	24,634.30		18,276.01			216,244.02
Crosby	1,048,240.28	318,874.11	83,053.90	42,670.83			1,492,839.12
Dawson	752,982.24	59,091.96		49,793.43			861,867.63
Dickens	585,128.11	146,330.55	18,102.57	15,710.13			765,271.35
Floyd	427,280.92	119,467.03	510,936.09	48,381.16			1,106,065.20
Gaines	100,613.33	23,351.98		42,553.04			166,518.35
Garza	393,080.60	89,138.42		18,686.07		$244.20	501,749.29
Hale	726,309.83	150,736.96	721,549.50	89,255.78			1,687,852.07
Haskell	1,191,086.68	192,083.85		21,770.77			1,404,941.30
Hockley	1,284,393.18	113,817.07	2,658.33	34,642.95			1,435,511.53
Howard	593,720.17	127,258.19		3,080.26			724,058.62
Kent	255,914.49	75,065.76		4,848.86			335,829.11
King	103,133.54	20,211.67		2,384.65			125,729.86
Lamb	2,173,026.00	206,760.64	107,329.22	72,054.97			2,559,170.83
Lubbock	1,953,797.45	259,274.38	46,156.98	76,859.26		223.80	2,336,311.87
Lynn	1,264,162.84	329,089.52	1,365.48	56,859.06			1,651,476.90
Martin	307,913.60	18,311.80		5,964.89			332,190.29
Mitchell	775,965.88	100,463.46	418.87	700.00			877,548.21
Scurry	585,300.61	170,302.36		12,031.53			767,634.50
Stonewall	401,461.49	107,940.96		5,564.61			514,967.06
Terry	574,043.55	134,908.27		163,887.59			872,839.41
Yoakum	67,567.09	8,514.20		41,969.65			118,050.94
District total	16,429,026.41	2,931,808.88	1,512,001.63	870,061.30		468.00	21,743,366.22
State total	110,183,659.30	20,212,705.92	14,394,637.61	6,333,144.79	$1,845,153.11	335,838.37	153,325,139.10

FAILURE OF THE RECOVERY PROGRAM OF THE ROOSEVELT ADMINISTRATION

Mr. HOPE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me on April 14 over a national broadcasting network:

On February 22 last, the Honorable James A. Farley, presumably in his joint capacity as a member of the President's Cabinet and chairman of the Democratic National Committee, spoke before the Kansas Democratic Club at Topeka, Kans. Mr. Farley appeared to be in a very optimistic mood, and devoted most of his address to pointing out the present prosperous condition of the country. Among other things he said, "It is a pleasure to come back here to Kansas and find abundant evidence of prosperity after the lean years through which you passed under Republican rule. The same picture of contentment presents itself in every section of the country." A little further, Mr. Farley said, "On next March 4, my friends, Franklin D. Roosevelt will observe his third anniversary in the White House. In that period, we have advanced from economic confusion and paralysis under Mr. Hoover to economic prosperity." And continuing he said, "The Old Guard apparently has abandoned the elephant for its emblem and substituted the ostrich, and believe me, the Republican ostrich has good reason to hide its head in the sand, because everywhere it goes it sees nothing but Roosevelt prosperity."

At the very moment Mr. Farley was making his speech on Roosevelt prosperity there were in this country, according to the figures of the American Federation of Labor, approximately 12,600,000 unemployed. On March 18, less than a month after Mr. Farley had given his glowing account of the prosperous condition of the country, the President of the United States sent a message to Congress requesting appropriations for relief for the fiscal year beginning July 1, 1936. In his message the President stated that at that time there were approximately 5,300,000 families and unattached persons in the country who were in need of some form of public assistance. At an average of four persons to a family that means that there are more than 20,000,000 people still dependent on relief. In the course of his message the President stated that the cost of relief actually paid out of the Treasury this year will amount to approximately $3,500,000.

The President asks that Congress appropriate $1,500,000,000, which, added to the $1,000,000,000 from prior appropriations still available and $600,000,000 in prior appropriations for the Civilian Conservation Corps and various public works, will make a total of $3,100,000,000 available for relief expenditures during the next fiscal year. The President makes it clear, however, that unless there is a material increase in private employment it will be necessary to appropriate additional funds during the fiscal year for relief purposes.

During the 3 years since this administration came into power, the Federal Government has spent approximately $10,000,000,000 for the relief of unemployment. The sad part of it is that notwithstanding these enormous expenditures, the country is no nearer solving the unemployment problem than it was 3 years ago. It is true that there have been some gains, the figures of the American Federation of Labor showing a reduction of about 19 percent from the peak of unemployment to January 1936. The figures of the National Industrial Conference Board show a slightly greater reduction. No nation, however, which, after 3 years of effort and the expenditure of $10,000,000,000, still has over twelve and a half million unemployed is justified in feeling very happy over the situation. Mr. Farley may think that this is prosperity but I doubt if many thoughtful Americans so regard it.

The failure of our efforts to reduce unemployment is all the more discouraging when we consider what other countries have done. For instance, while we decreased unemployment approximately 19 percent, Great Britain, in the same 3-year period, decreased it 24 percent; Belgium, 27 percent; Sweden, 36 percent; and Canada, 42 percent. As a further comparison of our success in reducing unemployment, let me call your attention to the quarterly report just issued by the international labor office of the League of Nations at Geneva. This report shows that the number of unemployed in the United States is 3,000,000 more than for all of Europe, although Europe has four times the population of the United States.

Of course, when he made his statements regarding prosperity, Mr. Farley may have overlooked the problems of unemployment and relief. Perhaps he was thinking only of the stock market and of the profits which some of the large corporations have been making. If one were to judge by stock-market reports, we might think that prosperity was here. In the financial section of the New York Times for Sunday, April 5, it is stated that in rising for 12 consecutive months the stock market has broken a 25-year record for a sustained upward movement. The present rise began on March 18, 1935, at which time the New York Times index of 50 average stocks stood at 77.92; whereas, on Saturday, April 4, the index stood at 124.86, or an increase of 60 percent.

But this stock-market prosperity does not extend to any other front. During the same period in which the price of common stocks on the New York Stock Exchange increased 60 percent, the value of farm land and buildings in this country, according to the Bureau of Agricultural Economics of the Department of Agriculture, increased 3 percent; and the gross farm income of the country, including rental and benefit payments under the A. A. A., increased 12 percent. When it is considered that the country suffered its greatest drought in 1934 and that farm production and income were severely curtailed on that account, a 12-percent increase in gross income during 1935 is no increase at all.

The National City Bank record for February shows that the profits of 895 representative industrial corporations increased 47 percent from 1934 to 1935. On the other hand, the average real wage of the employed worker, according to the American Federation of Labor, was no higher in 1935 than 1934, because a 5½-percent increase in living costs canceled the 5½-percent rise in wages.

The 1935 report of Sears, Roebuck shows net profits of $21,500,000, an increase of 43 percent over 1934. Montgomery Ward for 1935 showed profits of $13,527,000, a gain of 47 percent over the previous year. How many small-town independent merchants can report increases of 43 and 47 percent in net profits?

It thus appears that while numerous large corporations and the brokers on the stock market are doing a flourishing business and while the holders of industrial stocks have made great profits, that relatively the farmer, the small-business man, and the laboring man have been standing still and the situation of the unemployed and those on relief has not improved. Such is the great Roosevelt prosperity so loudly acclaimed by the Postmaster General.

What is the reason the Roosevelt program after 3 years has failed to bring recovery except to the stock market and big business? What is the reason this country with its resources is lagging behind less favored nations in this matter? Why is it that our greatest increase in employment took place prior to July 1933, before the N. R. A. and other New Deal legislation?

I would be the last to deny the good intentions of this administration, but good intentions do not take the place of common sense or good judgment. The present administration has failed because it has not had the ability to meet our present-day business

and economic problems. The only field in which it has been successful has been that of politics. Had it been able to find economic or administrative leaders who possessed the ability in those lines comparable to the ability of Mr. Farley in the field of politics, or if the President possessed the genius for administration which he has for politics, the result might have been different. The trouble is that no one has been able to tell in what direction we are going. There has been talk of planned economy but to date there has been nothing which could be called constructive planning and certainly nothing resembling economy, no matter in what sense you may use the word. This does not mean that there have been no attempts at planning, but the trouble has been that the planners do not get together and the direction in which we have been headed at any particular moment has depended entirely upon which planner had last gotten the ear of the President.

The constant uncertainty in which the country is kept by the sudden moves of the President to the right and to the left, as seem dictated by political expediency, has a most unsettling effect upon business and industry. It has prevented a normal, natural expansion. It has not prevented a certain measure of industrial prosperity. It has not prevented the stock-market boom which we have had during the past year, because, after all, business and industry are able after a fashion to adjust themselves to whatever conditions may be imposed. As long, however, as there is uncertainty, there will be no inclination to explore new fields, to experiment, and to develop. That is what the country needs more than anything else today.

The most serious criticism of the New Deal is that it is static. It assumes that things will always be as they have been, that we will produce the same things in exactly the same quantity and in exactly the same way, and that what is done must be on that basis. In other words, we must freeze production in business and industry but divide it up in a different way than in the past. Such a policy is not liberal and progressive as New Dealers would have you believe. It is essentially reactionary. As an emergency step it might be justified, but as a permanent policy never.

I do not mean by what I have said to criticize everything which has been done. No one could oppose all of the New Deal and possibly be consistent. There were some things which needed to be done and which would have been done by any administration in power during the last 3 years. The President, shrewd politician that he is, now realizes the change in the temper of the American people. He is again beginning to talk about economy. He has suggested that he is going to give the country a breathing spell.

Who knows, however, how long this new policy will last? Is there any way we can judge what another 4 years under the present administration would bring forth except by considering what has happened in the past? Can we depend upon what may be contained in the Democratic platform this year when we consider that most of the 1932 platform has been thrown overboard? Can we count on the utterances of the Democratic nominee for President in 1936 when we know that he has repudiated the promises which he made in 1932 on economy, on governmental bureaucracy, on the money question, on agricultural tariffs, on taxation, on enforcement of the antitrust laws, on the relationship of the State and the Federal Governments, and many other subjects of acute public interest?

The people of this country realize that times have changed; they realize that we have many new problems and that government must make progress just as any other institution. They want to go forward toward a solution of the country's problems, but they want to know that they are going forward instead of in a half dozen different directions at once. They doubt if these problems can be settled by leaving them entirely to politics and governmental bureaucracy, as President Roosevelt and his advisers want to do. They are coming more and more to believe that the efforts of this administration have failed and that the only way we can secure real prosperity instead of the Roosevelt prosperity so roundly praised by Mr. Farley is to make a change next November.

JO BYRNS—THE BEGINNING AND END OF THE LONG, LONG TRAIL

Mr. MARTIN of Colorado. Mr. Speaker, although I have served only four terms in the House of Representatives, it has been my privilege to know personally eight Speakers—Joseph G. Cannon, Champ Clark, Frederick C. Gillette, Nicholas Longworth, John N. Garner, Henry T. Rainey, Joseph W. Byrns, and the present Speaker, Hon. William B. Bankhead. I did not serve under three of them, but served with them—Mr. Gillette, Mr. Longworth, and Mr. Garner.

Of these Speakers, it chanced that my most intimate contact was with Jo BYRNS. It is perhaps rare that after a long lapse of years we can recall exactly the time and place of our first meeting, but this meeting between Jo BYRNS and me was under circumstances which indelibly fixed it in both our minds. As he has often related this incident to Members since my return to Congress, I deem it worthy of preservation in the RECORD.

It was on March 4, 1909, the day of the Taft inaugural, a day that is said to have been the worst in the history of the Capital City, buried under snow and strewn with the wreckage of trees.

As a result of these conditions the outdoor inaugural ceremonies had to be abandoned, and Mr. Taft was inaugurated in the Senate Chamber. There I saw Theodore Roosevelt and Taft exchange their last friendly handclasp as the outgoing President, after the administering of the oath of office to his successor, hurried up to the incoming President, impulsively threw his left arm over his shoulder, vigorously shook his hand, turned, and hastened from the Chamber. Who then could have visioned the campaign of 1912?

After the inaugural I made my way out to the abandoned bleachers in front of the Capitol Building, threaded my way far down on them, and stood there pensively surveying the dismal scene. Then I felt a touch on my arm and looked around to see a tall, lean figure with cavernous glowing eyes, heavy black brows, looking at me with a sympathy-seeking expression, which found a ready response. We exchanged introductions, and he said, "I saw you standing here looking lonesome, and I thought I would come down and get acquainted, and I wonder if you are thinking what I am." "What are you thinking?" I asked. And he replied, "I am wondering what the devil my people sent me up here for. I feel that if I were back in my law office in Nashville I would stay there." I replied to him in kind.

Time has answered the question what Jo BYRNS' people sent him up here for. They sent him where character, ability, and long and faithful service raised him to the seat of power in the House of Representatives, to a place in history among the great men of the Nation who have occupied that seat.

For 20 long years I never saw him but the instinctive friendship of that first meeting persisted, and the highest compliment I could pay our late beloved Speaker was that, sitting in the chair, he was the same Jo BYRNS, kindly, considerate, unspoiled. At the end of his famous lecture, Elbert Hubbard used to close with the words, "And be kind, and be kind." Jo BYRNS was kind. The qualities which drew men to him and held them could not have been assumed. They were an emanation of the man. They were natural. It is no exaggeration to say, and no one will feel jealous of the statement, that he was the best-liked Member of Congress. He had the quality of never making Members feel a personal sting from his rulings in the chair, nor from his opposition on the floor. He was peculiarly qualified to preserve harmony among a top-heavy majority.

As I saw him on his first day in the House of Representatives, so I saw him on his last. I quote from the CONGRESSIONAL RECORD of June 3, 1936, page 9014, recording the adjournment of the House for a deceased Member:

The SPEAKER. The Clerk will report the remainder of the resolution.

The Clerk read as follows:

"Resolved, That, as a further mark of respect, this House do now adjourn."

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 2 o'clock and 54 minutes p. m.) the House, in accordance with the order heretofore adopted, adjourned until tomorrow, Thursday, June 4, 1936, at 11 o'clock a. m.

And thus, on June 3, 1936, at 2 o'clock and 54 minutes p. m., Jo BYRNS, the beloved Speaker of the House, laid down his gavel and descended from the Speaker's station for the last time. On the next day the House adjourned out of respect to him.

Then I saw the end of the long, long trail awinding. I saw his flag-draped casket carried into the vault in beautiful Mount Olivet Cemetery in his home city. He is back again in Nashville.

REPUBLICAN LEGISLATION ON BEHALF OF AGRICULTURE

Mr. HOPE. Mr. Speaker, so much has been written and spoken concerning the emergency agricultural legislation enacted during the past 3 years, some of which has been declared unconstitutional and some of which has been repealed, that there may be a tendency to overlook the constructive and permanent legislation enacted for agriculture by Republican administrations during the period from March 4, 1921, to March 4, 1933. As a matter of fact, more constructive and worth-while agricultural legislation was enacted during this period than during any similar period in our country's history. This legislation covered the entire field of agriculture and while it would be impossible within the compass of these remarks to list all the legislation beneficial to agriculture passed during the 12-year period preceding the New Deal, it may be of interest to point out specifically some of the more important enactments.

DAIRY PRODUCTS

In view of the utter neglect shown dairying by the present administration, it is of interest to review some of the more important legislation on behalf of that industry which was enacted between 1921 and 1933:

(1) Public, 519, Sixty-seventh Congress, enacted March 4, 1923, entitled "An act to define butter and to provide a standard therefor." This act provides that butter shall contain not less than 80 percent by weight of milk fat.

(2) Public, 513, Sixty-seventh Congress, enacted March 4, 1923, entitled "An act to prohibit the shipment of filled milk in interstate or foreign commerce." This act did away with the filled-milk business; that is, the manufacture and sale of milk mixed with coconut oil or similar nonbutter fats.

(3) Public, 156, Sixty-eighth Congress, enacted May 29, 1924, an act to establish a dairy bureau in the Department of Agriculture and for other purposes. This act recognized the dairy interests of the country as of sufficient importance to justify a separate bureau in the Department of Agriculture.

(4) Public, 625, Sixty-ninth Congress, enacted February 15, 1927, an act to regulate the importation of milk and cream in the United States for the purpose of promoting the dairy industry of the United States and protecting the public health. This act required that milk and cream imported in the United States meet prescribed sanitary standards; in other words, that dairymen in countries which do not have the same sanitary requirements as our own shall not have an advantage over dairymen in the United States, and that such foreign dairy products be barred unless they meet the requirements imposed upon our own dairymen. The Republican Party platform for 1936 proposes to extend this requirement so as to include all imported livestock, dairy, and other farm products from countries which do not impose health and sanitary regulations fully equal to those imposed upon our own producers.

(5) Public, 540, Seventy-first Congress, enacted July 10, 1930, an act to amend the definition of oleomargarine contained in the act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine", approved August 2, 1886, as amended.

This act imposed a tax of 10 cents per pound in the case of oleomargarine which is yellow in color, irrespective of whether the color is natural or artificial and effectively stopped the sale of oleomargarine under the guise of cooking compounds, and so forth.

(6) Public 867, Seventy-first Congress, enacted March 4, 1931. "An act to amend the act entitled 'An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine', approved August 2, 1886, as amended, and for other purposes."

In addition to the above legislation which specifically relates to the dairy industry, that industry has been benefited greatly by legislation dealing with cooperative marketing.

It seems proper at this place also to call attention to the protection which has been given the dairy industry under the various Republican tariff acts, including the Farmers Emergency Tariff Act of 1921, the General Tariff Act of 1922, and the Tariff Act of 1930. Under the last Democratic tariff act, the duty on butter was 2½ cents per pound, on cheese it was 20 percent ad valorem. On milk and cream there was no tariff whatever. There was, of course, nothing unusual about this because all farm products under that tariff act were either on the free list or carried a rate of duty which afforded no protection whatever.

Under the Republican Tariff Act of 1930 the rate on butter is 14 cents per pound, the rate on cheese is 7 cents per pound, the rate on whole milk is 6½ cents per gallon and on cream 56.6 cents per gallon. Under the recent Democratic reciprocal-trade agreement with Canada, however, the rate on cheese has been reduced to 5 cents per pound, and the rate on cream has been reduced to 35 cents per gallon for the first 1,500,000 gallons. Following the reduction in the tariff on cheese, a tremendous increase in imports has taken place. The dairymen of this country regard tariff protection as absolutely essential and, based upon both its past and present records, no help in that regard can be expected from the Democratic Party.

COOPERATIVE MARKETING

The great growth of the farm cooperative movement in recent years has been made possible very largely because of legislation enacted by Republican administrations. The first of these acts was Public, No. 146, Sixty-seventh Congress, passed on February 18, 1922, entitled "An act to authorize associations of producers of agricultural products." This is popularly known as the Capper-Volstead Act. It is designed to exempt farmers' cooperative associations from the provisions of the Sherman antitrust laws, provided the associations comply with certain specified conditions. Practically all agricultural cooperatives are now organized so as to come under the provisions of this act. It is no exaggeration whatever to say that without this act the splendid progress made in cooperative marketing in recent years would have been impossible.

Another very important piece of legislation relative to cooperative marketing is Public, No. 450, Sixty-ninth Congress, enacted July 2, 1926. The purpose and scope of this act is indicated by the title, reading "An act to create a division of cooperative marketing in the Department of Agriculture; to provide for the acquisition and dissemination of information pertaining to cooperation; to promote the knowledge of cooperative principles and practices; to provide for calling advisers to counsel with the Secretary of Agriculture on cooperative activities; to authorize cooperative associations to acquire, interpret, and disseminate crop and market information, and for other purposes." Later this division became a part of the Farm Board set-up and is actively functioning today as a division of the Farm Credit Administration.

The Agricultural Marketing Act, Public, No. 10, Seventy-first Congress, which was passed on June 15, 1929, and which created the Federal Farm Board is a further step in the way of governmental assistance in cooperative marketing. Whatever criticism may be made of the stabilization activities of the Farm Board, its efforts along the line of cooperative marketing were helpful and successful and have done much toward assisting cooperative organizations to finance themselves properly.

Another important act affecting cooperative organizations is that of March 4, 1927—Public, No. 802, Sixty-ninth Congress—entitled "An act to prevent discrimination against farmers' cooperative associations by boards of trade and similar organizations, and for other purposes." This act is designed to compel boards of trade and produce exchanges to admit farmers' cooperative associations to membership on the same basis as other members.

The present administration, so I am informed by numerous leaders of cooperative organizations, has manifested little interest in agricultural cooperation and little legislation relating to the subject has been enacted.

LIVESTOCK

The Republican Congress in 1921 passed what is known as the Packers and Stockyards Act. This act became a law on

August 15, 1921, and is known as Public, No. 51, Sixty-seventh Congress. It placed the operation of packers and stockyards under the supervision of the Department of Agriculture. This legislation had the support of all the major farm organizations of the country and operated to correct and cure many very serious discriminations and abuses which had grown up in the packing industry. It is one of the most important pieces of legislation ever enacted on behalf of agriculture.

The act of March 2, 1931—Public, No. 776, Seventy-first Congress—which set up a 10-year cooperative program under the direction of the Secretary of Agriculture for the eradication, suppression, and bringing under control of predatory and other wild animals injurious to agriculture, animal husbandry, and other interests, has been of great assistance to livestock producers, particularly in the West.

The protection which has been given livestock under Republican tariff acts, including the Tariff Act of 1921, the 1922 Tariff Act, and the act of 1930, is in striking contrast with the lack of protection afforded the livestock industry under the last Democratic tariff act, that of October 3, 1913. It is also in contrast with the policy of the present administration in reducing tariff rates upon livestock and livestock products under the reciprocal-trade agreements. Under the last Democratic tariff act practically all animal products were on the free list. Under the Republican Tariff Act of 1930, as well as under previous Republican acts, all of this has been changed. Beef and veal carry a rate of 6 cents per pound; mutton, 5 cents per pound; lamb, 7 cents per pound; pork, 2½ cents per pound; lard, 3 cents per pound; other meats, 6 cents per pound; live cattle, under 700 pounds, 2½ cents per pound, over 700 pounds, 3 cents per pound; hogs, 2 cents per pound; sheep, lambs, goats, $3 per head; and so I might go on enumerating specifically various livestock products which are now adequately protected, but which had no protection whatever under the Democratic tariff laws. The reduction in the rates of duty under the Canadian trade agreement have resulted in a great increase in importations. Anticipated reductions in connection with trade treaties with Mexico and Argentina will—if carried out, of course—work further injury to American livestock producers.

Even with the high rates now in effect, the Democratic policies have brought about greatly increased imports of livestock and livestock products during recent months. It is fearful to contemplate how much greater these importations might be if a Democratic tariff law were in effect.

AGRICULTURAL FINANCE AND CROP LOANS

The Republican Party has enacted numerous legislative measures designed to assist in the financing of agriculture. It has strengthened and developed the Federal land-bank system, and under the Federal Intermediate Credit Act of 1923, Public, No. 503, Sixty-seventh Congress, there was set up a system of intermediate credit banks which since that time have been a great boon in enabling farmers to obtain loans at low rates of interest.

The act creating the Reconstruction Finance Corporation, Public, No. 2, Seventy-second Congress, passed on January 2, 1932, included financial relief for agriculture as one of its objectives. Not only did it provide for assistance to the Federal land-bank system but it authorized the establishment of 12 regional agricultural-credit corporations, 1 in each Federal land-bank district. These institutions rendered a splendid service in making capital available to farmers and livestock producers at low rates of interest. They did much to assist livestock producers, particularly in financing themselves during a period when other capital was not readily available. In the opinion of many producers, these banks were more satisfactory than the present system of making loans through production-credit corporations, and in any event they met an emergency in a most satisfactory and effective manner.

Droughts, floods, and other disasters have made it necessary in recent years that some relief be afforded agricultural producers in the way of loans for crop production. During the period from 1921 to 1933 Republican administrations enacted all adequate and necessary legislation for this purpose. During that period there were nine legislative measures passed making provision for crop and production loans. To enumerate them specifically, the acts in question are as follows:

Public, No. 177, Sixty-seventh Congress, enacted March 20, 1922.

Public Resolution No. 13, Sixty-eighth Congress, enacted April 26, 1924.

Public, No. 651, Sixty-ninth Congress, enacted February 25, 1927.

Public Resolution No. 92, Seventieth Congress, enacted February 25, 1929.

Public, No. 47, Seventy-first Congress, enacted March 3, 1930.

Public Resolution No. 112, Seventy-first Congress, enacted December 20, 1930.

Public Resolution No. 114, Seventy-first Congress, enacted January 15, 1931.

Public, No. 666, Seventy-first Congress, enacted February 14, 1931.

Public, No. 327, Seventy-second Congress, enacted February 4, 1933.

The general character of these measures is indicated by the title of the one last above mentioned, as follows: "To provide for loans to farmers for crop production and harvesting during the year 1933, and for other purposes." The amount authorized for loans under these various resolutions varied from $1,000,000 authorized in Public Resolution No. 13, Sixty-eighth Congress, to $90,000,000 authorized in Public, No. 327, Seventy-second Congress, passed February 4, 1933.

In contrast with the helpful and adequate policy of Republican administrations in connection with crop loans, is the action of President Roosevelt in vetoing the Crop Loan Act passed during the present session of Congress which authorized the appropriation of $50,000,000 for production loans. This measure (S. 3612) made the same general provisions for crop loans as contained in previous acts of Congress. Due to long and continued droughts there was an urgent need for this legislation in many parts of the country. Despite the protests of many Members of Congress, representatives of farm organizations, and others interested in the welfare of the farmer and, so I am informed, over the protests of some of his own advisers, the President vetoed this legislation. It is true that the President immediately made available certain relief funds to be used for crop loans, but in connection therewith imposed such unreasonable restrictions that it was absolutely impossible for many western farmers to obtain any relief in this regard. These regulations were evidently drawn for the purpose of aiding the southern farmer and I understand they met his situation very well. In their original form, however, they made it impossible for most midwestern farmers to qualify for loans. Later, after many protests, the regulations were modified somewhat but by that time it was too late for many farmers to secure the benefits which would have been possible had the loans been made at the proper time for seeding. Even as modified, the regulations are still unsatisfactory and the provisions made are entirely inadequate to meet the situation.

COMMODITY EXCHANGES

A very important piece of legislation from the standpoint of the producers of grain was the Grain Futures Act (Public, No. 331, 67th Cong.), enacted September 21, 1922. This act was one which farmers and farm organizations throughout the country had been urging for many years. It provided for regulation and supervision of the grain exchanges by the Department of Agriculture, and has done much to prevent manipulations of prices and unfair practices on the grain exchanges.

Public, No. 802, Sixty-ninth Congress, passed March 4, 1927, and previously referred to, has been very helpful in preventing discrimination against farm cooperatives by boards of trade and commodity exchanges.

FRUITS AND VEGETABLES

The production of fruits and vegetables constitutes one of the most important branches of agriculture in this country. Much important legislation on behalf of this branch of agriculture was enacted during the Republican administrations preceding 1933. Among the more important measures along this line might be listed the following:

The Act of March 3, 1927 (Public, No. 712, 69th Cong.), the title of which reads as follows:

An act to prevent the destruction or dumping, without good and sufficient cause therefor, of farm produce received in interstate commerce by commission merchants and others, and to require them truly and correctly to account for all farm produce received by them.

This act was designed to prevent the willful destruction of goods with a view of withholding from market or for the purpose of defrauding the shipper. It is interesting to compare the Government's recent action in the wasteful slaughter of pigs, in the light of this legislation.

Public, 462, Seventieth Congress, passed on May 21, 1928, entitled as follows: "An act to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, and for other purposes."

The act of June 10, 1930, Public, No. 325, Seventy-first Congress, entitled "An act to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce."

This act is known as the Perishable Agricultural Commodities Act and established in the Department of Agriculture a division charged with the duty of preventing fraudulent practices in the sale of perishable farm products. This act was passed in response to a great demand for protection for the producers of fresh fruits and vegetables. I am informed that since its enactment the unfair and fraudulent practices which it was designed to prevent have almost entirely disappeared.

Public, No. 538, Seventy-first Congress, passed on July 8, 1930, and entitled "An act to amend section 8 of the act entitled 'An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes', approved June 30, 1906, as amended."

This act permits the Secretary of Agriculture to establish and to enforce standards with respect to canned foods and is of especial interest to the producers of fruits and vegetables for canning and preserving purposes.

Also under language included in various appropriation acts for the Department of Agriculture during the period from 1921 to 1933 provision has been made for an inspection service for fruits and vegetables, which has been of great assistance to the producers of quality products.

In addition to the above specified acts, the legislation enacted during the Republican administrations relating to cooperative marketing has been very helpful to the producers of fresh fruits and vegetables. Furthermore, the protection given by the 1930 and other Republican tariff acts to the fruit and vegetable industry has prevented ruinous competition from other countries. This protection, however, has, to a considerable extent, been taken away by the Cuban reciprocal-trade agreement. It is feared by many producers that the contemplated agreement with Mexico will result in further destructive competition.

DISEASE AND INSECT PESTS

During the period in question every effort was made by Republican administrations to protect agricultural producers from the effects of livestock and plant diseases and insect pests. Some of the more important legislation along this line is as follows:

Public Resolution No. 14, Sixty-eighth Congress, passed April 26, 1924, and entitled "Joint resolution making an additional appropriation for the Department of Agriculture for the fiscal year 1924 and 1925."

This provided for an appropriation of $1,500,000 to be used in the arrest and eradication of foot-and-mouth disease.

The act of April 13, 1926, Public Resolution 14, Sixty-ninth Congress, entitled "Joint resolution for the amendment of the Plant Quarantine Act of August 20, 1912, to allow the States to quarantine against the shipment therein or through of plants, plant products, and other articles found to be diseased or infested when not covered by a quarantine established by the Secretary of Agriculture, and for other purposes."

Public, No. 151, Sixty-ninth Congress, passed April 26, 1926, entitled "An act to amend the act entitled 'An act to regulate foreign commerce by prohibiting the admission into the United States of certain adulterated grain and seeds unfit for seeding purposes', approved August 24, 1912, as amended, and for other purposes."

The act of February 9, 1927, Public, 594, Sixty-ninth Congress, the title of which was "An act to provide for the eradication or control of the European corn borer."

This act authorized the appropriation of $10,000,000 for this purpose. Subsequently several additional appropriations were made for this purpose.

Public Resolution No. 1, Seventy-first Congress, passed May 2, 1929, entitled "Joint resolution to provide funds for the eradication, control, and prevention of the spread of the Mediterranean fruit fly." This timely act saved the fruit industry of this country from an impending catastrophe.

FORESTRY AND CONSERVATION

Much legislation relating to forestry and conservation was enacted during the Republican administrations from March 4, 1921, to March 4, 1933. Many of these measures were special acts, which will not be enumerated here. Some of the measures of more general importance along that line include:

The act of June 7, 1924, Public, No. 270, Sixty-eighth Congress, the title of which reads as follows:

An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor.

Public, No. 565, Sixty-eighth Congress, passed March 3, 1925, entitled "An act to amend section 2 of the act of June 7, 1924 (Public, No. 270), entitled 'An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor.' "

Public, No. 575, Sixty-eighth Congress, passed March 3, 1925, entitled "An act to facilitate and simplify the work of the Forest Service, United States Department of Agriculture, and to promote reforestation."

The act of March 3, 1925, Public, No. 591, Sixty-eighth Congress, entitled "An act to amend section 7 of an act entitled 'An act to enable any State to cooperate with any other State or States, or with the United States, for the protection of the watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers'. approved March 1, 1911 (36 Stat. L., p. 961)."

Public, No. 466, Seventieth Congress, passed May 22, 1928, the title of which reads as follows:

An act to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture, through research in reforestation, timber growing, protection, utilization, forest economics, and related subjects, and for other purposes.

The act of June 9, 1930 (Public, 319, 71st Cong.), entitled "An act authorizing the Secretary of Agriculture to enlarge tree-planting operations in national forests, and for other purposes."

The act of January 31 (Public, 589, 71st Cong.), entitled "An act to facilitate and simplify the work of the Forest Service."

The act of February 18, 1921 (Public, 770, 70th Cong.), known as the Migratory Bird Conservation Act.

This act provided for the creation of a migratory bird commission and annual appropriations to be used for the purchase of migratory bird refuges.

In addition to the general legislation on forestry and conservation mentioned above, there were enacted during this period a number of measures of a local character providing for additions to the national forests and the creation of game and migratory bird refuges.

DISPOSITION OF AGRICULTURAL SURPLUSES

The following acts were passed by the Seventy-second Congress relative to the disposition of surplus agricultural commodities owned by the Government or its agencies:

Public Resolution No. 12, Seventy-second Congress, passed March 7, 1932, authorizing the distribution of Government-owned wheat to the American Red Cross and other organizations for relief of distress.

Public Resolution No. 33, Seventy-second Congress, passed July 5, 1932, authorizing the distribution of Government-owned wheat and cotton to the American Red Cross and other organizations for the relief of distress.

Public Resolution No. 43, Seventy-second Congress, passed July 22, 1932, making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress.

Public, 329, Seventy-second Congress, passed February 8, 1933, to authorize the distribution of Government-owned cotton to the American Red Cross and other organizations for relief of distress.

Public Resolution 51, Seventy-second Congress, passed February 11, 1933, entitled "An act to provide appropriations to carry into effect the act entitled 'An act to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress', approved February 8, 1933."

In conformity with the above-mentioned joint resolutions dealing with the distribution of Government-owned wheat and cotton to the American National Red Cross, Farm Board wheat and cotton to the value of $197,000,000 were distributed.

AGRICULTURAL TARIFFS

Mention has already been made of the lack of tariff protection for agricultural products as contained in Democratic tariff bills and the full measure of protection on those products in Republican tariff acts. It is not my intention at this time to discuss the matter at any length, but it might be of some interest to contrast briefly, in a general way, the differences in rates on important agricultural commodities between the last Democratic tariff bill and the last Republican tariff bill.

Under the act of October 3, 1913, the last Democratic bill, most important agricultural products were on the free list. Among other things were included broomcorn; buckwheat; corn; eggs; fruits or berries; grease; fats; vegetable tallow and oil; hides; lard; lard compounds and all substitutes; fresh beef; veal; mutton; lamb and pork; bacon and hams; meats of all kinds, prepared or preserved; milk and cream, including milk or cream preserved or condensed or sterilized by heating or other processes, and sugar of milk; vegetable oils; oil cake; oleostearin; potatoes; rye and rye flour; swine; cattle; sheep; tallow; wheat; and wool.

The few agricultural commodities which were dutiable carried such a low rate as to afford little protection to the American farmer. Among them might be enumerated:

Barley	per bushel	$0.15
Oats	do	.06
Fruits	per pound	.02½
Frozen eggs	do	.02
Dried eggs	do	.10
Live poultry	do	.01
Dead poultry	do	.02

As contrasted with the provisions of the Democratic tariff bill, the last Republican bill, the act of 1930, provided the following rates on important agricultural products:

Cattle:		
Less than 700 pounds	per pound	$0.02½
Over 700 pounds	do	.03
Beef	do	.06
Hogs	do	.02
Pork	do	.02½–.03¼
Lard	do	.03
Lard substitutes	do	.05
Milk	per gallon	.06½
Cream	do	.56⅓
Butter and butter substitutes	per pound	.14
Cheese	do	.07
Eggs	per dozen	.10
Frozen eggs	per pound	.11
Dried eggs	do	.18
Live poultry	do	.08
Dead or dressed poultry	do	.10
Barley	per bushel	.20
Buckwheat	per hundredweight	.25
Corn	per bushel	.25
Oats	do	.16
Rye	do	.15
Wheat	do	.42

The 1930 act also contained higher rates of duty on practically all fruits and vegetables and many other farm products which are too numerous to mention in what is intended to be a brief reference.

What has been said, however, clearly shows the difference in the protection afforded farm products by the Republican and Democratic administrations. The present Democratic administration, through its reciprocal-trade-agreements program, is already doing much to break down the protection which Republican tariff laws have given agriculture.

The Republican Party had its origin among the farmers of the Middle West. One of its first legislative achievements was the passage of the Homestead Act. From that time until the present its policies have been such as merit the support of the rural population of the country, which has indeed been its great source of strength. The foregoing résumé of legislation for agriculture during the last three Republican administrations clearly shows the concern of that party for the welfare and prosperity of the farmer and indicates the purpose and desire of the party to meet the great problems of agriculture as far as it can be done in a legislative way.

The provisions relating to agriculture in the Republican Party platform of 1936 are the broadest and most liberal ever contained in any party platform. The Republican candidates for President and Vice President come from the great farm area of the country and are thoroughly familiar with its problems and are sympathetic toward governmental policies which will bring about not only temporary but permanent well-being and prosperity for agriculture as an industry. Surely every Republican and every independent-minded voter who is interested in the well-being of agriculture can enthusiastically support such a plaform and such a ticket.

OUR PATRIOTIC TEACHERS WILL RESPOND

Mr. KNIFFIN. Mr. Speaker and Members of the House, without wishing to give special consideration to any class of American citizens, there is one group that surely deserves the respect and consideration of all citizens for its contributions to the welfare of mankind. Additional duties and greater responsibilities have been added from time to time upon this profession without proportionate increase in compensation. While this is regrettable, yet it is becoming more apparent, day by day, that, in order to deal effectively with another serious condition now confronting this Nation and all its individual citizens, we must again enlist the patriotic efforts of this body, which has already given so generously of both time and energy. I refer to the school teachers, who are a distinct asset to our country.

While we have many major problems confronting us for which a solution must be found, the one to find effectual

means to check the awful and needless waste of human life and limb occurring from the improper and reckless operation of automobiles certainly comes very close to the daily life of each of us.

Along with the church and home, our teachers deal with the youth of America, the generation in immediate prospect. This contact is during the impressionable period of life. Most of the time the young mind is actually at work the teacher is directing the thought.

As indicated before, the average pay of teachers is not commensurate with the service rendered, and so it is with a feeling of reluctance that I suggest the imposition of an additional responsibility upon them. However, a death rate of one person every 15 minutes throughout the year and the maiming of other countless thousands is so appalling that action upon the part of the Government and its political subdivisions is surely called for. The only way to cope with it is to carry it into the minds of all those who are about to become drivers of automobiles.

The one group of our citizens who can carry out such a campaign of education on a systematic basis is our teachers, who dedicate their lives to the intellectual development, health, and safety of all of the young people of the land. They will respond to this new call of duty that means so much to society. Forty-eight great States and a great Nation with vast resources should see to it that they are adequately compensated, and that the retirement laws be justly revised for their benefit and protection. No better investment could be made.

THE EFFECT OF OUR NATIONAL DEBT ON THE BANKS

Mr. CROWE. Mr. Speaker and Members of the House, today there is a national income with which to pay the national debt. Confidence has replaced fear in "3 short years."

You would not change horses in midstream, much less change horses when the faithful horse is found drawing the load out on solid ground. Likewise, thinking Americans will not be so unmindful of their own and the country's welfare to unseat President Roosevelt when he and his administration and the Congress is surely, certainly, and with unfaltering step bringing this Nation to a safe, sound landing on solid ground. No more peeking around the corner for prosperity, for it is here.

My remarks are for comparison, and notice how favorable the comparison of general conditions since the beginning of 1933. According to the National Industrial Conference Board, the entire national wealth in 1932 amounted to $247,000,000,000. The Federal debt was then $21,500,000,000, which was $5,000,000,000 more than it was when Mr. Hoover went into office. By the end of 1935 the national wealth had risen to—carrying out the National Industrial Conference Board figures—approximately $310,000,000,000, an increase of $63,000,000,000. Further estimates show still more increase in national wealth in the year 1936. During that period of "3 short years", while the national wealth has increased $63,000,000,000, the national debt has increased $10,000,000,000, making a total of $31,000,000,000. Accordingly, while the national debt is large, nevertheless the increased national wealth overshadows it and has increased six times what the national debt has increased during these "3 short years." Take one example of the increased national wealth—the New York Stock Exchange. On April 1, 1933, all stocks listed on that exchange amounted to $20,000,000,000. April 1, 1936, the stocks listed amounted to $51,500,000,000, an increase of $31,000,000,000. In this same period the listed bonds increased in value $11,000,000,000. On these items alone is an increase in the wealth of the Nation of $42,000,000,000. When you add to this the increased wealth of all homes, farms, factories, banks, life insurance, savings accounts, many say the increased wealth is ultraconservative at $63,000,000,000 and many believe it to be nearer $100,000,000,000 increase. But, you ask, do increased values alone aid in paying the national debt? My answer is that other vital features also inject themselves into the picture. For instance: The total income of the Nation in 1932 was $37,000,000,000. In 1935 it was $62,000,000,000, or a gain of $25,000,000,000 in 1 year. Accordingly the Nation had $25,000,000,000 more to spend in 1935 than it did in 1932, or $208.33 more money for each man, woman, and child in the United States.

You hear, and will continue to hear, many wild, unfounded statements of how England is getting under way. She is striving manfully and will succeed. But let us compare facts: Our debt in the spring of 1936 was $31,000,000,000, while that of England was $39,000,000,000. Our per-capita debt was $241—England's $876. Further comparing the over-all debt of both nations, ours was $51,000,000,000, while England's was $46,000,000,000. Our over-all per-capita debt $397, while England's $1,024. By over-all debt is meant an addition to Federal debt, the county, State, and municipal obligations. These figures are based upon the population of England—the United Kingdom—of 33,790,000 people to the Unites States 130,000,000.

A further comparison is encouraging. Our over-all debt is 17 percent of our national wealth. England's over-all debt is 52 percent of their national wealth. Our debt is 85 percent of our income of 1935. England's debt is 251 percent of their income of 1935. My purpose is not to encourage debt, but is to show the bright side by facts which can be verified to the satisfaction of the fair-minded.

While the Federal debt has increased, the houses, the farms, the factories of America have left the position of scarcely no value, to real value. The hungry have been fed, clothed, and warmed. The idle have been provided jobs. A million homes have been saved through the H. O. L. C. A million farms have been saved from foreclosure. Hundreds of thousands of youths have been taken from the streets and given useful occupation. Your bank and savings accounts have been guaranteed up to $5,000, and banks are on a sound footing.

Today there is a national income with which to pay the national debt. Confidence has replaced fear in "3 short years."

THE EFFECT OF OUR NATIONAL DEBT ON THE BANKS

Mr. HOLLISTER. Mr. Speaker, in 1932, when he was campaigning for the Presidency, Candidate Roosevelt repeatedly stressed the absolute necessity of reducing governmental expenditures until Government outgo was brought down to the level of Government income. He devoted an entire speech at Pittsburgh on October 19, 1932, to this all-important subject—the financial problem of making both ends meet.

At that time he explained that our national finances are no different from the finances involved in the family budget. He showed how the United States was paying 33 cents out of every dollar of its national income for the "luxury of being governed", which he characterized as "an impossible economic condition." He went on to show how the cost of government is paid out of taxes and that taxes in turn "are paid in the sweat of every man who labors."

In another part of this Pittsburgh speech the President called particular attention to another phase of the danger of an unbalanced national budget which compels a government to borrow continually to meet its bills. This phase is the danger to the whole credit structure caused by what Mr. Roosevelt in 1932 referred to as "the unorthodox Federal financing made necessary by the unprecedented magnitude of these (Government) deficits." The explanation of the risks involved in such financing, as given by Mr. Roosevelt, can hardly be improved. He spoke as follows:

> You know as well as I do that this administration's (Hoover) claims that it has provided credit for industry and agriculture by pouring credit into banks are not frank.
>
> Commercial credit has continuously contracted and is contracting now. Most of this new Government-created credit has been taken to finance the Government's continuing deficits.
>
> The truth is that our banks are financing these stupendous deficits and that the burden is absorbing their resources.
>
> All this is highly undesirable and wholly unnecessary * * *.

The record since that time is illuminating. In 1932 Mr. Roosevelt complained that in the previous year "the amount of Government obligations held by our banks increased by a little more than $1,000,000,000." But from June 30, 1933,

to June 30, 1935, or during the first two full fiscal years of the Roosevelt administration, the banks increased their holdings of United States Government obligations, direct and fully guaranteed, by $6,488,000,000, or at more than three times the rate which Mr. Roosevelt thought dangerous when he was seeking the people's votes in 1932.

The following figures are official, as taken from the reports of the Comptroller of the Currency:

All active banks, selected items from reports of conditions

[In thousands of dollars]

June 30—	Total loans and investments	Direct United States obligations	Obligations fully guaranteed by United States	Capital stock and surplus
1931	55,270,653	5,717,642	----------	8,462,849
1932	46,313,094	6,455,583	----------	7,375,934
1933	40,318,481	7,795,999	----------	6,270,862
1934	42,720,647	10,995,673	667,594	6,733,477
1935	44,636,415	12,201,560	2,082,492	6,699,005

In 1932 Candidate Roosevelt complained that the commercial credit extended by banks to businessmen and farmers was contracting and he clearly intimated that in his opinion the reason for this was because the resources of banks were being absorbed for the financing of Government deficits.

During the Roosevelt administration, however, there has been a continued contraction of commercial bank credit—a contraction, from June 30, 1933, to June 30, 1935, of 8.8 percent, or from $22,388,000,000 to $20,419,000,000.

The danger of this method of financing was again brought to the country's attention on February 21, 1935, on the floor of the Senate by none other than Democratic Senator GLASS, of Virginia, Secretary of the Treasury under President Wilson and coauthor of the Federal Reserve Act. At that time he said:

> The existing outstanding indebtedness of the United States is approximately $28,000,000,000. Listen, Senators: Of that amount $15,364,000,000 is piled up in the banking institutions of the country. Some of the banks have as much as 60 percent of their entire assets invested in Government securities. They are prohibited, were there the demand, from coming to the aid of business activity. They hold 55 percent of Government securities in the banks of the United States as against but 11 percent of Great Britain's indebtedness held in the banks of Great Britain—55 percent as against 11 percent.
>
> The banks have been brought to a state in which they are literally obliged to take Treasury issues whether they want them or not.
>
> They are compelled to take them in order to maintain the bond market of the United States, because it has been represented to me by competent authorities that a depreciation of 10 percent in Government bonds would render insolvent 90 percent of the banks of this country.

It is difficult to specify definitely the number of banks which would become insolvent by reason of a 10-percent drop in Government bonds, because some banks hold a larger proportion of such investments than do others. It must be remembered, however, that a decline in the Government bond market would be accompanied by a slump in other bonds, so that a depreciation in practically all of the banks' investments would occur under the condition mentioned by Senator GLASS.

On December 31, 1935, the investment in bonds and notes of 14,123 insured banks was $18,305,000,000. A decline of 10 percent in the value of these assets would result in losses by depreciation of $1,830,500,000. This amounts to almost one-third of the total capital account of the insured banks as a group.

It can be stated with certainty that any substantial decline in the price of Government bonds would impose heavy losses on the banks of the country, loaded as they are with Federal bond and note investments.

As to the possibility of a decline in the Government bond market, it may be pointed out that Liberty bonds declined more than 10 percent below par in 1920. In fact, a decline in the Government bond market to the 1920 levels would average about 20 percent and would be disastrous to a large proportion of our banks.

The new chairman of the Board of Governors of the Federal Reserve System, Mr. Marriner S. Eccles, who was appointed by President Roosevelt, is not worried about the situation. He is quoted by the New York Times of April 18, 1936, as having said:

> The banks have the privilege of discounting Government bonds at the Reserve banks and obtain 100 cents on the dollar. I don't think there is any problem there.

But the facts are that on March 4, 1936, the member banks of the Federal Reserve System held $11,117,000,000 of United States obligations. On the same date the 12 Federal Reserve banks, whose capital was $336,799,000, held $2,430,000,000 of United States Government securities. If the member banks should discount as much as $1,000,000,000 of their Government obligations with the Federal Reserve banks, a 10-percent decline in the price of "Governments" would technically wipe out the capital account of the 12 Federal Reserve banks.

The word "technical" is used advisedly because no doubt the true insolvency which would result from such a situation would be disguised by some governmental expediency such as those which have been used by other nations which have attempted to dodge the facts by following the path of inflation.

These facts are being called to your attention, not with any desire to cause unnecessary alarm, but to point out the very grave danger in the financing of continuing budgetary deficits through the sale of Government obligations to the banks. The one sure cure is the cessation of wasteful expenditure and the early balancing of the Budget.

THE TONRY BILL TO AID HOME OWNERS, SPEED THE WHEELS OF INDUSTRY, AND TO PROVIDE A GREATER PURCHASING POWER TO CREATE MORE REAL JOBS

Mr. TONRY. Mr. Speaker, representing the largest congressional district in the United States, wherein resides every type of American citizen of every race, creed, and religion, and which numbers in its constituency a fair-sized group from every walk in life, I feel qualified from the existing situation in my district to speak for the country at large.

I have introduced a bill—H. R. 12718—which permits the home owner who has a contract with the Home Owners' Loan Corporation to amortize his principal and interest in 25 years instead of the existing 15. This will, in effect, give each of these home owners an additional sum of money each month with which he and his family may live a happier and more complete life in keeping with the American ideal. It will provide that "greater purchasing power" that President Roosevelt referred to but a few short weeks ago at the annual Jefferson Day dinner in New York City. It will give Mr. and Mrs. America who have home loans the opportunity to take the family on that extra Sunday outing, to get that new living-room set, and put that new roof on the house. These extra moneys will flow into the neighborhood store and into every industry, to increase production and establish real jobs for a period of at least 25 years. This measure supplies real money and creates real jobs. It adds no burden to the taxpayer and causes no inflation of the currency. It enables the Government and the home owner to change its contract to equal that now offered by those private banking institutions, who a few years ago were too timid to offer the home owner assistance.

ANTILYNCHING LEGISLATION

Mr. GAVAGAN. Mr. Speaker, and Members of the House of Representatives, June 15, 1936, was a memorable day in the history and procedure of this House, for on that day the last signature was attached to a discharge petition on my antilynching bill (H. R. 5). A majority of the membership of this House signified thereby its wish that this legislation receive consideration of the House; namely, debate and passage. That day began an epoch in the annals of the Congress of the United States, because, for the first time in history, a Democratic House of Representa-

tives initiated and brought to a successful conclusion a discharge petition relating to this type of legislation. I am very proud of the part I contributed to the success of the petition, and I wish to express to every Member who placed his signature thereon my thanks and appreciation.

The success of this petition confirms in my mind the belief that, slowly but surely, the people of these United States are coming to the firm resolve that government by law must prevail; that courts of justice are established primarily to protect the weak and punish the guilty; that the rule of reason by law must be maintained; that justice, as enunciated by the courts, must be the established domestic policy; and, finally, that mob rule and "Judge Lynch" must be forever banished from the proud history of our country.

"Thou shalt not kill" has come down to us from Mount Sinai; the clear import of its meaning has been known and understood through all the centuries of man's travail on this earth; in every civilization known to man where reason and justice ruled this commandment was the pinnacle upon which rested peace and order, justice and civilization. It binds the Christian, the Mohammedan, the Jew, the Turk, the white man and the yellow man, the black man and the red man. Its purport and meaning is applicable to all; no man or race of men is excepted from its binding force; it is a divine commandment, as binding today as when first uttered, binding individually and collectively.

Since history's dawn mankind has sought in one form or another to approximate justice in order thereby to protect the weak from the strong, to establish peace and order, and to provide for the general welfare. To this end and for this purpose mankind throughout the ages instituted tribunals of one sort or another where truth and justice were sought to be established. Ultimately there evolved legal tribunals known to us as courts and bodies of rules and principles, at times called "codes", "rules", "constitutions", "laws." The ultimate object and purpose was ever the establishment of justice, equal justice, justice applicable equally to all. Mankind instinctively knew and understood that without a general system of laws applicable to all and tribunals for the application of these laws to all, civilization could not exist. Mankind knew and understood that individuals should not and must not be permitted to declare for themselves the law or rule of justice and should not and must not be permitted to execute for themselves the law or rule of justice. Mankind knew that the individual pronouncement of the law and the individual execution thereof meant anarchy, not government; meant barbarism, not civilization; meant chaos, not order.

Investigating mankind's endeavor to approximate justice, we find underlying all tribunals of justice and permeating all systems of organic laws the eternal principles enunciated in the decalog. These principles are as binding as when on that great day they were divinely proclaimed for the guidance of men.

The Constitution of these United States, in my opinion, has as its main purpose the fruition of these great principles of human action in government—man's responsibility to man, man's obligation to man, and the rights of man in collective society. "The individual is indisputably the original, the first fact of liberty" (Woodrow Wilson).

Believing as I do, it is with grief and regret that candor compels me to admit that in our great Nation, dedicated to the freedom of mankind, there exists among us the spirit of mob rule and mob violence. No true American can but grieve because of this terrible scourge of injustice. To strive to eradicate it, seems to me a noble endeavor. Without malice or bitterness, and with no concern save the honor of our country, I appeal to my colleagues of this House to give thought to the great endeavor to remove from our midst this blight. This movement has been gaining momentum through the years; the voice of righteousness is becoming more clear, more insistent; the people of these United States are becoming more conscious of the justice and righteousness of the cause and will, I have no doubt, demand legislation to punish and prevent this heinous crime. For in the words of the great Burke—

> Every generation sets before itself some favorite object which it pursues as the very substance of its liberty and happiness.

Truth and justice must prevail. Mankind's struggle to attain it may be arduous; the road to light may be hard and thorny, but eventually God's justice shall prevail—righteousness will triumph and law and order become established. Sooner or later "Judge Lynch" must be dethroned and in his place the goddess of justice enthroned.

To all of you I appeal for justice under law; equal justice to all men—white men, black men, yellow men, red men. Convinced of the soundness and justice of this cause, I happily dedicate my life and my little talents to its accomplishment. It matters not the road be rough and stormy, if the heart be pure and the cause just, there will be found joy and consolation. In conclusion, permit me to rekindle your zeal with the noble spirit of the immortal Lincoln: "* * * With malice toward none; with charity for all; with firmness in the right as God gives us to see the right, let us strive on * * *."

THE ROOSEVELT NEW DEAL HAS HELPED MILLIONS OF AMERICANS IN ALL WALKS OF LIFE

Mr. SUTPHIN. Mr. Speaker, I should like to make a few comparisons between conditions in 1932, under the preceding administration, and conditions today. The majority of the people in the United States are much better off today than they were in 1932, and their improved condition is in a great part due to the constructive efforts of the Congress and the President.

ROOSEVELT ADMINISTRATION HAS SAVED OVER A MILLION HOMES FROM FORECLOSURE

In the dark days of 1932, foreclosures on homes and farms reached new peaks. People who had seen their jobs, their savings, and their dreams of the future swept away in the depression, now suffered the even more heartbreaking loss of their homes. To alleviate this distress, to keep the American family in its traditional homes, to maintain the self-respect of more than a million home owners, the Republican administration did nothing.

Through the Home Owners' Loan Corporation the New Deal has saved over a million homes by lending over $3,000,000,000. Over 70 percent of the payments due on these mortgages are paid on time. In addition to this, through the agencies of the Federal savings and loan associations and the home-loan bank, funds are made available to banks and building-and-loan associations for home lending. The Federal Housing Administration, by insuring mortgages for the construction of new homes, and by insuring notes covering repair loans, has revived building-construction industries throughout the Nation, and has given our people an opportunity to establish themselves in decent homes.

THE ROOSEVELT ADMINISTRATION HAS PROVIDED THE NECESSITIES OF LIFE TO OVER 5,000,000 NEEDY FAMILIES

The immediate need when Roosevelt took office was to give direct relief to feed millions who were starving from Republican prosperity. I do not believe in mixing politics with relief, but I cannot mince words over this contemptible disregard for our own people while Hoover was making every effort to help Europe by granting debt moratoriums.

Twelve years of undisputed political power in government, and still unwilling to feed the hungry. Why? Because a few selfish people had control, through the power of their money, over our national affairs in Washington. Are the Republicans proud of that record?

We are employing skilled mechanics and laborers. We are providing for bookkeepers, chemists, store clerks, and factory hands, and people of every occupational training. These people are being given a chance to earn money, to the best of their ability, with which to keep their homes together, with which to keep their children fed, clothed, and in school.

None of you like relief in any form, and those who accept it do so only because of their need. This administration

appreciates this, and the relief rolls are being cut down rapidly. As the New Deal program swings ahead, private employment has increased about 5,000,000. It will increase further.

ROOSEVELT ADMINISTRATION SAVED AND REHABILITATED A TOTTERING BANKING SYSTEM TO MAKE THE SAVINGS OF AMERICAN CITIZENS SAFE

Let us look at the banking situation facing this country before this administration took office. I am going to talk about national banks, because these are directly responsible to the Comptroller of the Currency and are subject, under their contracts with the Government, to Federal regulation and inspection.

During the four and a half years of Coolidge "prosperity", 533 national banks closed their doors and caused losses to depositors. During Hoover's 4 years, 1,035 banks failed. By March 4, 1933, when Roosevelt took office, the whole banking situation was so ominous that had he not declared a bank holiday a Nation-wide bank panic would have resulted and business losses of unthinkable extent would have followed. President Roosevelt closed all the banks long enough to determine their strength and needs in order that they could reopen and stay open. Of the thousands of banks closed during this holiday, 207 national banks remained closed. These failures can be charged to the Hoover administration, because they had been under the supervision of that administration up to the day they were closed. Their failure to reopen was attributable to the Hoover administration which failed to require a more conservative policy than was practiced.

Twelve years in the saddle seemed insufficient time for a Republican regime to plan and execute a system of bank regulation that would protect the depositors in the banks. Yet the Roosevelt administration accomplished this in less than 2 years. The Bank Acts of 1933 and of 1935, including the Federal Deposit Insurance Corporation provisions, have effectively eliminated many of the unwise practices of "old deal" banking. The Federal Deposit Insurance Corporation since January 1, 1934, has insured deposits in national banks and in others which chose to agree to the terms of such contracts up to $5,000 per depositor.

You realize the importance of bank security to our economic welfare. You can therefore appreciate the fact that since the bank holiday, during the 3 years of this administration, only eight national banks have failed, and in them no deposits up to $5,000 per depositor were lost.

This is protection given you by the present administration. This is action of the type which comes closest to you, insuring your economic welfare in a tangible way. This is action where before there was only inaction. In this manner was fear replaced by confidence and security. These steps taken by this administration are by themselves sufficient recommendation for its continuance in office.

ROOSEVELT ADMINISTRATION HAS PROVED ITSELF THE FRIEND OF LABOR

One of the great problems which has always faced government is that of the relationship between the employers of men and the men employed. It naturally follows that seasonal demand for goods will be reflected in seasonal peaks of employment and seasonal depressions of unemployment. It is a problem of modern living. It affects the whole Nation. It is truly a problem of the National Government. Yet 12 years' experience in government in modern times evidently failed to impress those three Republican administrations with either the extent of the problem or the need of cooperation between industry and government to solve that problem.

A famous expert on corporate law and on the problem of labor relations, Professor Ripley, of Harvard University, has frequently stated that the antitrust laws, forbidding industrial association along certain lines, have stood in the way of a solution of these problems. The same belief has been expressed by outstanding industrialists. They believed that certain clauses of these laws would have to be suspended, and that a cooperation between industry, labor, and government would result in an eventual solution.

Twelve years of opportunity failed to bring this cooperation from the Republican administrations. The National Recovery Act was passed by this Democratic administration in 1933, and provided this opportunity for cooperation. Many phases of it were experimental, many phases unpolished, but it did bring about reemployment, the establishment of fair wages for many workers; it stabilized many industries. Under its banner considerable seasonal operations in industry were supplanted by a planned program of year-round production. The Supreme Court did not believe that its powers were granted by the Constitution and the act was nullified, but great strides toward industrial cooperation, planned, steady production schedules, wage schedules that provided a relatively decent minimum wage, and other benefits still endure.

Many millions of workers who had never had the protection of organization for common good received this merited protection. Industry acknowledged the right of its workers to present their problems as a body. Wage scales were in many cases permanently raised, purchasing power of the workers improved, and net profits of industry increased as the entire picture became more wholesome.

The Supreme Court decision did not discredit the motives or the purposes behind this act, but criticized merely the instrument. That a decided forward step in labor relations was taken through this act is acknowledged by industry and labor alike.

ROOSEVELT ADMINISTRATION HAS PROVIDED FOR THE FUTURE WELFARE OF THE UNDERPRIVILEGED CHILDREN, THE AGED, AND INFIRM

In 1932 we find aged people made destitute by the depression, entirely dependent upon local assistance, which was poorly organized and in many cases short of funds. The blind were entirely dependent upon their relatives or forced to become beggars in the streets. Poverty-stricken mothers watched their underprivileged children crying for food, decent clothing, and medical attention. Workers held precariously to jobs, without security for the future, or they were without employment. To aid them or to protect labor from involuntary unemployment the Republican administration did nothing!

This Democratic administration has passed a social security act, through which the Federal Government cooperates with the States in providing systems of old-age pensions which I hope will be increased, unemployment insurance, aid to the blind, and to poor mothers, underprivileged and crippled children. The States are also assisted in their public-health activities. It is a humane and sensible plan in operation now in many of its phases. It gives help where there was no help; security where there was always insecurity. It is a notable achievement, and I am proud to have had a part in it!

FRANKLY, ARE YOU NOT BETTER OFF TODAY THAN YOU WERE 4 YEARS AGO?

As we review these events of the past 15 years—as we contrast the inaction and the tolerance of improper practices by three Republican administrations; as we contrast this with the beneficial, forceful, courageous action of the Roosevelt administration—no orator is required, no bands needed, no great hurrah is necessary to justify the record of the Democratic Party. It stands squarely on its own feet. This truly great administration will go down in history as the most forward-looking, most humane, most progressive administration in the history of our Nation.

Great work has been done in Washington in the past 3 years. But many of the programs initiated by the administration require time for development. The Republican Party frankly opposes the New Deal and threatens to throw into discard the great achievements which we have attained.

The American people cannot afford to go back to the gloom and misery of 1929–32. They do not want to go back. They do not want a reactionary government to wreck and discard the progress which has been made.

My friends, we know what the American people want, and we are going to see that they get it. This Nation must continue to go ahead with Roosevelt. The American people are going to continue to enjoy the blessings which have been given to them by this administration, and they are going to give Roosevelt a Democratic Congress to support him; the tremendous strides of progress toward economic and social security made during these past few years will not be lost.

WASTE—TAXES—DEBTS

Mr. WOODRUFF. Mr. Speaker, the constant and rapid increase of the national debt, together with the useless, senseless waste and squandering of the public funds, presents the most immediate and the most vital problem before the American people. It is a problem that calls for the intelligent and prompt attention and action of the citizens of this country if this is to continue to be the land of opportunity for the youth of today and the oncoming generations.

Altogether too little attention has been given to the almost criminal extravagance and waste of the taxpayers' money by the present administration. Every dollar spent unnecessarily by Hopkins, by Tugwell, and by the other 30 or 40 agencies now spending relief funds means one additional dollar of debt unnecessarily heaped upon the American people. Public debt means taxes. The larger the debt the larger the tax and the greater the burdens upon the present and future generations.

It must be clear to all thoughtful persons that the only source of revenue of this Government is the citizens thereof. There is no other. Whatever is spent in carrying on the normal or extraordinary or unnecessary activities of government must be paid by them. Let us not forget that fact for one minute. We cannot escape paying. If our income is large enough to take us into the income-tax paying class we are conscious of the fact that we do pay. If we are less fortunate and our annual income is small, we do not see the tax gatherer, but his hand reaches into our pockets nevertheless.

The thoughtless individual who stands on the street corner and argues that he is not interested in the squandering of the public substance or in the amount of the national debt and the taxes resulting therefrom because as he says, "It doesn't cost me anything; I don't have to pay it", would rise up in his wrath and smite this governmental waste if he could only be made to realize that every time he goes to the store and makes a purchase, wrapped up in the package he receives and included in the price he pays is the tax of the storekeeper, the jobber, the wholesaler, the manufacturer, in fact the tax of everyone who contributes in any way to placing the product in the hands of the ultimate consumer.

In fact, there is no individual who should scan so critically the spending of public funds as the man who does not pay a direct tax to the Federal Government, the reason being, of course, that through the indirect taxes I have mentioned, and because of his limited income, he already is taxed a far greater proportion of his income than are his more fortunate brothers. Let us not forget that the only person who pays no tax is the person who has no money to spend.

The information I am giving may startle those folks who have believed they have no particular interest in the spending and wasting of the public funds, and that it is of no concern to them.

The tax on business is as much a part of the cost of production as the wages paid, the fuel consumed, or the raw materials purchased. It is one of the costs of doing business.

Congress is placing upon the statute books, at this time, legislation which will tax corporations as high as 42 percent. Dr. Robert R. Doane, the eminent New York economist, has within the past few days testified before a committee of Congress that if business were to absorb the 2-percent transactions tax proposed by the Townsend plan it would bankrupt 60 percent of all American business within a year. If a 2-percent tax would do this, it must be clear that all taxes on a successful business are passed on to the general public, and that the American citizen does have a direct and vital interest in conserving the public finances, and in the reduction of taxes.

It must be clear also that because of the fact these taxes are concealed in the price we pay for the things we buy and which we must have in order to live and enjoy life, that whenever our taxes go up there is a corresponding lowering of the standard of living of our people. The more we pay for taxes the less we have for the necessities of life. A dollar spent for taxes cannot also be spent for bread and meat.

Government files have been filled during the past 3 years with records of the most shameless, the most shocking waste of the public funds known in all the history of civilized government.

Many millions of dollars have been spent in the various boondoggling activities for which Mr. Hopkins and his W. P. A. have become notorious. More than $60,000,000 has been allocated to the various States to be spent for "recreation" alone.

Unquestionably the greatest waste of the people's money occurs in carrying on the "made" or "invented" work under the W. P. A. Those who are nearest to such work should be best qualified to judge of its value. Certainly one can place dependence upon the opinion of those who are known to be loyal to the President and who have had direct charge of these activities.

I call as a witness Gen. Hugh S. Johnson, former head of the N. R. A. and President Roosevelt's right-hand man for the first 2 years of his administration. He has been, and is now, for the reelection of Franklin D. Roosevelt. After the Supreme Court had put an end to the N. R. A., General Johnson was placed in charge of all W. P. A. activities in New York City. He carried out the orders of Mr. Hopkins, his chief. I quote from his official report to Mr. Hopkins:

> Sixty percent of this invented work is a needlessly expensive and fatuous gesture.
>
> The only argument is that it preserves pride against the humiliation of home relief, yet to go on work relief the rules require that a man first go on home relief. To get there he must submit to the equivalent of a pauper's oath and a most humiliating inquisition.
>
> If a man on home relief finds a fugitive dollar in private employment he risks ostracism from any kind of relief.
>
> It is as cruel as it is stupid, because the area of available relief money nowhere near covers the area of destitution and the vast waste occasioned by this ill-informed dogma subjects the whole Government to amply justified ridicule, and insistence on it not only deprives tens of thousands of people of relief, but involves the Government in more inconsistencies than loyal ingenuity can excuse.
>
> The money should be disbursed as direct relief except for worthwhile and necessary work on a basis of cost, competitive with contemporary public construction.
>
> More than half of all this effort is prodigal pretense justified by nothing.

The above is the deliberate and measured judgment of a man with the courage of his convictions, prompted by his inherent patriotism and his desire to save his friend, the President, from the folly to which the latter has been committed from the minute Mr. Hopkins and Mr. Tugwell were brought into this picture.

Everyone is familiar with the fantastic proposal to establish a shelterbelt of forest 100 miles wide and 1,100 miles long, running from the Canadian border south through those "typical prairie States" we have recently heard about from Mr. Farley, which would cost many hundreds of millions of dollars. No thought was given to the fact that trees never have grown in this section and that authorities agree they never will.

Everyone should be by this time familiar also with at least some of the useless, senseless activities of Professor Tugwell, with his 17,000 faithful on the pay roll, drawing salaries in the amount of $2,000,000 per month. Most of us have heard of his Matanuska Valley project in Alaska, where he settled 200 families from the Lake States upon 40 acres of land each at a cost of $18,000 per family. The philosophy pursued seems to be that by shifting people around from where they are to where Dr. Tugwell thinks they ought to be, somehow in the process the subjects of his experimentation will realize the "more abundant life."

Congress has never approved the Passamaquoddy project nor the Florida ship canal. These were established by Executive order. The first, if and when completed, will cost the people of this country a hundred million dollars before it is paid for. The second, if and when completed, will cost taxpayers many times this sum before it is paid for. There is no economic justification for either.

Grand Coulee, Bonneville, and a dozen other great irrigation works were begun without congressional approval. They

are being constructed in the arid West with money allocated for that purpose by the President of the United States. These projects will bring into production millions of acres of land in competition with and add to the troubles of our already established and harassed farmers, who can now supply all necessary food for our people. They will cost many hundreds of millions of dollars, all of which our already overburdened farmers must help to pay.

Adding to the troubles of these harassed citizens is the administration's policy of reciprocal-trade agreements, under which our tariffs are being reduced and the importation of foodstuffs encouraged. These imports are rapidly increasing. The American farmer is finding his domestic market disappearing and the price for his products either reduced or held at a level which will not give him cost of production.

During the year 1935 there were imported into this country one and three-quarter billions of dollars' worth of farm and forest products, every pound of which could be produced on American farms. Give to the American farmer the privilege and opportunity to produce these things and our farm problem disappears overnight.

I have reviewed briefly only a few of the many useless and unnecessary activities, the cost of which is piling upon us a burden of debt we will find difficult to discharge.

Congress has just passed the last appropriation bill of this session, bringing the total amount appropriated for the fiscal year of 1937 up to the huge sum of $10,069,710,521.58. The total appropriated for the 4 years under Roosevelt is more than $36,000,000,000, a sum so colossal as to stagger the imagination. One can better appreciate its magnitude when he knows that it is $10,000,000,000 more than it cost us to prosecute a war across the seas and at the same time pay all other costs of government. Yes, he can better appreciate its magnitude when he knows it is $11,752,000,000 more than it cost to pay all the expenses of running this country from Washington to Wilson, a period of 124 years, during which time we paid in part the expense of the Revolutionary War, we paid in full for the War of 1812, the Mexican War, the Civil War, the Indian wars, the Spanish War, and paid every other expense of government.

According to the best information available, our national debt will within a few weeks reach a grand total of $36,000,000,000, fifteen billions greater than it was when Mr. Roosevelt became President, less than 3½ years ago. He has asked for and Congress has authorized increasing the national debt to $45,000,000,000. If he did not expect the debt to reach this figure, why did he ask for this legislation?

A public debt in reality constitutes a mortgage on the farms, the homes, all physical property, together with the productive capacity of our people. The people actually living on the 6,288,648 farms of the country, as disclosed by the 1930 census, constitute 25 percent of the total population. Consequently 25 percent of this Federal debt can be charged to the more than 6,000,000 farms. It constitutes a debt; in fact, a mortgage—although the owner of the farm did not sign that mortgage—of $1,420, on the average, on each of those farms. Six hundred dollars of that mortgage has accumulated since March 4, 1933, the day President Roosevelt was inaugurated, less than 3 years and 4 months ago.

What I have said about the situation the farmer finds himself in is equally true of every other citizen. They, their talents, their homes, their productive capacity, all are mortgaged, and that mortgage cannot be discharged until the last cent of that rapidly growing national debt is paid.

Don't you good folks out there believe with me that we should stop, take the time to examine our affairs, find out where we are going, and then do the one thing that can put an end to the present administration's squandering and waste that is rapidly placing upon our shoulders and the shoulders of those who follow us a burden of tax greater than any human being should be asked to bear? My friends, think this over and act before it is too late.

A MILLION MEN THROWN OUT OF EMPLOYMENT BY ONE NEW DEAL MEASURE

Mr. HOFFMAN. Mr. Speaker, the above is not a charge made by some disgruntled Republican, by some political critic, by an anti-New Dealer, by a chronic faultfinder. It is a statement of fact found in a New Deal governmental report.

True, it took a lot of digging to find it. It was there all the time, but the doors guarding it were securely locked, and the key was in the hand of the administration.

Under this New Deal there are endless Government reports made by experts appointed by the Government. Most of these reports are highly colored so as to favor everything the New Deal does, but every once in a while the truth comes to the top.

A group of Government experts were assigned to investigate the facts and to report on some of the results following the enactment of the A. A. A. In September of 1935 their report was made. It was signed by Secretary of Agriculture Wallace himself and put away in the file. Evidently the Secretary did not read it, or, if he did, he recognized the danger and did what he could to bury it securely, for Senators and Congressmen asking for it were told that the original was "not available."

A resolution in the Senate brought it to light and a Senator was permitted to read the original, which was then returned to Mr. Wallace's office. Later a revised report more acceptable to the administration was issued. But the original report still exists. It contains this paragraph:

> A permanent drastic restriction in domestic cotton acreage would cause serious problems of finding alternative opportunities for the labor and production resources normally used in cotton production. Rough approximations indicate that 27,000,000 acres in cotton harvested in the United States in 1934 utilized the services of almost 1,000,000 fewer man-equivalents than were used during the 5-year period 1928–32, when an average of 40,550,000 acres in cotton were harvested annually.

So here you have one New Deal measure, the operation of which took out of employment one million men in this one industry.

Let me repeat—these are the figures of the Government's own experts. They are as favorable at least as any honest investigation would disclose.

With this record in this one industry, are you wondering how many men were thrown out of employment by all the New Deal activities?

ROY E. AYERS—A FRIEND FROM THE WEST RETIRING FROM CONGRESS

Mr. WERNER. Mr. Speaker, we of the West feel the impulse of real friends and we measure friends not by the yardstick of what they do for us or by the measurement of how we can use them to advance our own personal or selfish interest. Rather the yardstick gives us the trueness of their character, the realness of their fiber, and the worth of their word, once given. When these attributes are displayed by a man who hails from the great open spaces—in the country out where the West begins—you may count one who calls you a friend a regular fellow—a man who thinks of you as a friend when all is well and rosy, and one who remains a friend when things go wrong and the going gets rough. There always comes the time in the West when true friendship is put to the acid test and rarely is one disappointed by a friend from the West.

Mr. Speaker, the gentleman from Montana, Mr. ROY E. AYERS, has announced his retirement from the House with the close of the Seventy-fourth Congress. ROY AYERS was a friend from the West. He grew up on the range. As a lad he rode the range in the open spaces and was at home on the round-up. Until he was 18 he was a cow hand with the Two Bar outfit. At work one day on the round-up his horse fell and Roy suffered a badly shattered leg. Unable to carry on with the work, his foreman of the outfit took Roy to Chicago on a cattle train and talked him into going to college to get an education. Roy listened and followed his foreman's advice. With money raised by the cow hands of his outfit Roy's expenses for his first year at Valparaiso were assured. During the summer vacations the boss-owner, Oscar Stephens, of the Two Bar outfit employed him on his old job, even providing transportation from Valparaiso to Lewistown and return each year. Finally, with an LL. B. degree, Roy returned to Lewistown, and again the Two Bar boss and the cowboys took him "under their wing." Stephens urged Roy to become a candidate for county attorney and placed every saddle pony at his order to use in the campaign.

Roy was a Democrat, and the prospects looked none too good to him. In Fergus County there were 1,500 votes, 1,200 of which were Republican. Not very encouraging for a Democrat, to say the least. But Roy ran, and with the help of his friends—the men who rode the range, mostly Republicans—when the votes were counted he was elected by a majority of 333. He filled the office of county attorney for two terms and declined to run for another term in spite of almost unanimous demand on the part of the people there that he do so. He did the job well, he did his full duty always and made many new friends, and, what is more, he never sacrificed his old friends to gain new ones.

Then, after several years of private practice, he was elected district judge, where he served for 10 years. He was elected to the supreme bench in Montana, but after 1 year's service he found the work too confining and not exactly to his liking. He resigned and returned to private law practice, where he was engaged until his election to Congress in 1932. It was here that I met him, and from the first day Roy measured up to the traditions of the West and has been my friend. Mr. Speaker, it was with deep regret that I learned of his decision to leave his work here. Men like ROY AYERS are needed in Congress. He was an untiring worker; he was always on the job. His task was a difficult one. For almost 4 years I served with him on three of the important committees of the House. I say "important committees" advisedly. The Irrigation and Reclamation, the Indian Affairs, and the Public Lands Committees of the House are the ones which deal with legislative matters vitally affecting the interests of such districts as are represented by Mr. AYERS and me. The Montana district he represents and the South Dakota district I represent have common interests. Alike largely in topography, soil, population, and diversity in resource, each with farming, mining, cattle and sheep raising, forests, parks, arid and irrigated sections, Indian population and problems, public lands, sugar-beet growing, small industrial activity, with labor problems to some extent, I feel that I am in a position, to a pardonable degree at least, to evaluate the service ROY AYERS has rendered to his own district and State as well as to the Nation during his service while a Member of Congress.

Mr. Speaker, of that splendid effort on his part I take the privilege to speak. ROY AYERS was not only alert to the needs of his district but he was ever helpful to his colleagues. On the range he rode as a boy he gained the enlarged vision of helpfulness. He did not limit his vision to a small circle but he held to the broader view he gained as the man on the horse when he rode to the top of the hill to gaze about. I have observed his service to the people of Montana, his first concern, and also his service to the Northwest and to the Nation. His wise and able counsel was a constant source of helpfulness and came in good stead as legislation was being studied and formulated in committee. He and I had the pleasure of serving on two committee groups of the House—perhaps the only two Members of the House who hold such honor. He and I are members of the Rocky Mountain group and also of the prairie group. Our districts are such that both groups deal with problems affecting our constituents. Here again I was able to observe the worth of this man's service in Congress.

ROY AYERS was a leader in the enactment of all progressive legislation during the sessions of the Seventy-third and Seventy-fourth Congresses. His membership on the Rocky Mountain group brought him into action on mining, public lands, parks, forests, labor, and irrigation legislation; and as a member of the prairie group he rendered valuable service to the agricultural interests in general. On special committees, such as the ones formed to continue C. C. C. camps, to promote the bonus payment and veterans' legislation, to secure recognition for sugar-beet growers, and national parks, roads, land use, and so forth, he was always active, always alert, and always wise and able counsel, and truly helpful.

Mr. Speaker, ROY AYERS was a fighter, an aggressive fighter but never offensive. He hit hard but he never hit below the belt. His service in the House was worth while. He was loyal to the leadership. He never deceived anyone. He was loyal to the President and a supporter of the New Deal. While he did not vote for every offering, he gave his support in large measure and only voted otherwise when he was forced to square his vote with a promise to his people or with his own conscience. A look at the record shows a service well performed. Everywhere in his district he leaves lasting reminders of his untiring efforts. On the record here he leaves his mark.

Mr. Speaker, ROY AYERS came from pioneer stock. His father was a pioneer in Montana and helped make much of Montana's early history. The son is a leader in his State where his efforts, counsel, and helpfulness is molding later history in the great State of Montana. He always stood foursquare. As private citizen, county attorney, district judge, supreme court justice, and as a Member of Congress, he measured up to the worth of a man from the West. His leaving is a distinct loss to this body. I am sure I express the wish of all of his colleagues when I repeat what the late Speaker Joe Byrns said to me while we were visiting a few days before he passed away. "This House can ill afford to lose such men as our friend ROY AYERS", said Joe Byrns to me. "I wish he would change his mind and come back to the House." And the beloved late Speaker meant every word he uttered, for he loved the House and he admired ROY AYERS for the sterling qualities he possessed.

Mr. Speaker, in conclusion, may I bespeak for ROY AYERS and his family every success and God's blessing in the field of his endeavor for many years to come.

ACTIVITIES OF THE PRAIRIE STATES FARM GROUP

Mr. STEFAN. Mr. Speaker, I believe that the CONGRESSIONAL RECORD would be incomplete unless some report is made to Members and to our constituents on the work done during the two sessions of the Seventy-fourth Congress by members of that organization known as the Prairie States farm group.

This organization had its inception in Sioux City, Iowa, just before the opening of the first session of this Congress. When we arrived in Washington we organized on a nonpartisan basis, with the sole thought to give united study and support to legislative proposals of particular interest and value to the people of the 10 States comprising the prairie group. We have held many meetings. We have exchanged many ideas and we have fostered legislation which we believe has resulted in untold benefit to the farmers and the constituents we represent. Much of the legislation we sponsored was successful in being passed in this Congress. In all of our work we were guided by our chairman, the Honorable GUY GILLETTE of Iowa, who, among others, worked throughout both sessions and guided this legislation until its final passage. With Mr. GILLETTE as our chairman we were able to keep our activities out of party politics, with the result that our constituents were given unusual service and representation. I was honored by Mr. GILLETTE in being made chairman of the subcommittee which worked for the protection of cereal grains, and became a member of the committee which successfully protected the market for American fats and oils. Under Mr. GILLETTE's chairmanship we were divided into various committees which rendered real service to the people of our districts and to the Nation. For information of Members I give a partial list of the things we were able to do through our affiliation with the Prairie States group.

By sustained and unceasing efforts we succeeded in securing, first, an interest cut on all Federal land bank farm mortgages to 3½ percent for 1935 and 4 percent for 1936 and 1937. Within the past week we have succeeded in securing House action approving an extension of this rate of 3½ percent for the coming year. In addition we have never ceased in our efforts to bring the Frazier-Lemke farm refinancing plan to the floor of the House for action.

We have fought and continue to fight to secure such reorganization of the Farm Credit Administration as will insure

the large measure of borrower control that was contemplated in the original act.

By sending committees to the President we were able to secure the large sum of money for emergency feed and seed loans last year to meet conditions of hardship resulting from the drought.

Through persistent efforts we were enabled to secure adequate action in making money available for the control of the terrible chinch-bug menace, which assistance met the severest threat of this kind of which we have record.

With the weed problem becoming a national menace we have secured national cooperation by the Bureau of Plant Industry with the various State organizations and an appropriation for the work which we hope will ultimately enable us to cope nationally with bindweed, thistle, and other noxious weeds which take toll of our crops, and in some cases destroy the farm itself.

We have introduced, are supporting, and still advocating various measures for enlarged domestic and foreign markets for our farm production. Corn-alcohol fuel blends, corn sugar, slash-pine paper, and building materials from corn stalks, straw, and waste material are some of the fields we have investigated.

We have been fully alive to the question of the importation of farm products that might be in permanent competition with our own production, and subcommittees have been working on the problem and have been in constant touch with the agricultural and State departments, with important results.

We caused to be introduced and now have pending a legislative proposal to save a market for 15,000,000 bushels of corn in the production of grain alcohol.

We have conducted numerous hearings and have had subcommittees working constantly in support of legislative proposals for cost of production to the farmer.

We directed Nation-wide attention to the trade agreements in connection with the production of hog serum, and secured farm representation at the hearings to prevent a move toward unnecessary increases in the price of serum to the farmer.

One of our best achievements was the prevention of the diversion of funds for highway improvement to main-trunk highways and away from our farm-to-market roads. Our work in this field was particularly successful in securing the earmarking of large funds for the improvement of the secondary roads, and the enlargement of the secondary-road program for 1935 and 1936 is almost wholly due to our organized insistence.

We were in touch constantly with the conditions resultant from the unprecedented drought of 1934 and 1935, and had committees working at all times with relief agencies, keeping the needs of the affected communities always in the fore. We sent delegations to the White House with this end in view.

We have had subcommittees whose special duty it was to assist in developing the field of rural electrification for the betterment of living conditions for our farm families, and we are confident that within the next 2 years the beneficial results of this program in our rural sections will be of almost incalculable value.

Having in mind the beneficial results of the corn-loan program, we have had subcommittees making a special study of the possibility of the use of Government credit for warehousing on the farm of farm products that can be kept without appreciable deterioration, and loaning to the farmer a sum sufficient to enable him to hold the warehoused product for the best market of the crop year.

While this is but a partial list, it gives some idea of the scope of our study and efforts. On my personal behalf, I wish to thank Chairman GILLETTE and other members of the Prairie States farm group for their assistance to me and to our group. I hope that future Members of Congress from these Prairie States will continue this organization in order to be helpful to those people they represent.

WHAT THE ROOSEVELT PROGRAM HAS MEANT TO MY DISTRICT

Mr. BOYKIN. Mr. Speaker, it has been my privilege to serve the people of the First District of Alabama since August 12, 1935, during the unexpired term of my able and universally esteemed predecessor, Hon. John McDuffie, who has been appointed to the bench of the Federal District Court for the Southern District of Alabama. It has been my good fortune to represent my district during the administration of one who, in my opinion, will rank in the pages of history with Washington, Jefferson, Lincoln, and Wilson, and who will be classed by historians as the most humanitarian Chief Executive in our Nation's history.

Our great President initiated a program at the time of a real national crisis which many other leaders would have lacked the courage to present for fear of the merciless reprisal of powerful groups who were more interested in a perpetuation of the old rule by privileged self-seekers than the welfare of the great masses of our distressed people.

The President stated at the beginning of his administration that he would not "bat a thousand" but would make some mistakes. In a program so vast and far reaching some mistakes were inevitable, but they have been negligible in comparison with the countless benefits showered upon our people of all classes. Despair and utter hopelessness were changed to hope, a new lease on life was given to millions of our people, and even those who now would crucify our President, and who during the darkest days of the depression crawled away to shelter from the storm and had not even one constructive word to offer, have seen the values of their securities, commodities, and real property holdings return from the vanishing point to sound, reasonable levels.

Several months ago I was invited to attend a meeting of the second oldest farm club in the United States at Ashton, Md. The members of this club are all producers of commodities, including wheat, corn, apples, cattle, hogs, and so forth, and during the course of the meeting the existing market price of each commodity was read into the minutes. I asked the secretary to compare these figures with those in the latter part of 1932, and I myself was amazed at what the President's program had done for these farmers by returning to them a price for their products which will enable them to make a profit, keep their farms and orchards and dairies in A–1 condition, and buy modern machinery and equipment. There were many men there who were not members of the Democratic Party, but they were fair men, who readily admitted that the President's program had helped them.

In my district we were fortunate in having as manager of the Home Owners' Loan Corporation office a man who was thoroughly familiar with real estate values in that area, and who, while a watchdog insuring the soundness of all loans, also personified the spirit of the act creating the Home Owners' Loan Corporation. I point with great pride to the record of this corporation in my district, the hundreds of homes saved, the many thousands of dollars spent in repairs, payment of back taxes and paving assessments, the restoration of the morale of home owners, and the liquefying of assets for the mortgage holders.

Another new Federal agency affecting our home owners is the Federal Housing Administration, which through May 31, 1936, insured 1,176 modernization notes in my district, totaling nearly a half million dollars, and accepted for insurance through April 30, 1936, 62 mortgages totaling over $200,000.

The President's program has benefited our agricultural population more than has any previous attempt to do so in our history. There is no question in my mind but that our farmers are the very backbone of our Nation, but heretofore they have been accorded but little real recognition. True, there have been promises galore, with only a small degree of fulfillment. In my district, through February 29, 1936, rental and benefit payments on cotton totaled $1,913,612, profits on cotton options totaled $447,478, payments under the corn-hog program totaled $17,235, or a grand total of $2,378,325.

Loans to farmers in my district through the Federal land bank from May 1, 1933, through December 31, 1935, numbered 164 and totaled $428,500; loans through the Land Bank Commissioner during the same period numbered 792 and totaled $773,750; loans through production credit associations from the date of organization through May 31, 1936, numbered 1,130 and totaled $475,743; and emergency crop loans from January 1, 1933, through September 30, 1935, numbered 7,918 and totaled $419,579; or a grand total of loans through the Farm Credit Administration numbering 10,004 and amounting to $2,097,572.

The Resettlement Administration has also been of great benefit in relieving distressing conditions in the rural sections of my district.

Another boon to farmers is the Rural Electrification program, under which there was recently authorized an investment of $65,000 in Clarke and Washington Counties in my district. There will be built 58.4 miles of electric distribution lines in previously unserved parts of these counties. These lines will take electric energy to 267 farm homes in that area.

Although the Tennessee Valley Authority does not directly affect my district, its program is of great benefit to my State and is, in my opinion, the beginning of a vast development, which will eventually build an industrial empire in the South.

The Public Works Administration has engaged in a program of sound and self-liquidating projects in my district, including waterworks and sewer systems, schools, and a huge cold-storage plant, totaling over $1,200,000 in Federal funds. On the approved list of P. W. A. projects in my district awaiting allocation of funds are self-liquidating projects totaling nearly $2,000,000.

The program of the Works Progress Administration has been well carried out in my district and scores of projects involving permanent improvements, such as community centers, schools, airports, armories, paved highways, oyster planting, and so forth, have already been completed and have given decent and honorable employment to many thousands of willing workers. Through June 17, 1936, 165 projects costing $2,017,487 were either completed or in operation. Prior to the organization of the Works Progress Administration, the Alabama Relief Administration expended over $5,000,000 in my district. The Civil Works Administration expended nearly $1,700,000.

The Social Security Board has just recently commenced to function and is one of the most meritorious of the President's agencies. The sums expended for aid to dependent children and old-age assistance in my district during February, March, and April of this year by the Board approximate $10,000. This amount is, of course, supplemented by the State of Alabama, and the total payments for the 3 months amount to nearly $25,000.

Another program which has meant so much to our youth who were striving for an education is the national youth program. This has functioned well in my district and has helped many young men and women since the date of its inception. Expenditures in my district to June 1, 1936, under this program, amounted to $32,469.

I have always been a firm believer of conservation of our natural resources, and in my district the Civilian Conservation Corps has accomplished more for our badly depleted forests than has been done in 50 years previous to its organization. Fire has been the nemesis of reforestation, and with the building of observation towers, fire lines, truck trails, telephone lines, and so forth, the control of fire has been simplified.

Our section is one of the greatest timber-producing areas in the United States, and if the C. C. C. program could be continued and extended, within a decade the cost of the program would be more than paid for. In addition to the benefits accruing to our forest resources, the C. C. C. has provided employment for hundreds of thousands of young men, many of whom would otherwise be roaming the highways of the Nation aimlessly, and possibly through necessity becoming entangled with the law on account of petty misdemeanors or possibly serious crimes. This program is building strong bodies for these boys, as it is building strong bodies for the trees in our forests. I had the satisfaction of helping in the fight to retain this program, which I consider one of the best presented by the administration.

There is another agency, the Federal Deposit Insurance Corporation, which, incidentally, is the result of the efforts of my esteemed colleague from Alabama, the chairman of the House Banking and Currency Committee, Hon. HENRY B. STEAGALL, which probably did more to reestablish the confidence of our people in our banking system than anything else. The loss of confidence in our banks by our citizens precipitated the critical condition which prevailed when our great President took the oath of office, and had it not been for his heroic and courageous and instant action in this crisis, it is difficult to even imagine the chaos which might have resulted. The F. D. I. C. cemented the confidence which gradually returned when our President took over the reins of Government.

I cannot review these various Federal agencies without mentioning the Reconstruction Finance Corporation, which, under the able chairmanship of Hon. Jesse Jones, and through its subsidiaries, has been of great assistance to banks, business, and industry. Only recently a loan of $30,000 was granted to an industry in my district which will mean the employment of scores of men and the development of one of our natural resources. The loan is absolutely sound and was made only after a most thorough investigation. The Commodity Credit Corporation helped the naval stores industry and cotton farmers in my district last year by holding the price of these commodities at a level at which the producers could make a fair return on their investment, and I believe by orderly marketing of their stocks no loss will be sustained by the Government.

Several million dollars have just been poured into my district in the form of adjusted compensation certificate payments, and over a period of years veterans' compensation payments and insurance will total more millions. Our veterans have been assured a new Veterans' Administration Facility in Alabama, with sufficient space for 250 general medical and surgical beds and regional offices accommodations. The present facility at Tuscaloosa is to be converted to a neuro-psychiatric facility of approximately 350 beds. This program will eventually mean an expenditure in our State of $1,500,000. The welfare of our disabled veterans has been given prime consideration by our President.

The deficiency bill just approved by both Houses carries an amendment to the Soil Conservation and Domestic Allotment Act which will assure to the naval stores farmers benefits proportionate to those received by producers of cotton, tobacco, and other farm crops. There are millions of pine trees being farmed in my district. This industry gives employment to many thousands of workers. The provisions of this amendment will directly affect a large percentage of my constituency.

There are many other ways in which this administration has helped my district, such as through large expenditures on river and harbor improvements, inland waterways, and so forth.

Alabama has every reason to be proud of our great Democratic President. He has cooperated wholeheartedly with our Governor, our two Senators, and my fellow Representatives from Alabama in promoting Alabama's best interests. Alabama is proud—and, yes, grateful—for the elevation of one of her native sons, and one of her greatest statesmen, to the Speakership of this great House, and our President is assured the sympathetic understanding of this great Alabamian in continuing his humanitarian program.

Alabama will cast her 22 votes for Franklin D. Roosevelt at the Democratic national convention next week and will give him one of the most sweeping votes of confidence at the polls in November that has ever been accorded a Presidential candidate.

HOW CAN WE EMPLOY THE UNEMPLOYED?

Mr. BURDICK. Mr. Speaker, the number of unemployed is increasing daily in spite of the appropriations we have made for the purpose of creating employment. The number today of those out of employment who want and cannot get employment is 12,840,000, the highest in the Nation's history. I may add another startling fact in this connection, and that is if we pursue the policy of the present administration or return to the policy incorporated in the Republican platform recently adopted at Cleveland this number will increase instead of diminish.

In order to know what to do about putting these people back to work, we should make some inquiry into the source from whence they have come. What did this vast army of people do in the past when they had work? Why are they not working at their regular trade or occupation now?

To begin with, the average number of unemployed people in this country for the last 25 years have been approximately 1,500,000. In what may be said to be normal times we have about that number always unemployed. We can, therefore, properly deduct this number from the 12,840,000. This deduction leaves 11,340,000 out of work in excess of the normal amount.

The Republican platform asserts that if industry is freed from unnecessary Government restrictions that the unemployed would find work.

In other words, they rely upon industry to solve the unemployment situation. We may, in this argument, assume that industry is freed from every restriction that retards its business. What would happen? Would there be jobs for the 11,340,000 jobless? Not at all. If private industry were thriving as it did in the balmy business days of 1929, no more than 2,000,000 people could possibly find employment. In fixing this number at 2,000,000 we must also assume that industry now would use the same manpower as it did in 1929; and, of course, scientific invention has moved right along since 1929. It is, therefore, certain that industry, taken at its own word, cannot solve the unemployment situation, and it is sheer bunk to say that private industry can do the job.

Inventions are constantly displacing labor. Machines operated by 1 man can and do turn out the output formerly requiring 6 to 12 men. In many cases the displacement ratio is greater than this. It is impossible to stop invention and scientific improvement. We should not want to stop it. Labor-saving devices free the worker from slavish toil and, on the other hand, should produce goods more cheaply and make it easier for the people to purchase and consume them. But it is inexorable that many thousands of laborers, displaced annually by scientific inventions, must find some other employment.

Regardless of the depression, there is no question but what a good portion of the unemployed arrived where they are now because of the displacement of manpower by machinery. The first question now to be asked and answered in this connection is: Should we discard the machines and return to the days when manual labor did what the machines do today? No; that would not settle the question, because our great number of unemployed today did not come from the factories that displaced manpower by the installation of new machines. Some of them did come from that field, but probably not over 500,000 out of the 11,340,000.

Where did the others come from? Where will they have to go before they can make an independent living? The largest percentage of the unemployed are there today because they were either driven out of their farm homes by foreclosures and dispossessions, or were displaced by those who have been so foreclosed and dispossessed. Since 1920, 2,000,000 farm homes have been foreclosed and today 2,000,000 more are on their way to foreclosure. There is no Government agency as now set up that is able, under the rules adopted and the law enacted, to make loans to relieve those in distress. The inevitable result will be foreclosure. The farm people will be put out and when that is done they will have to drift toward the villages and cities. This adds more to the list of unemployed and there will be no end to this situation until the farm homes are saved.

There must be a plan of action devised that will save the remaining farm homes and make it possible for the idle millions to acquire a home on the soil. There are only two moves which can be made which will put the unemployed back to work:

First. We must pay the farmer and the laborer more money, and in order to do that we shall have to take this money from someone else who is getting too much. For illustration, let us take a dollar spent today for fabricated merchandise. Here is that dollar dissected:

You will notice that labor gets only 16 percent of the dollar; the farmer gets 12 percent; interest takes 33 percent; taxes, 20 percent; excessive profits, 9 percent; salaries, overhead, and so forth, 10 percent. It should also be remembered that the 20-percent taxes mentioned here is not the taxes of the laborer or farmer, but the taxes of business passed on to the consumer. The item of 33-percent interest stands in the same class—it is not the farmers interest or the laborers interest. If they have any such to pay, and surely the farmer has, they must pay that individual interest themselves.

Now, if we are to reestablish purchasing power and start the wheels of industry, we must give labor more than 16 percent and the farmer more than 12 percent of this dollar. Where shall we take it from in this diagram? It will be at once apparent that the item of interest, amounting to 33 percent of the whole, is the place to start first. Dissect this section and spread it over to labor and the farmer and the question of purchasing power would be on the road to adjustment. Take some out of the tax section and we would be almost normal. Take a little more out of excess-profits section and the whole job would be complete. When completed the wheel would look about as follows:

Labor, 43 percent; farmer, 30 percent; salaries and overhead, 25 percent; replacement, 2 percent.

Second. Permit the millions who want a home on the soil to get it under a Government plan of finance that shall insure them a chance to gain a home with honest labor, and in the meantime permit them to sustain themselves without being forced on a Government dole.

I know of no other way by which we can ever expect to put the many unemployed millions back to self-sustaining positions. The longer we delay this program the more the number of the unemployed will be increased. To rely on industry to do this job, even though every restraint imposed by law were removed, is to overlook all facts so obviously before us.

RECIPROCAL-TRADE AGREEMENTS

Mr. WOODRUFF. Mr. Speaker, recently the America's Wage Earner's Protective Conference, an organization composed entirely of representatives of American union labor organizations, through its president, Matthew Woll, called attention to the following philosophy set forth by President Roosevelt in his New York speech:

> Higher wages for workers, more income for farmers, means more goods produced, more and better food eaten, fewer unemployed, and lower taxes. That is my economic philosophy, and, incidentally, my political philosophy as well. I believe from the bottom of my heart that it is the philosophy of the 1936 America.

After calling attention to the rapidly increasing imports of both industrial and agricultural products, Mr. Woll stated:

> America's workers cannot secure employment, let alone secure higher wages, when products comparable to what they produce, produced in foreign countries, are delivered into American markets at delivered prices which are less than American costs of production of comparable goods.
>
> America's farmers cannot secure higher prices for their products when products of foreign nations are delivered into American markets at prices which are less than our costs of production, which prices of foreign products govern the prices our American farmers must accept for their products.

Mr. Woll called attention to a typical example of the difficulties which American industries face at the present time from industrial imports from foreign countries. He called attention to a report of the Tariff Commission which stated that some 30 percent of all chinaware yearly purchased in the United States is made in Japan, where the workers receive less than $4 per week for 60 hours of labor; that in the production of pottery at least 50 percent of the wholesale selling price represents what is paid to the workers; and that American workers receive an average of $18.50 per week of 40 hours. It must be perfectly apparent that American potters cannot hope to secure more wages or shorter hours as long as the Japanese continue to land their wares in this country at a price which will absolutely control the American market.

Another typical example to which Mr. Woll referred was the one presented by imports of butter from the distant shores of New Zealand, and the effect these imports had on the American market.

In January 1935, 92-score butter at Chicago was 34.17 cents per pound. Danish butter in London the same month was 20.26 cents per pound. New Zealand butter in London the same month was 17.77 cents per pound. These quotations, with slight variations, are indicative of the butter situation throughout the entire year of 1935.

In New York City, 92-score butter in December 1935 was 34 cents per pound. When considering these quotations, it must not be forgotten that freight rates from Western Europe, New Zealand, or Japan to the New York consuming area are from one-fifth to one-half the costs of transporting comparable American goods by American railroads to these same coastal cities. The result is that thousands of American railroad workers suffer the loss of employment, and American industrial workers and American farmers surrender, in part at least, our consuming markets to the more advantageously situated and lower-wage-paying foreign producers.

Mr. Woll requested that the revenue bill now before the Senate be amended by inserting the following amendment:

The Secretary of the Treasury is hereby authorized and directed to collect an excise tax on the entry into the United States on all goods, articles, or commodities, which goods, articles, or commodities are dutiable under the Tariff Act of 1930, or upon which an excise tax was imposed. The tax herein assessed and levied shall represent the difference, less 8 percent, allowed for profits and handling charges, between landed costs of foreign goods, articles, and commodities and the American wholesale selling price or cost of production, whichever is higher, of similar or competitive goods, articles, or commodities the products of American workers or farmers. Such tax shall be assessed and collected notwithstanding any other provision of law.

This amendment was not written into the law, but had it been it would, of course, have given the domestic producer at least a fair chance in the markets of our seaboard consuming centers.

One can understand the importance of this question when he knows that under the reciprocal trade agreement treaties we are constantly lowering our tariff wall, instead of increasing it. Certainly the objectives of the President, as expressed by him in New York, can be reached only if and when he or the next administration does a complete right about face and gives to the American farmer and American worker their fundamental rights to the American market.

It must be apparent that if the present policy continues the results, instead of being what the President is seeking, will be: Lower wages for workers, less income for farmers, less and poorer food eaten, fewer employed, and higher taxes.

The Presidential objectives are admirable, but he cannot reach those objectives and continue the road he now travels. It would seem that the present condition of American agriculture and the 12,184,000 unemployed American citizens walking the streets looking for jobs would cause the gentleman in the White House to stop, look, and listen.

THE CASE OF CONGRESSMAN HOEPPEL, OF CALIFORNIA, IN THE DISTRICT OF COLUMBIA COURT WARRANTS THE PASSAGE OF MY BILL, H. R. 9970, IN THE INTEREST OF JUSTICE

Mr. MORITZ. Mr. Speaker, I recently introduced a bill to remove criminal proceedings against Congressmen from the District of Columbia to some other Federal court, when so requested by the defendant, where the offense charged is of a serious or criminal nature.

It is generally recognized that there is a distinct prejudice in the courts, among the police and the population generally here in Washington, against Members of Congress, which prejudice would not operate against an accused Member of Congress in the event he were permitted a change of venue from the District of Columbia to some other jurisdiction, as might be authorized in the event he were accused of crime in any State.

It is only natural, in a sense, that prejudice should exist here against national legislators because they do not always respond to the demands made for more pay and other emoluments for the residents of the District, of whom over a hundred thousand are on the Federal pay roll. Practically everyone here in Washington wants more salary or fees, and their claims are constantly being brought before Congress, where they are generally turned down.

As higher salaries and other considerations never come fast enough to satisfy them, the blame for all their troubles is usually laid on the independent Members of Congress who oppose such inroads on the Treasury. They thank the administration which appoints them and condemn the Congressmen who fix their pay or limit their prerogatives. In this connection, it might be said that the officials here draw more pay than the average individual in the Nation. It so happens that the people in the District of Columbia cannot vote against the Congressmen, so if they can stigmatize a Congressman, by fair or foul means, they are usually quick to grasp the opportunity. In such an atmosphere of resentment and animosity toward congressional legislators, the difficulty of securing for a Member of Congress an impartial jury trial must be obvious.

I have introduced H. R. 9970, in order to give Members of Congress a fair trial away from this unfair and unfriendly atmosphere. In most States, if a defendant is brought to trial where the judge or jury, or both, are against him, or where the public sentiment is overwhelmingly against him for some reason, he moves for a change of venue to a new court where neither judge nor jury will be prejudiced to him because of local sentiment. That is all this bill, which I have introduced, seeks to provide, viz, a chance for a Congressman to get a change of venue to a place where the air is not surcharged against him.

Another point which I consider of great importance is that public officials in Washington get their appointments directly or indirectly from the administration; and too often the administration uses its forces to convict an independent Congressman when it wishes to run the steam roller over him. It may be well to mention here that the Huey Long supporters who were indicted while Huey Long was fighting the administration now find the indictments quashed since the Long machine has made peace with the administration.

In the case of Congressman JOHN H. HOEPPEL, of Arcadia, Calif., I am confident that could he have been tried in an ordinary court under ordinary circumstances and conditions the case would not have been considered for an hour by the prosecutor, and no jury would have convicted for the simple reason that there was not one sentence of conclusive evidence presented against the Congressman.

The facts in the case appear to be that Congressman HOEPPEL is not a "rubber stamp" or a "yes man"—that he votes in the interest of his constituents, and not as the big bosses tell him to vote. The Congressman was warned by "Big Boy" Farley to travel with the administration and not oppose it. The Congressman would not accept Farley's advice, and, apparently for this reason, Mr. Farley decided

he should be punished. As a result his patronage was taken away from him and given to the junior Senator from California. The Congressman remained true to his convictions and voted as his good judgment dictated.

Briefly, what are the high points in the case against Congressman HOEPPEL? The Congressman had nominated his son to West Point. The young man failed the examination. Two high Army officers, whom the Congressman knew when he was in the Army service, recommended a young athlete, James W. Ives, of Baltimore, Md., to the Congressman. Congressman HOEPPEL nominated their choice—this young athlete—to West Point. Ives had never seen the Congressman up until the time he resigned, which was 5 days after the Congressman had nominated him, although he could have seen him any day by getting on the bus and coming to Washington at a cost of only 50 cents. It must be remembered that Ives wanted to go to West Point, but after he had the nomination he suddenly did not want to go and resigned the nomination.

Ives claims that just before the appointment was made Charles Hoeppel, son of Congressman HOEPPEL, using the name of "Charles Alexander", approached him and offered to see that Ives secured the appointment for $1,000.

Ives claimed he gave a note for $1,000 payable to "Charles Alexander", but no note nor any evidence to corroborate Ives' statement was presented, nor did Ives himself claim to have referred in any way to such a note in his only conversation with Congressman HOEPPEL which took place 5 days after he was nominated. At that time, he stated, according to Congressman HOEPPEL, that he wished to resign for personal and other reasons, which explanation the Congressman accepted in good faith, and Ives himself subscribed to in his written resignation. Moreover, shortly thereafter, Ives married, which made him definitely ineligible for West Point inasmuch as married men cannot be admitted to the academy.

The only "evidence" even tending to implicate the Congressman was the contradictory, uncorroborated testimony of Ives, which was impeached by the testimony of Congressman HOEPPEL, his older son—not in any way involved in the case—who was present at the time Ives resigned, and two of the Government's own witnesses. To me it is an alarming indictment of justice that a jury, and court officials appointed by this administration, should accept 100 percent the uncorroborated, contradictory testimony of a confessed conspirator—if there was a conspiracy—and reject the corroborated, positive testimony of Congressman HOEPPEL and that of two of the Government's own witnesses. It is my belief that no jury outside of the District of Columbia would have convicted the Congressman. As an experienced member of the bar, I am astounded at the ease with which convictions are obtained in Washington, D. C., especially when the individual is one of national prominence, and, as in this case, where he was publicly known as an independent representative who could not and would not be coerced by the administration.

If the athlete Ives had sworn he gave Congressman HOEPPEL $1,000 in cash, his story would appear more plausible; but that his story that he gave a nonnegotiable note, payable to a fictitious name, should have been unquestionably accepted, shows, in my opinion, a determination to convict at all costs. No intelligent person would accept a note, such as was alleged to have been given Congressman HOEPPEL'S son, and certainly a criminal would have demanded cash. Yet the G-men, the prosecutor, the jury, and judges accepted the story of the note. Had I been on the Hoeppel jury and thought Congressman HOEPPEL had accepted that note, I would not have thought him a criminal but an idiot, for no sane man would take a bribe in the form of a fictitious note. Of course the Supreme Court of the United States will reverse the decision of the lower courts.

Fighting Congressman HOEPPEL could be convicted of making the first speech on the floor of the House for the Townsend old-age-pension plan; of voting against most of the unconstitutional bills urged by the administration; of opposing the enactment of the officers' promotion bill, sponsored by the War Department, which permits able-bodied Army officers to retire at 37 years of age at $150, and more, per month; of voting uncompromisingly in the interest of the veterans, enlisted men, and Government workers; of championing the interest of the poor people at all times; of opposing gag rule; and chumming with the progressives of the House.

In the face of organized administration opposition, Congressman HOEPPEL supported the Frazier-Lemke bill to lend money to farmers, and also the Sadowski bill to lend money to all real-estate owners at cost of money. That would mean that farmers, workers, and merchants would be placed on the same basis as the Federal Reserve bank—it borrows $1,000 from the United States Government for 30 red cents, the cost of the bills.

Congressman HOEPPEL believes the great masses of common people in this Nation are as good as the banks and votes accordingly. As a result, the "Big Boys" are persecuting him. The people of the Twelfth Congressional District of California should rally to such a champion as Congressman JOHN HENRY HOEPPEL and give him a bigger vote of confidence than ever before. In my opinion, common justice will acquit him in the eyes of all intelligent, fair-minded persons, and it is common justice only, denied in the District of Columbia, in this case, that I am seeking to insure in the future for Members of Congress through the enactment of my bill, H. R. 9970.

THE VITAL ISSUES OF 1936

Mr. MARCANTONIO. Mr. Speaker, Congress is about to enact the last scene of the last act. It is only proper, therefore, that we pause and take inventory. The question which the American people will ask themselves is, Just what has Congress done to solve the most vital problems facing our Nation?

Many theories are advanced as to just what these problems are. No matter what is said and done, no matter how powerful the smoke screen of political propaganda may become from now until election day, no matter how spell-binding the political oratory may be, the most important issue before the people is to put the unemployed back to work at a living wage. Despite the fact that financial and industrial recovery has practically reached the status of 1928, we still have the problem of unemployment. In the past, with the end of the financial and industrial crisis, we had few unemployed left during the period of so-called recovery. Today the residue of unemployed is so large that despite the so-called recovery, the unemployed remain our most important problem. Despite the importance of this problem no step has been taken by Congress toward its solution. The only proposal has been killed in committee.

In the meantime, until this problem is solved, the most important immediate issue before the American people is that of caring for the unemployed. The welfare of the American people depends on the standard of living of the unemployed. Lower that standard of living and we imperil the welfare of the entire Nation. Contrary to the false optimism emanating from the Department of Labor and other governmental statistical bureaus, we still have 12,626,000 unemployed. This figure is conservative. It was compiled by the conservative leadership of the American Federation of Labor and released by it on March 2, 1936. It also stated that the month of January 1936 showed an increase in unemployment of 1,324,000—the largest since 1931. Its comment was, "To lose ground to such an extent at this time is nothing short of tragic." Therefore, the "recovery is here" ideology upon which the appropriations of only $1,425,000,000 for unemployment relief is based is unrealistic. The dismissal of 700,000 workers from W. P. A. is based on the same artificial and wishful premise. The money-saving, cruel, chiseling devices employed by the local relief bureaus, such as in New York City, at the expense of its staff and clients, is in accord with

this false policy. The New Deal relief program today is not much different from that of Herbert Hoover in 1930. Mr. Hoover attempted to solve the problem by waiting for lady prosperity to come from around the corner. The New Deal is trying it by proclaiming loudly and smilingly that she had kept her date and is now promenading with the president of the chamber of commerce along Main Street.

Mr. Hoover then contended that very little should be expended for unemployment relief. The New Deal is rapidly approaching the same position. The New Deal on December 1 discontinued contributions for direct relief and relegated unemployables to local charity, which is admittedly grossly inadequate. While it professes its desire to care for the employable unemployed, it nevertheless now refuses to continue to provide for the 700,000 of them who will have been discharged by the end of this month—42,000 of them from New York City alone—and many more after June 30, 1936. It has also refused to provide for those who have become in need of W. P. A. employment since November 1, 1935. Those who will remain on W. P. A. will continue to be recipients of an un-American security wage. So that despite the fact that an appropriation of $4,800,000,000 was found to be entirely inadequate to cope with the problem of caring for 12,000,000 unemployed during the fiscal year of 1935–36, we have now appropriated only $1,425,000,000 to deal with the same number of unemployed for the fiscal year of 1936–37.

What is to become of the 700,000 W. P. A. workers who will have been discharged by June 30? The argument is advanced by the "prosperity is here" spokesmen that it is assumed that private industry will absorb a large number of these unemployed. Whether or not private industry will absorb these remains to be seen. Whether or not the problem is as simple as that also remains to be seen. Technological displacements and other economic factors cannot be left unconsidered if we want to solve this problem. In the event that private industry does absorb a large number of these W. P. A. workers who will have been discharged by the end of June 30, these workers will be employed at substandard wages. We are forcing them to choose between starvation budgets from relief bureaus or work at substandard wages. The inevitable choice, forced especially by the cooperation of the local relief bureaus with exploiting employers, will be the acceptance of work at starvation wages. Once we force employment at substandard or starvation wages we will have destroyed the much-vaunted American wage structure. Tear down the American wage structure and we increase instead of decrease the number of unemployed.

So that, despite the obvious and urgent necessity for adequate relief appropriations sufficient to guarantee unemployables on relief life in health and decency, and unemployed on W. P. A. a living wage, the Congress of the United States has retreated and has cut down appropriations to such an extent that it has become necessary to discontinue Federal contributions for direct relief and to deprive over 700,000 W. P. A. workers of even the starvation pittance which they are receiving as wages on W. P. A. projects. The sum appropriated by the Congress of the United States of $1,425,000,000 is, as a matter of fact, $75,000,000 less than the sum recommended by the reactionary National Economy League. The relief passed by the Seventy-fourth Congress in its second session constitutes a sweet victory for the Liberty League over the unemployed. The American Tories have cause to rejoice, since their views on relief, recommending cuts in relief appropriations, have now been adopted by the New Deal Congress. It seems to me that the New Deal Congress has been fighting the Liberty League by making faces at it and has been using only words. In deeds it has surrendered.

Hence, as for the unemployed the New Deal has substituted in place and stead of the Hoover fantastic myth of two chickens in every pot the stark reality of two wolves at every door. In the face of this appalling situation and drastic reductions in relief appropriations, we are confronted with 22,000,000 persons still dependent on public charity in some form or another. They are dependent either on starvation direct relief budgets or on starvation security W. P. A. wages. Congress has failed miserably to provide for these people.

I introduced a bill known as the Marcantonio Relief and Work Projects Standards Act. This bill contained the recommendations of the unemployed, social-welfare organizations, charity workers, and trade unions. It is based on the following six principles:

First, the unemployed are victims of an unjust economic and social system which has failed, and they are without work due to no fault of their own, and the general welfare of the American people depends on the welfare of the unemployed; second, therefore they should not be treated as objects of charity but as a matter of right should be given work at a living wage during their period of unemployment, and as a matter of right the unemployables should be furnished relief on the basis of a minimum necessary to maintain life in decency and health; third, the burden for accomplishing this should be borne by those who have profited from a system which creates unemployment; fourth, the unemployed are to participate in the administration of work and direct relief; fifth, something should be done toward a permanent solution, such as reopening and operating shutdown factories by and for the benefit of the unemployed; sixth, State and local funds are inadequate, and Congress therefore should make adequate appropriations.

Accordingly my relief bill provides for an appropriation of $6,000,000,000—$2,000,000,000 in grants to States for direct relief; $2,000,000,000 in grants to States for State and local work projects and for projects required for operation by States or municipalities of abandoned factories, mines, and other enterprises for the purpose of providing employment and producing goods for use—none of these funds are to be used for financing privately owned enterprises—$2,000,000,000 for the continuance of W. P. A. The $6,000,000,000 shall be expended for the fiscal year ending June 30, 1937.

The bill also provides for certain standards. The relief standards guarantee sufficient and nourishing food; decent housing; appropriate clothing as to season and comfort; medical and dental care; replacement and renewal of essential household goods; carrying charges on homes owned by relief clients, provided such charges are not in excess of rent allowance; the maintenance of relief clients' membership affiliations in his religious, fraternal, political, or social organization; necessary transportation and communication expenses. All those who do not receive an income from any source equal to the minimum standard established in his locality as necessary to maintain life in health and decency for himself and dependents would be eligible for relief. Those who receive an income less than such minimum would receive the difference. All payments are to be in cash. No such person shall be disqualified because of sex, race, color, creed, citizenship, residence requirements, political or labor affiliations, refusal to work at occupation for which he is not fitted, refusal to work because of a strike or lock-out, refusal to work at substandard conditions of hours and wages, or refusal to work where he is required to scab or join a company union.

It also provides for standards on work projects, such as prevailing wages, but in no case shall weekly compensation be less than the minimum necessary to maintain life in health and decency for the worker and his dependents, 30-hour week, collective bargaining, workmen's compensation, work at one's own trade and according to his skill, and no discrimination. Preference would be given to those projects which would be of a permanent and useful nature.

All persons unemployed and capable of work would be eligible for work on these projects.

The relief and work projects would be administered by a commission of 15—5 to be unemployed, appointed by the President from panels of names submitted by organizations of unemployed, 5 from panels of names submitted by social workers, and 5 from panels of names submitted by the Works Progress Administration.

No State would be given grants unless it had adopted relief and work-project standards and plans conforming with those set up in the bill. The commission would pass on the plans of

the various States before allocation of funds were made to them. The States, in addition, in order to qualify, must set up State and local boards giving the workers and relief clients one-third representation. The local committees shall fix minimum standards for the locality, and a dissatisfied worker or relief client may appeal to the local committees and may make a final appeal to the State committees.

The administering of the Federal work projects would be in the hands of regional and local committees giving the workers one-third representation. The local committees would fix minimum standards. Again, dissatisfied workers may appeal to the local committees and may make final appeal to the regional committee.

The usual question will now be asked, Where are we going to get the money? Many sources exist. Reduce to a minimum the more than a billion dollars appropriation made for war purposes. Apply the British tax rate on all individual and corporate incomes, inheritances, and gifts over $5,000 a year. This source will be more than ample.

While legislation such as this, which means life in health and decency for the unemployed, has been killed in various committees on the ground of economy, the Seventy-fourth Congress has not hesitated to appropriate over a billion dollars for war. While 700,000 W. P. A. workers will have received their discharge slips—the dreaded pink slips, as they call them—by the end of June this Congress will have appropriated over $1,000,000,000 for war purposes. Over a billion for death and inadequate funds for the unemployed. All under the guise of national defense! National defense, as I understand it, is the defense of our shores against invasion. I am not a fanatical pacifist; I believe in defending the United States. If the time should ever come I would not hesitate to do my share in fighting in defense of our homes. But why spend over a billion dollars when we cannot even identify the enemy that will invade the United States? Do we need over a billion dollars for defense against an invading foe? If we are not preparing against an invasion, what are we preparing for? Are we preparing for another imperialistic war? Are we preparing, perhaps, for another war to end all wars and for another war to make the world safe for democracy? Why are we appropriating over a billion dollars for destruction? Whom are we going to fight? Where is the enemy? Can anyone mention the enemy? I have repeatedly from the well of the House challenged Members to reveal to us the name of the enemy, and no one as yet has even given us an inkling as to his identity.

We are preparing for war, and when we prepare for war we will have war and not peace. We are preparing for a war not in defense of our homes but an imperialist war, a war to insure financial and imperialistic interests. The American people want peace; they do not want to send overseas the flower of American manhood to guarantee and insure financial and imperialistic interests of various groups in the United States. The American people do not want to see the forgotten man buried under the keels of battleships.

Thus we see that while a tidal wave of militarism has swept over the Congress of the United States, while it has indulged in an orgy of steel-helmeted extravaganza, insane expenditures for death, a cavalcade of madness, billions sacrificed on the altar of war, the unemployed have been relegated by the same Congress to the rugged individualism of starvation and misery.

The second most important issue before the American people is: Is industrial and agricultural democracy constitutional? The Supreme Court of the United States has declared industrial and agricultural democracy unconstitutional. In the decision of the N. R. A. and on the Guffey Coal Act the Supreme Court has decreed that the regulation of wages and hours, the relationship between employer and employee, are purely local matters, and that the representatives of the people in Congress have no right to regulate industry for the general welfare of our people.

In the A. A. A. decision the Supreme Court of the United States decreed that agriculture was likewise a local problem and that the representatives of the American people assembled in Congress could not so regulate agriculture for the general welfare of the people. While the Supreme Court in the N. R. A. and Guffey cases held that hours and wages were local problems, in the minimum-wage law case the other day it held that the States, in dealing with these problems locally, had no power to regulate hours and wages. It declared the exploiter of women and children immune from any legislation. It canonized the exploiter of labor and draped around him the Constitution of the United States. Was it ever intended by the founding fathers that the Constitution of the United States was to be used as a protective cloak for those who would exploit women and children in industry? The Supreme Court of the United States has interpreted the Constitution contrary to the spirit of those who wrote it. It has violated the letter and the spirit of that document.

In the words of Abraham Lincoln in discussing another infamous decision of the Supreme Court of the United States—the Dred Scott decision—which was wiped out only by bloody civil war—

> The Supreme Court has got the doctrine of popular sovereignty down as thin as homeopathic soup that was made by boiling the shadow of a pigeon that had starved to death.

The Supreme Court has interpreted the Constitution of the United States in terms of an ox-cart economy of 1787, and has closed its majestic portals to the light of the present-day airplane age of machine and mass production.

What has the Congress of the United States done to deal with this problem? Amendments have been offered, suggestions have been made, but the leadership of the Seventy-fourth Congress has killed in committee every single proposal that dealt with the Supreme Court or with the Constitution of the United States. It is obvious to every person who is in the slightest degree realistic that industry and agriculture are today national in character and therefore must be dealt with on a national scale and by the national Government. It therefore has become necessary to amend the Constitution to give the representatives of the American people assembled in Congress this power.

However, an amendment to the Constitution requires two-thirds of both Houses and ratification by 36 States. When we consider that the problems are immediate, and that the amending of the Constitution would take too long, and when we also bear in mind that there has never been an amendment to the Constitution affecting property rights except after a violent struggle, all other amendments having been amendments only as to form, and when we consider the lagging progress of the child-labor amendment, then it becomes necessary to find a more immediate and speedier remedy.

Nowhere in the Constitution of the United States do we find any authority vested in the Supreme Court to declare null and void the enactments of the representatives of the American people assembled in Congress. The proceedings of the Constitutional Convention record that on two separate and distinct occasions the founding fathers voted down resolutions giving the Supreme Court the power to veto laws enacted by Congress. For 50 years, from the decision of *Marbury* v. *Madison* to the Dred Scott decision, the Supreme Court never dared declare a law passed by Congress unconstitutional. The reason is apparent to all, for during those 50 years there still lived in our country those same patriots who made the American Revolution possible and who were fully acquainted with the meaning and intent of the Constitution of the United States.

Thomas Jefferson said, with reference to the Supreme Court:

> It has long been my opinion that the germ of dissolution of our Federal Government is in the Federal judiciary—an irresponsible body working like gravity by night and by day, gaining a little today and a little tomorrow, and advancing its noiseless step, like a thief over the field of jurisdiction.

Then again Jefferson said, with reference to the Supreme Court:

> The great object of my fear is the Federal judiciary. That body, like gravity, ever acting, with noiseless foot and unalarming advance, gaining ground step by step, and holding what it gains, is engulfing insidiously the special governments into the jaws of that which feeds them.

How prophetic were these words of Jefferson! We can certainly see how much territory the Supreme Court has usurped from the days of Jefferson to the minimum-wage law decision. But Jefferson defined the powers of the Court. He said:

> It is a very dangerous doctrine to consider the judges as the ultimate arbiters of all constitutional questions. It is one which would place us under the despotism of an oligarchy * * *.

And again he said:

> The Constitution has erected no such single tribunal, knowing that to whatever hands confided, with the corruptions of time and party, its members would become despots. It has more wisely made all the departments coequal and cosovereign within themselves.

A group in Congress today adheres to the same views outlined by Jefferson. Rather than wait for a constitutional amendment and a catastrophe which may take place before the adoption of such an amendment, we believe that by simple legislation the power of the Court should be curbed. We can legislate to the effect that the Supreme Court and all of the other inferior courts shall have no power to pass on any question involving the constitutionality of any law. The American people must defy the Supreme Court through their Representatives in Congress. This defiance can take place in the form of legislation depriving the Court of its tyrannical power.

While the Seventy-fourth Congress has done nothing on this issue, I am confident the people of the United States will make themselves heard on this issue this year. We must restore the Government of the United States back to the American people. Government by the judiciary cannot be permitted to replace government by the people. Industrial and agricultural democracy must be made constitutional. The basic democratic principles of our Nation must be preserved against the onslaughts of the reactionaries in Congress and out of Congress. Our basic democratic institutions must be saved from the Supreme Court of the United States, the last bulwark of reaction in America, by the American people themselves.

THE CHILD-LABOR AMENDMENT

Mr. HILDEBRANDT. Mr. Speaker, for a hundred years we have been trying to abolish child labor. The child-labor amendment—endorsed by the finest and most sincere champions of humanitarian legislation from Mrs. Roosevelt down—has been assailed by those who want to perpetuate exploitation of the young and the helpless. It has been defended by the noblest and the best of our citizenship, regardless of party lines.

Our President declared:

> One of the accomplishments under the National Recovery Act which has given me the greatest gratification is the outlawing of child labor. It shows how simple a long-desired reform, which no individual or State could accomplish alone, may be brought about when people work together. It is my desire that the advances attained through the National Recovery Act be made permanent. In the child-labor field the obvious method of maintaining the present gains is through ratification of the child-labor amendment. I hope this may be achieved.

I heard an illuminating address by the able attorney, Arthur Garfield Hays, over broadcasting station WEVD, in which, discussing this child-labor amendment, he said:

> At the beginnings of the factory system we heard of the God-given right even of babies to work. We heard of the God-given right of parents to use their children to add to the family income. Yet everyone knows that this God-given right is a curse of poverty. It is wrong to designate a necessity as a right. Sometimes the right of the child to work is a correlative of the right of the adult to starve.

Without going into the intricate legalism that generally accompanies objections to humane and decent laws, I want to call the attention of my colleagues to the fact that more and more the combat over new statutes resolves itself into a question as to whether these statutes would benefit the average man and woman or not. If the ordinary person would benefit, the letters and telegrams in commendation usually come from farmers, workers, and small businessmen who are on the edge of bankruptcy. If the legislation is of profit to the exploiting class, plenty of communications, typed on expensive bond paper and handsomely gotten up, reach the Members of the National Legislature. I have received thousands of communications of this character. I have always tried to answer them and to extend the proper courtesy to those who wrote me, regardless of their motives or their status in life. But I have never been deceived as to their background, interests, and motives.

Repeatedly I have emphasized that the Democratic Party, if it is to adhere to the principles of Thomas Jefferson and Andrew Jackson, must stand for a government maintained in the interest of those who produce. Such a government means real democracy. A party consecrated to that philosophy is a party of real democracy. If our party is to sell itself to beneficiaries of privilege, it should discard its name and call itself a party of Hamiltonian federalism of Bourbon Toryism—of Wall Street capitalism—and waste no more time in petty protestations about its progressive tendencies.

I appeal to believers in fundamental democracy to stand solidly together.

THE REAL "FORGOTTEN MAN"—THE FARMER

Mr. HILDEBRANDT. Mr. Speaker, in many respects the farmer has been the real "forgotten man"—was in that classification until the present administration came into power. Even yet there is much "remembering" that must be done for his benefit.

Workers in mills and mines have been organized to greater or lesser degree for years. While they have had bitter struggles and cruel persecution, they have gone slowly but steadily ahead. It has been very recently that the farmer has organized to an extent sufficient to be able to demand and obtain better prices for produce and fairer treatment generally.

Since the advent of the Roosevelt administration to power, an effort has been made to use the authority of Government to protect the farmer to some degree from exploitation. It is the first time in American history that this has been tried. From the days of Alexander Hamilton down to our own, we have had drummed in our ears the pleasant fiction that a high protective tariff to protect "infant industries"—and grown-up industries in particular—was essential to the preservation of the Republic. Nothing was said about a protective arrangement for the farmers. The assumption was that if we gave the plutocrats enough surplus money some of this unearned sum might drip down into the pockets of the farmers and workers. It was a doctrine of taking care of the top of the pyramid, in the naive belief that the base would then take care of itself. To our credit, let it be understood that we have graduated from the realm of such childish logic.

The A. A. A., faulty as it was, was an attempt to control production for the benefit of the agricultural class. It is common talk in Washington that the Supreme Court, when it declared the A. A. A. unconstitutional, did so, not because of what the A. A. A. had done so far, but because of the fear that when once the Government started to exercise its powers in behalf of the workers of farm and factory it would go further and really imperil the unearned profits of the capitalist class.

The A. A. A., whether you like it 100 percent or dislike it 100 percent or partly like and partly dislike it, was an effort to make agricultural production scientific and to gage it intelligently enough so that the man who tills the soil might not continually be on the edge of starvation.

M. L. Wilson, Assistant Secretary of Agriculture, well said in his address at the Northwest School of Agriculture, Crookston, Minn:

> Whatever you or I may think of the strength or the weakness of these programs, we can agree on two things: First, that this was the greatest cooperative movement of farmers in any country in all history; and, second, that since it was the first program of its kind, both the farmers and the administrators had to begin from scratch without experience. And since we learn largely by experience, both by successes and mistakes, in developing new programs, we should now look carefully and with unprejudiced eyes into this remarkable experience which American farmers have just gone through.

The fairness and reasonableness of Mr. Wilson's comment must appeal to all. The need for regulation of agricultural production, along with industrial production, is self-evident.

Details must be worked out in this as in any other area of official action, but the need for the regulation is none the less.

A complicated civilization requires traffic lights, safety zones, and many rules for traveling. Are not food and clothing as important as automobiling? Do we not need scientific direction dealing with them as fully as we need it with respect to flivvers and trucks and limousines? I say "Yes."

FARM WAREHOUSING—LOANS ON CORN

Mr. GILCHRIST. Mr. Speaker, the Commodity Credit Corporation is a Government-owned institution. It was created in 1933 for the purpose of making loans upon farm commodities and is a new agency. It has been helpful to farmers, and I am glad of the fact that I am one of those who have supported and encouraged it.

Under the 1933–34 loan plan it disbursed almost $100,000,000 in loans on cotton on a basis of from 8 cents to 10 cents per pound. It loaned almost $283,000,000 upon the 1934–35 cotton crop on the basis of 11 cents and 12 cents per pound. The 1935–36 cotton crop is on a basis of 9 cents and 10 cents per pound. I am very glad that the farmers in the South have been able to obtain these commodity loans.

But I am more particularly interested in corn loans, because it is the staple crop of my State of Iowa. But I have another and personal reason for being interested in farm warehousing, because I was coauthor of the first farm warehousing act ever enacted in the United States, and I have been proud as I learned of the benefits which have flowed from this law. This Iowa Agricultural Warehouse Act was passed in 1923 when I was a member of the State senate, and I helped to prepare it and watched over its enactment more than 16 years ago. It is entitled "An act to provide for storage of grain in State licensed warehouses and under State supervision, and the issuance of storage certificates therefor, and providing for penalties thereunder."

This measure attracted attention at the time of its passage and its salient features were soon copied by many of the other States of this Union, so that it is now generally accepted in many places as a part of the law of the land.

The Iowa act was based upon simple and well-known business practices. It was designed to remedy a prevalent evil by which farmers were forced to dispose of their products immediately after harvest and at a time when the gamblers in the great city grain markets and exchanges were able to manipulate the market and to force down prices just when the farmer needed to sell. Because of the farmer's financial condition and because he was not on economic equality with other industries he was oftentimes required to dump his grain into and upon an already glutted market. We thought the evil could be remedied if the farmer could be financed and allowed to carry his produce over longer periods of time and not throw it at once after harvest into the elevators and warehouses. We believed that the State could supervise the storing of grain upon the farms themselves, that storage certificates could be issued under proper and safe supervision, and that these certificates could float in the market as collateral the same as other securities do, and that the producer himself was more worthy of the profit from rising markets than speculators and money changers.

For 10 years before the present Democratic administration came into power the Iowa law had proved and justified itself, and when Secretary Wallace came to Washington to enter the President's Cabinet in 1933, he brought with him an intimate acquaintance with the workings of the Iowa farm warehousing law. So, then, in October 1933 the Commodity Credit Corporation was formed, and the original capital of $3,000,000 was made available by law. Additional capital of $97,000,000 has been provided by an act which was passed in April 1936 by the Seventy-fourth Congress. Up to this time loans have been made only upon cotton, corn, gum turpentine, and gum rosin. Under the form of the note and the agreement the producer is not personally liable for any deficiency arising from the sale of the collateral if he has made no misstatements or misrepresentations and has complied with the terms of the loan.

As I have stated, the provisions of this law were very useful to farmers before the coming in of the present administration. But since October 1933 the Commodity Credit Corporation has extended and multiplied the benefit and uses of farm warehousing. All there is to it is that the commodity must be stored in safe and sound bins or cribs or warehouses; that these must be locked and sealed; that proper inspection be made as to the grade and quality of the commodity; and then certificates are issued and loans are made upon these certificates which are valid collateral for most purposes.

The very first corn loan ever made by the United States, and I think the very first use of the act itself, was made in my own home county. This was in the fall of 1933. Blank contracts and forms had been prepared and were flown from the Department in Washington to Iowa, and a farmer in my own county and near my own home was the first man in the world to make a loan under the Warehousing Act as it was put into force by the Commodity Credit Corporation.

These corn loans have proved of enormous value to farmers. Loans of 45 cents per bushel were made upon the 1933 corn crop, commencing in November 1933. As disbursed by the Commodity Credit Corporation, they covered 267,758,222 bushels of corn and aggregated $120,491,265.41. Every dollar of them has been repaid, although the amount of the loans per bushel at the time they were made exceeded the normal price. The producer has been helped, and the Government has not suffered a single cent of loss.

In addition to this, it is estimated that loans made by banks and other lending agencies and repaid directly to such lending agencies covered about 3,000,000 bushels of corn and aggregated $1,350,000. Farmers were enabled to carry their corn to realize benefits from advancing prices and at the same time to hold their product on the farms under seal and have it there ready in the ear for feeding requirements, if desired, whenever the loan was paid.

Under the 1934–35 corn-loan program, the amount of the loan was advanced to 55 cents per bushel on all 1933 and 1934 corn stored on the farm in accordance with State warehouse requirements. These loans as disbursed by the Commodity Credit Corporation covered 7,845,728 bushels of corn, aggregating $4,313,743.15. These also, and every cent of them, have been paid in full. If loans made by banks and other lending agencies are included, the total loans to corn producers under the 1934 corn program aggregated $11,042,392.08. Not a cent has been lost under the plan.

The 1935 corn-loan program was put on a basis of 45 cents per bushel. These loans mature on July 1, 1936, and have been called and will undoubtedly all be paid in full without loss to the Government. It is estimated that these loans totaled $6,582,535.25, including those made by the Corporation and by banks and lending agencies.

Those who were responsible for the original Iowa Warehouse Act, under which this plan was first made available to the world, may well be proud of the benefits which the idea has conferred upon mankind. There have been some things in the Agricultural Administration that I have adversely criticized, but I have done it only in a constructive way and in a spirit of fairness, and I now want to confess that the Commodity Credit Corporation has benefited our farmers during dark days when they were yet under great handicap. Anything which will help to amend their condition should receive hearty endorsement of men in all professions, in all walks of life, and in all political parties.

Mr. Scott Bradford, late of Storm Lake and Des Moines, Iowa, the man who first suggested the idea of farm warehousing, has passed on into immortality. But the good that he did and the idea that he gave us will continue to benefit the farm communities through centuries yet to come, and I acknowledge my debt to his memory in being called upon with one or two others to reduce his contribution into statutory form; for it was he who gave the idea to the authors of the bill and asked them to put it into lawful form, and whatever they did regarding it is a source of satisfaction to them.

THE REVOLVING PENSION PLAN WILL SOLVE OUR ECONOMIC DEPRESSION

Mr. HOEPPEL. Mr. Speaker, as I am a candidate for reelection to Congress on the Democratic ticket, and as I was the first Member ever to speak in the Halls of Congress for the revolving-pension plan, I feel justified in presenting my views, not only to my own constituents but to the citizens at large, in order that they may be informed before casting their votes for our national legislators.

The CONGRESSIONAL RECORD will show that I spoke 45 minutes on January 30, 1935, on the Townsend plan, and that I was continually harassed by Members of Congress because I advocated this plan, which was then termed "fantastic." I spoke again on this subject on February 6, February 28, and frequently thereafter, and worked with a special Townsend committee of Congress which was organized to bring the McGroarty bill before the Congress for consideration and passage.

In my speech of January 30 I showed conclusively how this plan could be put into operation without one single cent of increased cost to the taxpayers, and I reaffirm my statements and hope those who are interested will consult the CONGRESSIONAL RECORD of January 30, 1935, in the libraries of their cities, to see for themselves the arguments I advanced in support of this plan.

Mr. Speaker, while I am a candidate for reelection, I am more interested in securing legislation which will bring about recovery than I am in my own candidacy. With this thought in mind—our own Democratic administration already being on record as violently opposed to the McGroarty bill—I proposed to leading Republicans that they incorporate in their Cleveland platform recognition of the right of the aged to a substantial old-age pension. The Republican Party, however, failed to make a direct commitment but merely generalized on this subject. Therefore the voters of America must, in order to obtain the enactment of this legislation, support only those for office who are pledged to work for the enactment of this legislation, regardless of political affiliation.

MEMBERS WHO HAVE SUPPORTED THE O. A. R. P. SHOULD BE REELECTED

Approximately 50 or more Members of Congress have shown their sympathy toward this legislation and their sincere desire to enact it into law. All of them, in my opinion, should be reelected—and certainly they deserve the steadfast loyalty of all Townsend members whose battle they have so stanchly and fearlessly fought. Unfortunately, however, it is found that in some places Townsend Clubs are supporting for Congress individuals who have nothing other than a promise to give them, while at the same time experienced Members, who have borne the brunt of the battle here in the Halls of Congress, have been ignored. I feel confident that Townsend Club members will realize that a Member of Congress who has made good, and who has demonstrated his sincerity by actually fighting for the plan in Congress, is more to be relied upon on a basis of his performance than is a candidate who has nothing but promises to offer.

We know the opposition which the administration directed against Members of Congress who have supported the Townsend plan in the past. Should the Members of Congress who opposed the administration on this subject, and who valiantly fought for this plan, now be sidetracked for voluble candidates who are now jumping on the Townsend band wagon, realizing that we are going on to victory? Napoleon, that great leader of men, honored the Old Guard and gave them just consideration and precedence over raw recruits. I feel confident that the Townsend Club members everywhere will do likewise and support for reelection those who have fought a good fight and who bear the scars of battle in their interests.

Townsend club members everywhere should bear in mind that western classic of the range entitled "Old Faithful", and they themselves should keep faith and return to Congress those who have carried the banner fearlessly in their behalf.

THE BUREAUCRATS OPPOSED THE O. A. R. P.

The scars which I bear as a champion of this plan are honorable scars, since they indicate that I have championed the people's cause, and, Farley, McAdoo, Hopkins, and others to the contrary, my record proves this. I would rather bear the scars of conflict in a worthy cause than to be known as a "yes-man rubber-stamp" Representative, without courage to voice his convictions or advance a single progressive thought.

Townsend club members in my district have been loyal and faithful, since most of them, if not all of them, realize that my difficulties here are due to my aggressive attitude in advancing the cause of our aged citizens, in fighting for our veterans and Federal employees, in espousing legislation in the interest of the unemployed, and in championing the interests of the underprivileged at all times. With such confidence displayed toward me, I reaffirm to these groups that, if reelected, I shall continue my efforts with renewed vigor for substantial and permanent recovery through the means proposed by Dr. Townsend and the more liberal elements in the Democratic, Republican, and Union Parties.

Success can only be brought about through the election of an independent Congress, and it is for this reason that the electorate should survey the situation, judge candidates who are up for reelection by their records, and vote accordingly.

THE COURTS SHOULD NOT BE USED TO INTIMIDATE ADVOCATES OF REAL RECOVERY

Mr. Speaker, in conclusion I wish to state that I am opposed to the un-American practice of using the courts of our country to beat into submission those who advocate liberal, progressive legislation. It is my opinion, however, that the inquisitorial Townsend investigating committee, through the flagrant injustice of its methods, which every fair-minded American citizen must wholeheartedly resent, has but served to unify and strengthen our forces and contribute to the forward progress of the Townsend movement. The efforts to bring Dr. Townsend into the courts may fittingly recall that long, long ago the ruling powers sought to destroy Daniel for his independence and his defiance of their orders, but a higher power than theirs preserved him and brought him, unharmed, from the lions' den.

Townsendites and the voters of America have it in their power to bring about the reforms they desire, provided they will on election day relegate to oblivion the machine candidates and the servants of special interests, whose performances have betrayed them in the past and whose promises cannot be relied upon.

I repeat, men who have a record of performance in actual service in the Congress in behalf of the Townsend old-age-pension plan should be reelected, for they are more to be trusted than those without experience, who have nothing other than promises to offer, which past experience has proved are easily forgotten once election is attained.

For the information of the electorate who are interested in returning to Congress the various Representatives who supported the McGroarty measure, I submit the names of such individuals:

Representatives Amlie, of Wisconsin; Andresen, of Minnesota; Ayers, of Montana; Binderup, of Nebraska; Blackney, of Michigan; Buckler of Minnesota; Burdick, of North Dakota; Cannon of Wisconsin; Carter, of California; Clark of Idaho; Collins, of California; Connery, of Massachusetts; Costello, of California; Crawford, of Michigan; Crosby, of Pennsylvania; Cummings, of Colorado; Duffey of Ohio; Dunn of Pennsylvania; Englebright, of California; Gearhart, of California; Gehrmann, of Wisconsin; Greenway, of Arizona; Haines, of Pennsylvania; Hildebrandt, of South Dakota; Knute Hill, of Washington; Hoeppel, of California; Houston, of Kansas; Kahn, of California; Knutson, of Minnesota; Lemke, of North Dakota; Lundeen, of Minnesota; McGrath, of California; McGroarty, of California; Main, of Michigan; Marcantonio, of New York; Martin of Colorado; Massingale, of Oklahoma; Michener, of Michigan; Monaghan, of Montana; Moritz, of Pennsylvania; Mott, of Oregon; Murdock, of Utah; O'Malley, of Wisconsin; Patterson, of Kansas; Pierce, of Oregon; Pittenger, of Minnesota; Sadowski, of Michigan; Scott, of California; Scrugham, of Nevada; Smith of Washington; Stack, of Pennsylvania; Stubbs, of California; Swee-

ney, of Ohio; Taylor of Tennessee; Tolan, of California; Wallgren, of Washington; Welch, of California; Werner, of South Dakota; White, of Idaho; Withrow, of Wisconsin.

The above list may not be 100 percent complete, but it does include those most active in the Congress with whom I was personally associated in my efforts in behalf of the plan.

INSURANCE OF BANK DEPOSITS

Mr. STEAGALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my recent address over N. B. C. on insurance of bank deposits, as follows:

No legislative achievement in recent years has created deeper interest than the act of Congress establishing the Federal Deposit Insurance Corporation. Its benefits have extended to all sections and to all classes. Its passage affords a conspicuous example of the change in administration accomplished by the election of 1932. No such proposal was seriously considered during the former uninterrupted regime of 12 years, notwithstanding the demand for such legislation was so accentuated as to become apparent to every intelligent citizen in the land. As a minority Member of Congress, I had introduced a number of bills over a period of 10 years, designed to bring about this great reform. When the Democrats captured the House in 1930 and following my election as chairman of the Banking and Currency Committee of the House, I renewed the fight for the passage of this legislation. I introduced a bill providing for the protection of depositors in both State and National banks. This measure was reported favorably and passed by the House on the 27th day of May 1932. But at that time the Senate was under Republican control and refused to give consideration to the bill. When the new administration took office in 1933 I renewed the struggle, and the Banking Act of 1933, known as the Glass-Steagall bill, with provision for the insurance of deposits passed both Houses and was signed by President Roosevelt.

In view of the facts which are of record it is exceedingly surprising, not to say amazing, that the distinguished Senator from Michigan [Mr. VANDENBERG] should have made the statement in a recent radio address that the legislation "was inaugurated under an amendment which bears my name." It is true that the distinguished Senator offered an amendment to the bill which provided for the insurance of deposits in member banks in the Federal Reserve System up to the amount of $2,500 for each depositor, to become effective on the 1st day of July 1933, and such insurance for nonmember banks available to them upon certification by State banking authority, to become effective on the 1st day of January 1934. The amendment fixed an annual assessment against participating banks not to exceed 1 percent, and provided that the Treasury of the United States should pay any losses accruing in excess of the funds raised by assessment.

Of course, the amendment was not adopted. Such a plan of insurance would undoubtedly have resulted in the withdrawal of deposits, entailing enormous losses upon the Treasury for the very manifest reason that depositors, with the experience of recent years, would have hastened to withdraw deposits while the Treasury was responsible for them under the law. The slightest consideration could but disclose the folly of such a scheme. The measure that was passed provided for the insurance of all deposits up to $10,000 for individual depositors; for 75 percent insurance between $10,000 and $50,000; and 50 percent on amounts in excess of $50,000, to become effective on the 1st day of July 1934.

A provision was incorporated by the conference committee establishing temporary insurance in the amount of $2,500 for each depositor, effective beginning January 1, 1934, in the event that the President did not by proclamation put into operation the permanent plan.

It was understood at the time that the distinguished Senator from Michigan [Mr. VANDENBERG] was favorable to the temporary insurance; and later, after the temporary plan had been put into effect, he introduced a bill the purpose of which was to make the temporary plan of $2,500 insurance permanent; but before the expiration of the temporary insurance period the Congress amended the permanent act, fixing the minimum amount of insurance at $5,000 for each depositor. On the record, then, it would appear that the Senator from Michigan preferred to limit the protection afforded to depositors to the amount of $2,500, rather than the larger amount of $5,000 provided for in the permanent law.

Another surprising inaccuracy in the radio address to which I have referred was a statement of the distinguished Senator from Michigan referring to the President, "He wrote a letter to the legislative conferees demanding that my amendment be stricken from the bill." The fact is no such letter was ever received, and members of the conference committee, as well as the record, will confirm my statement.

During the struggle to protect depositors in 1932, the high officials of the Republican administration from the President down opposed every proposal for bank-deposit insurance. President Hoover was importuned repeatedly by those of us engaged in the fight to lend his approval, but he and his associates in office fought us at every step. The position of President Hoover was in line with the declaration of the platform of his party adopted in 1932. That platform declared: "In contrast with the Republican policies and record, we contrast those of the Democrats as evidenced by the action of the House of Representatives under Democratic leadership and control, which includes:

"1. The issuance of fiat currency.

"2. Instructions to the Federal Reserve Board and the Secretary of the Treasury to attempt to manipulate commodity prices.

"3. The guaranty of bank deposits."

It should be noted that in the recent Republican platform adopted at Cleveland there was no repetition of the language quoted from the platform of 1932, nor any reference to the subject of bank-deposit insurance. This action corresponds conspicuously with the action of the American Bankers Association in its Chicago convention in September 1933 and later. That convention denounced the act providing for the insurance of deposits, but a year later and in all subsequent meetings there was no reference to their former declaration, nor any mention of the subject. It would seem that the happy results following this legislation, including the cessation of bank failures, should have been a source of genuine gratification to the bankers as well as it is to the people of the Nation.

It seems only fair, with the approaching national election, to call attention to these facts, and to the position of the candidate of the Republican Party chosen by the Cleveland convention. Not only does the declaration of the Republican platform of 1932 condemning deposit insurance stand unrevoked, but the candidate chosen by the Cleveland convention has a record on the subject which all who are interested in the protection of bank deposits should understand. In a message addressed to Senator Capper when the Banking Act of 1933 was before the Senate the distinguished Governor of Kansas stated:

"Pending banking bill extremely injurious to State banks and threatens their very existence. It is essential our dual banking system be preserved in order to best serve farm and community interests of Kansas. Urge your active opposition to the guaranty section, which should be entirely eliminated from bill." (CONGRESSIONAL RECORD, vol. 77, pt. 6, p. 5863, 73d Cong., 1st sess.)

In this connection let me say that the Deposit Insurance Act passed by the House in 1932 contained a specific provision for the protection of depositors in State banks upon terms of equality with those in member banks of the Federal Reserve System. The same provision was incorporated in the act of 1933, and is in the law today. Those of us who led the fight for the protection of depositors have directed our efforts in the interest of State banks as well as national banks. The simple fact is, the insurance of bank deposits saved the State and community banks of the Nation. It is well known that, as chairman of the Banking and Currency Committee of the House, I have fought for the preservation of State banks. This I will continue to do so long as I serve in Congress.

Governor Landon, in an address read for him by the bank commissioner of Kansas, before the State bank division of the American Bankers Association held in Chicago, September 6, 1933, said in part:

"* * * There is no question in my mind but that the guaranty of bank deposits is a greater blow to the ultimate welfare of the American people than the wildest inflation of the currency could possibly be.

"In my judgment the guaranty of bank deposits, if carried out in this country to its logical conclusion, will completely destroy the entire banking system of the Nation" Evidently the bankers of Kansas followed the Governor's advice. In that State more than 300 State banks declined to secure for their depositors the benefits of deposit insurance afforded by the Federal Deposit Insurance Corporation.

Under the provisions of the permanent act of 1935 State banks were permitted to withdraw from the Insurance Corporation and to be reimbursed all assessments paid by them, less their proportionate cost of the operation of the Corporation during the time of their membership. Only 32 State banks of more than 14,000 insured availed themselves of the privilege of withdrawing and they were repaid every dollar that they had paid to the Corporation. Their depositors enjoyed the benefits of deposit insurance for a period of nearly 2 years without any expense whatsoever. The State banks of Kansas that failed to join the Federal Deposit Insurance Corporation missed an opportunity to secure insurance for their depositors for nearly 2 years without a dollar of cost. Such is the record and such is the fallacy of the position of the distinguished Governor of Kansas, now the nominee of the Republican Party for President.

Governor Landon prior to his nomination for President by the Cleveland convention avowed a desire to take the people of the Nation into his confidence and to give expression of his views in connection with the platform of that convention. He did not hesitate to declare his devotion to the gold standard and his desire to return to that discredited and discarded system as soon as possible without unbearable injury to agriculture and demoralization of economic conditions. In the circumstances it is only fair to accredit to Governor Landon the same degree of sincerity and consistency with respect to his position on the question of bank-deposit insurance. Manifestly, Governor Landon subscribes to the views of his party as expressed in the national platform of 1932, and still adheres to his convictions disclosed in his telegram to Senator CAPPER, and in his address of September 6, 1933. I venture the opinion that the people of the United States will not look with favor upon any possibility of a return to the conditions under which they suffered prior to the passage of the act providing insurance for bank deposits.

During the last 12 years of Republican administration there were 11,457 bank failures in the United States, with deposits of five and one-half billion dollars, culminating in the complete collapse of the national banking structure at the close of President Hoover's administration in March 1933. Since that time there have been only 61 bank failures of insured institutions, with deposits of $14,868,000. The depositors in those institutions were promptly reimbursed, each one to the amount of his deposit not in excess of $5,000. Bank deposits have increased since the 4th of March 1933 approximately $14,000,000,000. The public is protected. The fears of depositors have vanished, and the dread of bankers unable to sleep at night because of the danger of frenzied withdrawals of deposits no longer exists. Bankers are free to employ their resources in support of trade and commerce along normal lines and to give the fullest measure of public service. Had this measure been enacted 5 years earlier millions of depositors would have been spared immeasurable suffering and distress. Such a measure would have been enacted had not the Government been under the control of short-sighted, selfish, and incompetent leadership, who opposed this, as they did every other constructive effort in the interest of the great body of our people. The insurance of bank deposits is an indispensable step in any program of restoration and recovery. Upon this achievement we are building and we are finding our way toward the light. If the people of the Nation desire a continuance of the protection that has been afforded, they have in their hands the power to preserve it. The issue will be determined by their ballots. There is one safe method and only one by which to save the benefits of the protection now enjoyed, and that is to elect to office at Washington those who favor this protection and who are at heart in sympathy with what has been accomplished.

POLITICS, PATRONAGE, AND CIVIC DUTY

Mr. ECKERT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following from the speech of President Roosevelt on The Philosophy of Government, in which he says:

Government includes the art of formulating a policy and using the political technique to attain so much of that policy as will receive general support—persuading, leading, sacrificing, teaching always, for the greatest duty of a statesman is to educate.

Here is indicated the way of practical politics. Attention is called to the futility of seeking reforms that are not supported by public opinion and emphasizes the importance and necessity of education.

No thoughtful person can view the present conditions of the world without feeling intuitively that profound economic changes are in process of incubation. Before our very eyes we see wealth steadily concentrating in the hands of the few—the middle class being ruthlessly swept away and the great body of workers becoming more helpless and hopeless.

These conditions demand attention. The pernicious processes must be arrested. But imperative as is the need of halting the forces that are undermining the foundations of our economic structure, the task is impossible while ignorance and indifference hold sway among the masses. There must be enlightenment, for "social reform", as has well been said—

is not secured by noise and shouting; by complaints and denunciations; by the formation of parties or the making of revolutions; but by the awakening of thought and the progress of ideas. Until there be correct thinking there cannot be right action, and when there is correct thinking right action will follow.

Without right thinking the people will lack vision, and without vision they perish.

No greater task rests upon the leaders of thought than that of enlightened guidance so that citizens and voters may face in proper perspective the real problems of politics and government.

One of the problems that stand in need of discussion and clarification is that of political patronage. In the minds of many the thought is uppermost that the sine qua non for political activity is a Government job at the hands of the victorious party. And political workers become imbued with this thought quite naturally, since it has been the custom and practice for generations on the part of those who manage party affairs and seek to get control of government to offer the spoils of office as a lure to engage in political activity.

Ex-Senator Moses, discussing the question "What is the matter with the Republican Party?" boldly and frankly declared that it is in need of three things, namely: Money, patronage, and a boss. With money and patronage and a boss, preferably of the Mark Hanna type, declared this seasoned politician, the Republican Party could be rehabilitated so that it again would become a strong and formidable organization.

This is the ordinary but vulgar conception of politics. It is obvious that if this type of politics is given free rein, it must result in corrupting both the people and the Government. Those whose appraisement of politics rises no higher than that of ex-Senator Moses, of New Hampshire, will find fertile fields for plying their pernicious and vulgar brand of politics unless economic conditions will be reformed and improved so that opportunities to gain a livelihood at self-employment or in private industry will at least be as inviting and lucrative as that offered by political bosses. In fact, the party boss and the political jobber can only thrive under conditions of gross economic inequality.

In a country where one class is too rich to be shorn of its luxuries and another so poor that a few dollars on election day or a political job will seem more than any abstract consideration; in which the few roll in wealth and the many seethe with discontent, political power naturally passes into the hands of party bosses and political jobbers who buy and sell it as the Praetorians sold the Roman purple or into the hands of demagogues who will seize and wield it for a time only to be displaced by worse demagogues. But where there is anything like an equitable distribution of wealth, the trade of the political boss and the political jobber will be at a discount.

The antidote for the corruption and political jobbery that have found such a prominent place in American politics is in the development of a standard of civic duty that rests upon right, truth, and justice.

Civilizations in which social groups are bound together by the force of self-interest and the hope of reward from political bosses and jobbers cannot endure. Assistant Secretary of State Hon. Francis B. Sayre, in a commencement address before the Virginia Theological Seminary at Alexandria, Va., June 4, 1936, said:

Only as faiths and beliefs are foundationed upon truth will they be all-embracing and enduring. A civilization which is lacking in such fundamental faiths loses its cohesiveness and its power. The great central facts of life are not the selfishness and lusts and cruelties of petty men and small minds, not the suffering and the evil which seem at times predominant, but rather the never-ending, patient bravery, the constant reaching upward toward goodness, and the fundamental nobility of human nature.

In this spirit and in this spirit alone, not only as to individual conduct but as to social behavior as well, can we hope to overcome the social evils of our time and free politics and government from selfishness, corruption, and hypocrisy.

Amplifying this thought, I include under the general permission for Members to extend their remarks in the RECORD the following letter addressed to Rev. Dr. H. Reed Shepfer, pastor of Grace Lutheran Church, Rochester, Pa.:

JUNE 20, 1936.

Rev. H. REED SHEPFER,
Rochester, Pa.

MY DEAR DR. SHEPFER: Your letter in reference to local patronage received. Since you are a religious man and a minister of the gospel, I feel free to write you intimately, not only in relation to the context of your letter, but also about those deeper problems of politics and Government that are so closely related to the material and spiritual welfare of the people.

Addressing myself first to the subject matter of your letter, may I say that the selection of postmasters is really the duty of the President and the Senate. Under our system of party government, however, the practice of permitting Congressmen to recommend candidates for postmasters has ripened into a congressional prerogative, and so the opinion prevails that Members of Congress select the candidates for postmasters.

It happened that when I came to Washington I was advised by the leaders of the State Democratic organization that all Federal appointments were to be cleared through the Democratic organization; at the same time being advised that experience had proven this policy to be the most effective and practical in promoting party harmony and party solidarity. Whether for good or ill, whether we like it or not, under present political conditions party government seems inevitable. For the most part, throughout the years of our national life the party system of government prevailed and still prevails. It is conceivable that there may come a time when parties as such will have lost their hold in the affairs of government. Among a truly intelligent, just, and patriotic

people there would be no occasion for voters to separate into groups and array themselves against each other at election time, for in the last analysis their true interests are common. What is good for one is good for all, providing, of course, that no one wants any special privilege or favor.

The political struggles of the past and of the present have their root in selfishness, in greed, and in the will to want something at the expense of all the people. These may find expression in the wish for public office or public appointment, or governmental concessions such as franchises, tariffs, bounties, or other concessions of government. Whatever it may be, the thought is always uppermost to get something for little or no effort. If it shall ever come to pass that the people will learn that their highest interests will best be served by obeying the simple doctrines, "Honesty is the best policy" and "To live and let live", then political parties will disintegrate and in social and political matters act as one group. But until this happy condition comes to pass, we are bound to speak and function socially and politically through parties.

Hence it is not a theory, but a condition with which we are confronted; and, therefore, it would seem that the best policy to strengthen and solidify the party is through organization. And experience has shown that this can best be done by cooperating with and supporting the party organization, subject always, of course, to the condition that it function in the interest of all the people.

The Democratic Party is seeking to serve the people in the Nation and in the State and, in order that its work may not be interrupted, the party's commission must be renewed from time to time. We are on the eve of a very important national election. The outcome of the issues involved in the pending election is of vital concern to every man, woman, and child in the land. In the struggle impending privilege is battling for its life. No quarter will be granted. Every resource at the command of privilege will be invoked in the hope of regaining control of the Federal Government.

The New Deal program is, in essence, the battle against privilege. In its deeper meaning it has for its aim the abolition of private privilege in all its ramifications. The Democratic Party is pledged to restore to the American people economic freedom by establishing a social order based on the doctrine of equal rights to all, special privileges to none.

If every Democratic Member of Congress were to act independently and contrary to the rules and policies of the central organization, confusion and discord within the party would be inevitable. So long as the organization of the Democratic Party promotes policies and submits candidates for political appointments in which one can have confidence and faith, we ought to be happy to cooperate to the fullest extent. Patronage is of secondary importance. It occupies too large a place in the minds of the voters, and for the good of all it is well for us frequently to recur to the question, "What are parties and politics primarily concerned about?" In doing so we will regain our true balance as citizens.

Politics is the science of government and is charged with much more important matters than political patronage. Too many, I fear, harbor the notion that politics is a mere matter of political jobs, when, in truth, political positions are a mere incident to the main business in hand. Fundamentally, politics and government are concerned with the problem of human rights and human welfare. In the Declaration of Independence we are told that governments are instituted among men to secure their natural rights, and in the preamble to the Constitution of the United States we are reminded that our Federal Union was established to promote inter alia the general welfare.

Neither of these objectives has yet been achieved by the American people—in truth we seem to be farther removed from their enjoyment today than any time in our history. Today, want and misery, poverty and distress are encountered everywhere and unemployment is all but universal—all of which indicates that politics and government are not yet functioning effectively for the public good.

Dr. Nicholas Murray Butler, president of Columbia University, in a commencement address a few years ago, asked this challenging question:

"Why it is that with all the progress which the world is making in so many directions—science, art, letters, all forms of industry, transportation, commerce—why is it that there still exists so much want, so much of all that which for the want of a better name may be summed up under the word 'poverty'?"

The poverty of which Dr. Butler speaks is not due to the niggardliness of nature or nature's God. It is not due to the unwillingness of man to labor and produce wealth. On the contrary, man's power of production is multiplying with every new invention, and his willingness to labor is evidenced by his frantic appeals for work. Yet in spite of it all poverty persists and deepens with the passage of the years. Quoting again from the address of Assistant Secretary of State Hon. Francis B. Sayre:

"Millions of human beings are walking the streets of our great industrial cities, hungry and unable to find work. The demoralization that comes from idleness and public relief is eating into youth. Those who have succeeded in laying something by against sickness or old age are harassed with vanishing values and economic uncertainties. We are forced to mortgage unborn generations to care for present want. In the midst of abundance the world is multiplying poverty."

Upon reflection it is quite apparent to everyone that the problems involved in Dr. Butler's question must be solved and solved correctly if civilization is to endure. Hence those who are in positions of public trust and spiritual leadership are in duty bound to give these problems serious, conscientious, and intelligent consideration.

In view of this fact, is it not deplorable that so much time and thought are consumed in the consideration of comparatively inconsequential things of politics and which provoke and bring into action the baser emotions, for, after all, the subject of patronage sinks into insignificance when compared with the deeper problems of politics and government, problems which have in their keeping the rights and liberties of mankind. The millions of our fellow men that are suffering the pangs of poverty represent the problems of unemployment and the inequitable distribution of wealth. It is for us to find a rational and permanent solution of these problems. To fail in this task will only multiply the ugly conditions that now prevail in American politics and further menace the perpetuation of our free institutions. As has been well said—

"Where there is anything like an equal distribution of wealth—that is to say, where there is general patriotism, virtue, and intelligence—the more democratic the government the better it will be; but where there is gross inequality in the distribution of wealth the more democratic the government the worse it will be, for while rotten democracy may not in itself be worse than rotten autocracy, its effects upon national character will be worse. To give the suffrage to tramps, to paupers, to men to whom the chance of labor is a boon, to men who must beg, or steal, or starve, is to invoke destruction. To put political power in the hands of men embittered and degraded by poverty is to tie firebrands to foxes and turn them loose amid the standing corn; it is to put out the eyes of a Samson and to twine his arms around the pillars of national life."

Unless the benefits resulting from new inventions and material progress will be equitably diffused among the masses, the corruption of politics and government will become more and more menacing as the years go by. It is no light and trivial thing that in the richest and most self-reliant Nation of the world—a nation that boasts of its schools and universities, its churches and Christian virtues, there should be millions of unemployed and other millions on the border line of poverty, while the gulf between the House of Have and the House of Have Not widens with the passing of the years.

During the closing years of the last century students of social science were impressed with the gravity of the economic conditions and emphasized the importance of a satisfactory solution of the social problem. How much more pressing is this same problem today.

In the consideration of this perplexing problem, may I call your attention to the intimate relation between the secular and spiritual welfare of the people? The spiritual development of a people must keep pace with material progress. Quoting Assistant Secretary Sayre again:

"Further progress demands building anew upon spiritual foundations. The amazing and splendid advance in material progress of the last century must now be matched by spiritual progress and understanding. It is not that we must accept arbitrary, unreasonable, or fruitless religious dogmas or traditional moral codes. What our civilization needs is a mastery and a practical utilization of spiritual laws with as large a measure of success as our own generation's mastery and utilization of physical laws."

A thorough and intelligent analysis of the social problem reveals the fact that the moral precepts given to man for guidance of his individual conduct are applicable to his behavior as a citizen and member of society. The Golden Rule applies in the realm of civic behavior as well as to individual conduct—That we should do unto others as we would have others do unto us—that we should respect the rights of others as scrupulously as we would have our own rights respected is not a mere counsel of perfection for individuals, but it is the law to which we must conform our social institutions and national policies if we would secure the blessings of abundance and peace, is wise and sound counsel.

And Christ himself tells us "Seek ye first the kingdom of God and His righteousness and all these things shall be added unto us."

And again we are admonished that "As God's will be done in heaven, so in earth."

Hence the solution of the problems involved in Dr. Butler's question is to be found in those deeper truths that lie at the very root of true religion and constitute the hope of democracy.

The contemplation of these truths inspirit and inspire. They lift us up and beyond vulgar demagoguery and selfish politics. They impel us to center our hearts and our minds on those deeper problems of politics and government, the proper solution of which will bring about a new and fair division of the goods and right of the world, to the end that the Biblical injunction may be fulfilled:

"And they shall build houses and inhabit them; and they shall plant vineyards and eat the fruits of them. They shall not build and another inhabit; they shall not plant and another eat."

Under separate cover I am mailing you a copy of Progress and Poverty, which has been described by an eminent American as—

"A book that rests upon a granite pedestal of truth, face up, open for the thinking world to scan—a book matchless in logic, beautiful in diction, perfect in illustration, unchallenged and unchallengeable, unanswered, and unanswerable; an everlasting monument to the intellectual and moral integrity of the man who wrote it."

With kindest personal regards and best wishes, I am,

Very sincerely yours,

CHARLES R. ECKERT.

THE "RED RIDER"

Mrs. NORTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of facts regarding the Sisson bill to repeal the "red rider."

The Sisson bill (H. R. 11375) to repeal the so-called "red rider" will be the first order of District business in the Seventy-fifth Congress, providing, of course, that I shall then be chairman of the committee.

Under the rules of the House such bills can be considered only on days set aside for action upon District legislation. And circumstances beyond the control of those in charge of the repeal measure have prevented action upon it at this session, as observers who have followed the matter closely are aware.

On May 11, the first District day after the repeal bill was duly reported out as approved by the District Committee, the House leadership urgently requested that it not be brought up for action that afternoon because consideration of it probably would have run over into the following day. On the next District day, May 25, the House met, but immediately adjourned out of respect to Congressman RANDOLPH PERKINS, who had died that morning. On what would have been the subsequent District day, June 8, Congress was in recess due to the Republican national convention. By June 22, the date for the next scheduled District day, Congress will either be in recess for the Democratic national convention or will be adjourned for the year.

This repeal bill in which all the school teachers of the country have shown a very great interest because of the far-flung threat it contains to personal liberty and religious freedom may seem at first glance to be a matter chiefly concerned with the District of Columbia and its educational system. However, it has become a national issue now and is regarded as such by the National Educational Association. The Capital City of the Nation should lead in setting the standard for education for the country. Therefore this ridiculous rider to the 1936 appropriation bill is of paramount importance to every sane, liberal American citizen. The aim of every educational system in the country is to keep our schools out of politics, and the Congress of the United States should take the lead in this objective. Therefore, when legislation aimed at dictatorship in our schools in Washington is permitted, it would undoubtedly lead to a very serious break-down in our much-desired freedom from political influence.

This statement is issued to give the facts of the matter as it now stands to the hundreds of parents and teachers who are supporting us faithfully in our efforts to expunge the malodorous "red rider" from the statute books of our Nation.

THE POTTERY INDUSTRY

Mr. CROWTHER. Mr. Speaker, no American industry has been so handicapped by the competition of cheaply produced foreign merchandise as has the pottery industry. Nearly all the countries of Europe and Asia have invaded the American market. Japan, however, is the chief offender, and the constantly increasing imports from that country are a continuing menace to the industry. For more than 20 years the tableware manufacturers have been struggling to hold 50 percent of the home market.

The tremendous difference in production costs practically nullifies the existing tariff rates. The pirating of designs and the copying of standard types of tableware all add to the competitive burden which domestic manufacturers must carry. As a result of a greatly depreciated currency, Japan still has a material exchange advantage. Competition is further enhanced by the governmental subsidies paid to Japanese producers.

Under the permission granted in the House, I include the following letter to the Tariff Commission from the tariff counsel of the United States Potters' Association, Mr. John E. Dowsing.

THE UNITED STATES POTTERS ASSOCIATION,
New York, May 19, 1936.

The UNITED STATES TARIFF COMMISSION,
Washington, D. C.

SIR: I wish again respectfully to refer to the application of The United States Potters Association under section 336 of the act of 1930, filed October 11, 1932, on which action by the Commission was postponed and the protest has now been pending close to 4 years, together with briefs and other data filed. In view of the Commission's letter, dated September 5, signed by the Honorable Thomas Walker Page, acting chairman, in which it is stated:

"The status of the Commission's pottery investigation has been discussed by the Commission recently, but it does not feel that any further steps in regard to the investigation should be taken at this time."

it is asked if the time is not now opportune that steps be taken and the complaint set for hearing and argument. Additional reasons to those set forth in the original complaint are:

(1) This protest was continued by the Commission to give attention to and investigation of a subsequent protest filed under the provisions of section 3 (e) of the National Industrial Recovery Act. This later protest, pending before the Commission 18 months to 2 years, was not decided or recommendations made owing to the decision of the Supreme Court in the Schecter case.

(2) The Commission, in its investigation (Report No. 102) of the complaint of the United States Potters Association under section 3 (e) National Industrial Recovery Act, found, as set forth in its conclusions on the result of its investigations:

"(a) Imports of household and kitchen pottery have been substantial throughout recent years, representing in 1933 and 1934 approximately one-third of the domestic consumption, and being equal to about one-half of the domestic production in terms of quantity."

(3) The Commission, in its Report No. 105, on Recent Developments in the Foreign Trade of Japan, gives the total imports into the United States from all countries for 8 months of 1935. The imports of pottery from Japan, according to the Commission's figures, are: Plain china and porcelain household table and kitchen articles, 83.9 percent of the total; decorated china and porcelain household table and kitchen articles, 88.1 percent of the total; plain earthenware and stoneware household table and kitchen articles, 85.5 percent of the total; decorated earthenware and stoneware household table and kitchen articles, 77.3 percent of the total.

(4) In the plain earthenware, undecorated, the increase in importations is shown as 6.1 percent of total imports in 1929 to 85.5 percent for 8 months of 1935.

(5) In the report of C. H. Stephan, Vice Consul, Nagoya, Japan, dated August 7, 1935, to the Department of Commerce, it is officially stated that the minimum wage paid in the Japanese pottery industry is: Clay workers, 37 cents for an 8½-hour day and decorators 38 cents for a 9½-hour day.

The minimum wage paid to domestic potters is 75 cents per hour with the decorators earning as high as $14 per day. The cheapest and poorest unclassified labor receives 49 cents per hour.

(6) Notwithstanding these definite and vital facts of the competing importations from Japan, the Commission made no recommendation in the matter of the potters' complaint.

(7) Although the Commission stated in its letter of May 1, 1934, with reference to the protest under section 336, that the question of ascertaining the foreign cost of production was "very difficult and perhaps not possible of solution" as a reason for postponing action pending decision in the matter of the later protest under section 3 (e), N. I. R. A., attention was directed to the fact, and again so directed that paragraph 2, subsection E of section 336 provided against such a contingency arising in giving the Commission authority to accept as evidence "the weighted average of the invoice prices or values for a representative period", etc., and, further:

"(C) Other relevant factors that constitute an advantage or disadvantage in competition, including advantages granted to the foreign producers by a government, person, partnership, corporation, or association in a foreign country."

(8) We believe the Commission is in possession of the knowledge of such factors to the advantage of the Japanese manufacturers of pottery competing with the domestic manufacturers, as depreciated yen; governmental subsidies to the manufacturers; governmental subsidies to the shipping; average wage of less than one-tenth that paid to the American potters; child labor; large household employment of old men, women, and children; average cost of Japanese ware 38 to 39 cents per dozen; average cost of freight from Japan to New York $0.35 per 100 pounds, while from East Liverpool, Ohio, it is $0.50 per 100 pounds; average landed cost, minus freight, from Japan $9.05 per gross, while average cost from East Liverpool, Ohio, minus freight, is $11.25 per gross.

The importations of competitive ware from Japan, both for consumption and warehouse, for 1935, were 8,696,602 dozens. For the month of January 1936, 652,302 dozens; for February, 614,489 dozens, indicating that the high mark of imports for the year 1935 will be equaled if not exceeded in 1936.

It is also respectfully submitted that the principle involved in the protest of the domestic potters under section 336 goes beyond that industry and affects other large industries, such as cotton-textile manufacturers, wool manufacturers, rubber manufacturers, etc. The depression has been capitalized by the Japanese here as well as in other countries as shown in the foreign trade increase of Japan, aided by the many favorable factors hereinbefore set forth. As is stated in an article by the New York Trust Co. in the May issue of Nations Business—

"Whether measured in the terms of the Japanese yen or in quantity, both exports and imports in 1934 were well above 1929 levels, while, on a gold basis, Japan had increased her share of world import trade from 2.80 percent to 3.31 percent, and of

world trade from 2.93 percent to 3.32 percent. In the past year, still further gains were registered and, with imports valued at 2,566,762,000 yen and exports at 2,547,615,000 yen, foreign trade was even greater than in the previous record year of 1925. The penetration of Japanese goods into new markets and their successful competition with the products of other exporting nations have aroused widespread interest—in some quarters decided concern.

"What Japan has done is to take advantage of depressed economic conditions throughout the world to offer relatively cheap goods which have had a special appeal because of reduced purchasing power. In some instances this has meant an invasion of markets of higher-priced goods; in others, it has created a market where none would otherwise exist."

The reduced purchasing power will be continued just as long as we permit our factories to be closed or working on part time, with millions of the unemployed walking the streets, while at the same time the industries and those holding jobs are taxed to provide a dole and for the creation of artificial employment; just as long as we permit our markets to be swamped with the coolie-labor products of Japan and European cheap-labor countries. In the pottery industry alone, its 20-odd thousands of normal employment, receiving 3 to 4 times that of the highest wages paid in the world for similar work and 10 to 20 times that paid in Japan, if permitted to be fully employed, would with their pay envelopes increase purchasing power to that extent. If 50 percent of the competitive pottery from Japan permitted to be dumped on our markets was added to the domestic production, there would not be an unemployed potter in the United States or an idle plant.

These cheap goods which have "created a market where none would otherwise exist" would, as previously, be taken care of by the higher-priced domestic merchandise, produced by American workmen under high-wage and living conditions existing nowhere else in the world. And this is applicable to all other industries. The high wages of one class of labor would purchase the products of another class of labor and thus form links in the chain of business recovery which would go far to reduce our unemployment and banish the depression.

Secretary Roper of the Department of Commerce, speaking in San Francisco on June 4, 1935, said:

"Certain of our importers are flocking to Japan on every steamer with samples of articles they want imitated by Japanese manufacturers, employing cheap labor with cheap living standards. Once they have established their contacts, they give blanket orders for unlimited quantities of the cheap imitations and then come home to slash prices against competitors trying to support American labor at an American wage sufficient to maintain our own living standards."

Are not all such relevant facts within the purview of subparagraph C, supra?

It is obvious that the only way in which the American potters and the twenty-odd thousands of labor can be employed and protected against the imports of low-cost-of-production ware from Japan, with the low living costs and other "relevant factors" is, as we claim, by the adoption of the American selling price as the basis for assessing duty. The determination of value in this country is easily ascertainable from the books of the American potters and all other desired data is at the service of the Commission. The Commission has at its disposal the Japanese invoices from which can be obtained "the weighted average of the invoice prices or values for a representative period."

The question involved of "like or similar" goods has been covered by oral argument and briefs, but we will be glad to submit additional brief and argument on this point, if desired.

We, therefore, respectfully urge the United States Tariff Commission to pass on our complaint under section 336, now pending within a few months of 4 years, and that it recommend duty be assessed upon importations of the competitive ware from Japan on the basis of the American selling price.

Respectfully,

THE UNITED STATES POTTERS ASSOCIATION,
By JOHN E. DOWSING,
Tariff Counsel, 535 Fifth Avenue, New York.

NATIONAL TRAINING SCHOOL FOR GIRLS

Mrs. NORTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement concerning National Training School for Girls:

At the meeting of the Committee on the District of Columbia held May 27, 1936, a subcommittee was appointed to visit the National Training School for Girls and investigate conditions there. Pursuant to the action of the committee Representative CARPENTER and I, Mr. HULL finding it impossible to join us because of important business, made an informal visit to the school Friday, June 19, and found conditions there very deplorable.

First in importance is the great fire hazard on account of old buildings and old-fashioned lock, controlled by levers, on the doors. This system of locking, however, we are informed by the superintendent, Dr. Smith, has recently been discontinued.

We found the buildings in a very unsanitary condition, particularly regarding toilets. Six toilets, no basins, running water in the corridor on each floor, no hot-water supply.

The kitchens are supplied with large coal ranges, no gas ever having been furnished, but we understand the W. P. A. is now taking care of this problem and gas pipes are being laid in the different buildings.

There are practically no recreational facilities. The class rooms are very meager. Employees are under civil service, but there are no trained workers or teachers of any subject.

The buildings are badly in need of cleaning and painting. There are old-fashioned caldrons for heating water in the laundry instead of a hot-water supply. There is no heat radiation in any of the bedrooms, only one or two steam coils in each corridor to supply heat.

The average offender serves 2 years. Many have been there as long as 7 years. At present there are 33 inmates. No commitments were made between July 1935 and January 1936. Federal offenders as well as District of Columbia offenders are committed to the training school.

There are in all four buildings and these contain 101 rooms. If a fire should break out in any one of these buildings, it would become a fire trap, as there would be little likelihood of the inmates being able to escape because of the antiquated system.

There is no equipment for vocational training of any kind to enable these girls to rehabilitate themselves when their term of commitment has expired; no sewing rooms, no domestic science equipment, no vocational work; in fact, nothing that is supposed to be part of the system of a training school for girls. Under these circumstances it is difficult to understand how any real good can be accomplished, as this school is merely a prison, instead of serving to assist girls who are sent there for correction. It must be borne in mind that most of these are very young girls, and it is a fact that a child born there was kept in the institution for 7 years.

At present, owing to the recent publicity given the training school, many alterations are in prospect and a much delayed appropriation of $100,000 which appears in the appropriation bill of 1937 will go far to bring about very much desired improvements.

We were happy to meet Dr. Carrie W. Smith, the superintendent, who conducted us through the institution and explained the great lack of facilities. We believe Dr. Smith is well qualified and will make a very good superintendent; we commend her for what she has tried to do and sincerely hope we shall be able to cooperate with her to bring about the very many changes that are absolutely necessary.

In conclusion may I say that the situation of the school is fine and nothing better could be desired. There are large grounds but no playgrounds. The grounds could be used for very definite recreational purposes which would help in building up the physical condition of the inmates. It is suggested that considerable work be done along this line. It must be borne in mind that these girls are not criminals; they have been sent to this institution for correction.

It is also suggested that there be a definite division between first offenders and girls who have previously been sent there.

It is also suggested that a comprehensive program be established toward rehabilitation, keeping in mind the necessity of preparing the inmates for work when they are released.

It is also suggested that since this report is too late to be presented to the District Committee this year, it having concluded its meetings, this matter be gone into very thoroughly when the Seventy-fifth Congress convenes.

I believe it would be safe to say that in no other city of this size in the Nation could be found so intolerable a condition as has been that of the National Training School for Girls in the District of Columbia.

MARY T. NORTON,
RANDOLPH CARPENTER.

INTEREST RATES ON FEDERAL LAND-BANK MORTGAGES SHOULD BE REDUCED

Mr. GILCHRIST. Mr. Speaker, 9 days ago a new issue amounting to $83,000,000 of consolidated Federal land-bank bonds was offered to the public for the purpose of refunding an old issue of approximately $83,125,000 of 4¼-percent individual bonds of the Federal land banks. These new consolidated bonds bear 3-percent interest and were offered at 100¼, and are callable in 9½ years, and are callable on January 1, 1946, and mature 10 years thereafter. Before noon of the day of the offering these new bonds were heavily oversubscribed. These facts should bring us to a consideration of the attitude of the Federal land-bank system with regard to the interest rates which are charged to farmers on land-bank mortgages. We recently had before us the Frazier-Lemke bill, which provided for the payment of interest at 1½ percent per annum, with amortization payments at an equal installment of 1½ percent per annum. The bill met defeat, although I believe it would have been of great benefit to the farmers of the country who are in distress and whose farms have been or are about to be taken away from them under foreclosures and sheriffs' sales.

At this time I do not care to call attention, except in a very brief and abstract way, to facts which show that the farmer still remains in submergence and that he is not yet on economic parity with other industries. Farm prices and farm lands have fallen. It is true that some improvement in prices

of farm products is noticeable over 1932. How much of this increase is due to agricultural legislation is a matter of doubt, but I am willing to give whatever credit is justly due to the laws which I have helped to pass here in Congress. But undoubtedly some of this increase—perhaps a major part of it—is due to other things, as, for example, the unprecedented drought which recently prevailed, and which served to raise the unit price of all farm products.

The last report as of May 15, 1936, issued by the Bureau of Agricultural Economics, shows that the ratio of prices received by farmers to the prices paid by him stands at 85 percent only, this comparison being based upon the standard formula of using the 5-year pre-war average from August 1909 to July 1914 as a base, and this figure does not take into consideration the enormous increase in the amount of taxes which the farmer is compelled to pay. He is not at parity, but on the contrary is competing in an economic race while carrying a handicap of 15 points. He is running, as it were, in a race with a 15-pound ball chained to his feet.

One of the things that will help him materially is to reduce farm-mortgage interest rates. Heretofore Farm Credit Administration rates have been 4½ percent and 5 percent and more. As early as April 1933 I offered an amendment to a bill pending on the floor of the House of Representatives which proposed to fix interest rates at 3½ percent upon Federal land-bank mortgages. This amendment was promptly beaten by a vote of the House taken at that time. Since that time Congressmen from the farm States have been pressing the matter. We were partially successful last year when we were able to fix the Federal land-bank mortgage interest rates at 3½ percent for 1 year only, but this law expires on the 1st of July 1936. A new bill, known as the Gillette bill, H. R. 10101, was introduced early in the present session and was referred to the Committee on Agriculture, of which I am a member. I had the honor of moving that the committee make a favorable report on the bill, and with the help of the chairman and others it came upon the floor of the House and was passed on May 4, 1936. It provided that these Federal land-bank mortgages should bear 3½ percent only until July 1, 1938, at which time the whole law will need to be rewritten. The Senate amended and passed this bill on June 1, and the House concurred in the Senate amendment and finally passed the bill as amended on June 16, 1936.

Those of us who were supporting the lower rates for farmers were compelled to accept the Senate amendment, although it was not entirely satisfactory because it restored the old contract high rates after July 1, 1937. However, the friends of the measure believed that they would be compelled to accept the Senate amendment or else that all legislation regarding the matter would fail because the Congress was about to adjourn and we felt that we could not get a conference committee between the House and the Senate to agree upon such a measure as we wanted and pass it before the final adjournment of the Seventy-fourth Congress scheduled for today.

I am stating these facts principally for the purpose of calling attention to the very imminent need to remedy this law and amend it again during the next succeeding or Seventy-fifth Congress when it meets in January. I do not hesitate to say that the farmers are entitled to this relief, and I am sorry that the lawmakers have seen fit to refuse to allow them a cheaper rate than 3½ percent and to refuse to allow even this rate to run for more than 1 year.

We must save our farm homes for those who raise the food that we eat. I believe that society does not have any moral right to eat bread unless it pays the cost of producing that bread and, in addition, allows a profit to the producer so that he will be put on an equal parity with men in all other industries. Reduction of interest rates on farm mortgages will help to accomplish this.

Now I charge that the Government of the United States is not doing its duty in this respect. It issues Federal Farm Mortgage Corporation bonds, which are really bonds of the Government itself, and these are issued at very low rates of interest. Then the Government turns around and acquires Federal land-bank bonds which bear high rates of interest. As a result of this transaction, the Government has made a big net profit amounting to the vast sum of $23,393,639, as shown by a report made by the Farm Credit Administration as of March 31, 1936, which has just been released during the past 2 days. And the Government can continue from time to time to float Federal Farm Mortgage Corporation bonds at very low rates. It has made profits heretofore and it will continue to make them hereafter. This profit is based upon the spread between the low rate which it pays upon its flotation of Mortgage Corporation bonds and the high rate which it receives from the consolidated Federal land-bank bonds.

I repeat that the Government acquires bonds of the Federal land banks which are secured by the farmer's mortgage and which are known as consolidated Federal land-bank bonds. These bonds draw interest as high as 4 percent and even more, and this high interest rate is paid to the Government. Then it turns around and, under the name of the Federal Farm Mortgage Corporation—which is really Uncle Sam—floats huge sums which bear interest at rates running from 1½ percent to 3 percent. There it is making a profit in no case less than 1 percent and in many cases more than 1 percent on these Farm Mortgage Corporation bonds, amounting in the aggregate to more than three-quarters of a billion dollars. Now, I submit that the Government has no right to exploit the farmers in such a way and that we must remedy the faults of this unjust practice. We did something toward a remedy last year, and we are now giving some help for next year. But the basic facts remain: Uncle Sam does not treat others like this and he must not be allowed to treat farmers in such a manner.

GOOD-BYE

Mr. SIROVICH. Mr. Speaker, under leave to extend my remarks in the RECORD I include the following:

MR. SPEAKER BYRNS, GOOD-BYE

(THE TRIBUTE OF AN OLD FRIEND)

Mr. Speaker Byrns, good-bye;
You've laid the gavel down;
Your race is run, but you have won
The goals of high renown.

Good-bye, old friend, good-bye;
Loved by your countrymen,
Long shall it be before they see
The like of you again.

Good-bye, old pal, good-bye;
Your worth shall never wane;
It may be best—you are at rest
From all of care or pain.

No points of order now;
Nor rulings, wise, to state;
No more your poise to quell the noise
Of strife and fierce debate.

No more the bells shall sound,
The quorum's need to tell;
No more the beat of hurried feet
In corridor and Well.

Tho' long your blood and life,
These things ye cease to know;
The voice was clear, you answered "Here!"—
Your last roll call, my Joe.

Mr. Speaker Byrns, good-bye;
You've laid the gavel down;
But in its place, by Heaven's grace,
You bear a deathless crown.

—*Anonymous.*

THE COMMUNISTS' WATERLOO

Mr. BLANTON. Mr. Speaker, the Communists of Russia, of the United States, and especially of Washington, D. C., are a disappointed, disgruntled, bedraggled bunch of thoroughly whipped agitators tonight. With the sine-die adjournment of this Congress they have met their Waterloo. Their plans went awry. Their strenuous intrigues and conspiring efforts met no success. They failed ignominiously.

COMMUNISM IN SCHOOLS STOPPED JULY 1, 1935

The law I got Congress to pass to prevent communism from being indoctrinated in the public schools of Washington became effective July 1, 1935. There was ample basis for passing such a law.

Early in my service here a teacher in the Western High School was suspended 1 week for trying to indoctrinate communism in her English class. Later, on May 3, 1924, 4 years after Dr. Frank W. Ballou became the $10,000-per-year superintendent of the Washington schools, it was necessary for Congress to pass a law to stop communism from being taught by his corps of teachers, Congressman Summers then declaring that he had spoken to a number of Members, and that it was an exception to find one who did not say that his children had come to him with complaints against teachers who were teaching "disrespect to the Holy Bible" and "that ours is an inferior form of government", which are doctrines of communism. That law expired July 1, 1926.

In 1928 the Board of Education conducted an investigation of communism, and the Washington Post in its issue of April 3, 1928, stated that Communist activities had been discovered in the Columbia High School, the MacFarland High School, the Central High School, and the Business High School.

On March 16, 1936, the Federation of Citizens Associations, embracing 63 different organizations of citizens in Washington, ascertained that a man who had been advertised by the Moscow University in Russia as having some connection with its summer school had been employed by the Board of Education to deliver lectures on so-called character education, but in fact was on the subject of "a new social order" which required the teacher's philosophy of education "to be changed fundamentally", he being paid $50 and expenses per lecture, out of funds furnished by Congress, and said Federation of Citizens Associations petitioned my subcommittee not to appropriate any more money for so-called character education, and to pass a law forbidding communism to be indoctrinated in the schools. It was upon such petition that we passed the law, which became effective July 1, 1935.

On November 12, 1935, said Federation of Citizens Associations appointed a committee, Hon. George E. Sullivan as chairman, Hon. Harry N. Stull, Mrs. George Corbin, and Mrs. Horace J. Phelps, to investigate communism and to eliminate subversive books from the schools.

On March 28, 1936, after an exhaustive investigation, said committee reported to said Federation of Citizens' Associations that there had been found "an abundance of antipatriotic and procommunistic matter in the schools, and also matter tending to "seriously affect and undermine fundamental morals of the pupils in the matter of sexual relations", and recommended that no more money should be appropriated for so-called character education, and that said law stopping communism should not be repealed. That committee report was adopted by the Federation of Citizens' Associations.

PROPER FACTUAL INSTRUCTION ALLOWED

The chief legal authority of the District of Columbia, Judge Prettyman, ruled that the said law we passed did not in any way prevent proper factual instruction, but that it prevented any and all attempts to indoctrinate communism.

COMMUNISTS DEMANDED REPEAL

We were not surprised when Communists demanded that this law be repealed. We knew they would not like it. We knew it interfered with their plans. We knew they would be angry. We knew they would attack us for passing the law. We knew such law would make us incur their everlasting enmity.

But in order to stop communism from being indoctrinated in the schools, we were willing to accept the consequences.

It was, however, a great surprise to us that lined up with the well-known Communists, and Communist newspapers of the country all clamoring for repeal, we found Superintendent Frank W. Ballou, the Board of Education, the Teachers Union—affiliated with the American Federation of Labor—the gentleman from Washington [Mr. ZIONCHECK], the gentleman from California [Mr. SCOTT], the gentleman from New York [Mr. SISSON], the gentleman from New York [Mr. MARCANTONIO], the gentleman from Texas [Mr. MAVERICK], the gentleman from Maine [Mr. BREWSTER], the gentleman from Indiana [Mr. SCHULTE], the gentleman from Maryland [Mr. KENNEDY], and the gentlewoman from New Jersey [Mrs. NORTON], chairman of the District Committee, aided and abetted by the five Washington newspapers and the National Education Association, and finally by the Member from Illinois [Mr. KELLER].

Notwithstanding the fact that at the time said law was passed it was read in the House by the Clerk and regularly passed without one voice being raised against it, and likewise was read in the Senate by the clerk there, and regularly passed by the Senate without a voice being raised against it, and was signed by President Franklin D. Roosevelt, who carefully studies every bill before he approves it, the abovenamed Representatives all claimed they did not know anything about its passage. They could justly blame no one but themselves for not knowing about business regularly passed by the House of Representatives.

THE "SISSY BILL"

The gentleman from New York [Mr. SISSON] introduced a bill to repeal said law, so that the 3,169 officers and teachers in Washington could teach what they pleased, and could lawfully indoctrinate communism if they desired. It was well nicknamed the "sissy bill."

For months efforts have been made to pass the "sissy bill." We have fought them back at every step. We have prevented them from passing it on a regular District day. We have opposed their efforts to get a special order. We have opposed their attempts to obtain a special rule. We have watched them on the House floor constantly for several months to prevent them from getting the repeal bill up under unanimous consent. We have watched a companion bill in the Senate and have arranged with Senators to stop its passage there.

And the "sissy bill" did not pass. The "sissy bill" is dead. It died with the sine-die adjournment.

A GREAT VICTORY FOR AMERICANS

Mr. Speaker, the burial of the "sissy bill" is a great victory for Americanism. For, by killing this bill, we still have a law that prevents the indoctrination of communism in our public schools.

We have won another victory for Americans. My subcommittee prevented any appropriation being made for so-called character education, which money amounting to about $80,000 per annum for the last 2 years, has been perverted and used for subversive purposes. Communism must be removed from our schools. Superintendent Ballou and his Board of Education must instruct the 3,169 officers and teachers that they must obey the law as construed by Corporation Counsel Prettyman. If they refuse to do so, we will find a proper and lawful way to place in charge a new superintendent of schools and a new Board of Education.

OPPOSITION FOR REELECTION

Because of their chagrin in being completely whipped in their efforts to repeal the law that prevents communism from being indoctrinated in the local schools, which all of the Washington papers except Hearst's have daily advocated, and because I have refused to obey the orders of the Washington Board of Trade and the five Washington newspapers, and have resisted their efforts to take out of the United States Treasury the sum of $17,000,000 under their old 60–40 steal and apply it to payment of the annual taxes of Washington people, who pay less taxes than any other people in the world, it is reported here that they have raised a large campaign fund, estimated to be $25,000, which is to be sent into my district in efforts to defeat me. I am deeply indebted to the Washington Herald for telling about it. Forewarned is forearmed. I am checking up on them and am watching them. I am going to know how they spend this money, who spends it, what it is spent for, and am going to see to it that a proper report of it is made under the Corrupt Practices Act. Things have come to a pretty pass when a man is to be punished for having done his duty. The following will show my attention to duty:

CERTIFICATE FROM TALLY CLERK

WASHINGTON, D. C., *June 20, 1936.*

I hereby certify that during this session of Congress, adjourning tonight, there have been a total of 136 roll calls in the House of Representatives, and that Congressman THOMAS L. BLANTON has answered each and all of said 136 roll calls.

HANS JURGENSEN, Jr.,
Tally Clerk, House of Representatives.

Notwithstanding the fact that Dr. Townsend and his leaders, who took from aged poor people about $1,250,000 they could ill afford to lose, said that "fires must be built under BLANTON, of Texas, and BANKHEAD, of Alabama", and that all precincts in our districts must be organized against us, I want to show that the man in Congress whom Dr. Townsend depended upon to introduce and pass his Townsend plan, Congressman MCGROARTY, who is a magnificent gentleman, and whom every Member in Congress loves, does not agree with the Washington Board of Trade and the five Washington newspapers:

LETTER FROM CONGRESSMAN JOHN STEVEN M'GROARTY, AUTHOR OF THE BILL FOR THE TOWNSEND OLD-AGE PENSION

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 16, 1936.

Hon. THOMAS L. BLANTON,
House of Representatives.

MY DEAR COLLEAGUE: I have learned with much regret that certain interests are opposing you in your district for reelection to Congress. I trust that the people of your district will not permit themselves to be deceived by such opposition, which, in my judgment, is unwarranted and unwise.

I would think that your constituents have learned by this time of your value to them and to our country in your long service in Congress. I have watched you closely during the sessions of the Seventy-fourth Congress, and, as your fellow American, I would consider your defeat as really in the nature of a national calamity.

Watching you closely as I have done in all your actions and utterances, I do not hesitate to testify now not only to your honesty of purpose on all occasions but as to your outstanding ability as a legislator. God knows there are not too many men in public life possessed of your fearlessness and ability, and men of your caliber are needed now in Congress more than at any other time almost in our country's history.

While we have disagreed to some extent on the merits or wisdom of the Townsend old-age-pension plan, I am glad to state that I have found you candid and honest in your criticism, but at the same time sympathetic with the principle of old-age pensions.

Please accept my sincere good wishes for your success and believe me always to be,

Faithfully yours,

JOHN STEVEN MCGROARTY.

THE RAILROAD EMPLOYEES' PROTECTIVE AGREEMENT

Mr. MEAD. Mr. Speaker, 138 railroads and 20 standard railroad labor organizations reached an agreement recently which will provide financial protection for railroad employees whose jobs might be jeopardized through future railroad coordination and consolidations.

This agreement has been hailed as a national achievement by the President of the United States, the Secretary of Labor, Railroad Coordinator Eastman, William Green, president of the American Federation of Labor, labor spokesmen in Congress, and by leaders of labor throughout America, because it constitutes the first pact of its kind ever negotiated to cover an entire industry in adjusting the differences between employers and employees and in applying the principle of collective bargaining.

This victory for labor obviates the necessity for enactment of the Wheeler-Crosser bill, which has been strongly advocated in this session of Congress. In its provisions, it carries out the intent of the Wheeler-Crosser bill.

The 5-year agreement which has been reached voluntarily between the carriers and employee organizations requires that the railroads give 90 days' written notice to employees who are to be affected adversely by consolidations. Thirty days after the notice has been given, the company is to meet with the labor representatives to work out the situation. Disputes over the displacement of employees are to be handled through machinery set up in this agreement.

There will be no reduction in the compensation of an employee if, as a result of a consolidation, he is placed in a job affording a lower wage. Displaced employees will be given certain "allowances" which range from 60 percent of their wages for 5 years to those men who have 15 years or more service; to 2 months' full wages to men with 1 year's service. These men will hold full rights insofar as reemployment, hospitalization, and similar privileges are concerned.

In cases where the employee chooses to accept a lump-sum settlement he must give up his rights to reemployment, and so forth, but if he has from 5 to 15 years' service he will receive the equivalent of 1 year's full pay. Under this plan for those who have less than 5 years' service the lump-sum payment is progressively less.

Another important provision of the agreement provides that moving expenses and property losses sustained by transferred employees shall be borne by the carriers.

Especially vital to the agreement is the clause wherein the 138 carriers who signed the pact agree not to coordinate with any of those carriers which did not participate in the agreement. Several railroads, mostly from the southern part of the country, did not send representatives to the conference at which the agreement was reached. It is expected that these companies will shortly become parties to the agreement but in the meantime the signatories are bound not to coordinate with such companies until such time as they do definitely agree to the terms of the pact.

The cooperation which made possible the consummation of this agreement speaks well for labor's future and points the way for similar agreements in other industries.

It is an epoch-making agreement which blazes a new trail in the field of labor relations. The railroad representatives who cooperated in the consummation of this agreement are to be congratulated. The chief executives representing the Standard Labor Organization displayed a brand of statesmanship unrivaled in the annals of labor's progress.

PRESENT STATUS OF THE FIGHT FOR FEDERAL ANTILYNCHING LEGISLATION

Mr. LUDLOW. Mr. Speaker, it is to me a source of much regret that the Seventy-fourth Congress is adjourning without enacting a Federal law to curb the dreadful crime of lynching.

The satanic work done by lynching bees is enough to make the cheeks of every true American turn crimson with shame.

The utter heartlessness and cruel savagery so often exhibited by mobs in torturing their cringing victims must create envy and jealousy among the fiends of hell. Such acts as are committed when the devil takes control of a mob comprise the "perfect crime" against civilization.

The crime of lynching is the ugliest, the blackest, the foulest blot on civilization, and our failure to take effective steps to wipe it out is a burning national disgrace.

If we Members of Congress were actuated, as we should be, by the dictates of humanity; if we were controlled, as we should be, by the spirit and precepts of Christianity, we would do something to suppress this monstrous evil.

There is power in the Federal Government to handle this situation if Congress will enact the necessary statute applying penalties to communities that tolerate lynchings. If communities were made liable in damages for every such outrage against humanity, lynching would cease to be popular and lynchers would not go unwhipped of justice as often they now do, and there would be a rapid drop in the number of lynchings.

On the opening day of the recent session I introduced an antilynching bill, which would reach this evil with penalties so drastic that it would insure a discontinuance of such outrages. It was referred to the Judiciary Committee, along with a number of similar bills, all aimed at the crime of lynching.

When the session drew toward its close and it became apparent that the committee was not disposed to act on these bills, Walter White, secretary of the National Association for the Advancement of Colored People, wrote to me from New York as follows:

In our opinion, a declaration of party policy by the Democratic Party on antilynching legislation at this time would do more than any other single thing to check lynchings and to insure action by the Congress.

On the heels of his letter Mr. White came to Washington with a petition already prepared calling a caucus of Democratic Members of the House to consider the subject of antilynching legislation, and he asked me if I would sign it, to which I replied:

Certainly I will sign it, and I will do everything I can to support the petition, though I do not believe that sentiment is far enough developed that we can hope for favorable caucus action now.

I was the first Member he approached, and I was the first Member to sign the petition. In a letter to me, dated March 27 last, Mr. White said:

We are deeply grateful to you for your interest, and are especially appreciative of your being the first person to sign the petition to the leader of the caucus, and your cooperative spirit throughout.

The requisite number of signatures was secured and the caucus was held, but it failed to accomplish anything on account of lack of a quorum.

Thereupon we decided to avail ourselves of our parliamentary rights to file a discharge petition to discharge the Judiciary Committee from further control over antilynching legislation and to bring it before the House for debate and a vote. Discharge petition no. 32 was filed at the Speaker's desk by Representative GAVAGAN, of New York, to force a report on H. R. 5, Mr. GAVAGAN'S antilynching bill.

A discharge petition does not become effective unless or until it is signed by 218 Members of the House, a majority of Members of that body. After the required number of signatures is secured, 7 days must elapse before the bill can be taken up in the House. Two hundred and eighteen Members, the required number, signed the Gavagan petition, but Congress adjourned sine die before 7 days had elapsed and the bill never was brought up for a vote.

For my interest in antilynching legislation, and particularly for my active support of his discharge petition, I have been rewarded with a letter from Mr. GAVAGAN, which I treasure and which is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 17, 1936.

Hon. LOUIS LUDLOW,
House of Representatives, Washington, D. C.

MY DEAR MR. LUDLOW: I wish to take this opportunity to express my appreciation for your cooperation in procuring the discharge of the Judiciary Committee on my antilynching bill (H. R. 5). Without your signature to this petition it would not have been possible to discharge the committee, and I wish you to know that I am very grateful.

No matter what honors may come to you in the future, I am quite certain that you will look back to your signature on this petition, seeking justice instead of mob rule, as one of your finest contributions to your country.

Again assuring you of my appreciation and esteem, I remain,
Sincerely yours,

JOSEPH A. GAVAGAN, M. C.,
Twenty-first District, New York.

Right is not going to be forever on the scaffold, and wrong is not going to be forever on the throne. Sometime the Congress of the United States will take this monstrous evil of lynching in hand and suppress it. I will be happy if I may contribute toward that end. If I am reelected to Congress I shall reintroduce my antilynching bill on the opening day of the next session, and I shall press it with all the vigor I can command for the earliest possible consideration.

BONDHOLDERS' INVESTIGATING COMMITTEE

Mr. COCHRAN. Mr. Speaker, the chairman from Illinois, Mr. SABATH, a few moments ago made a very interesting address to the House, in which he reviewed the activities of the so-called Bondholders' Investigating Committee, and during the period of that speech emphasized the fact that he would be unable to have considered before adjournment either of the two bills that he has introduced which we all hoped would correct the evils disclosed by his committee.

First, I want to take this occasion to commend not only Mr. SABATH but the entire personnel of the special investigating committee for its wonderful accomplishments. No one can deny that as a result of the disclosures operations by crooked bondholders' committees were checked; and that meant a saving of an unestimated amount to the people of this country, but it ran up into the hundreds of millions of dollars.

Every time that this committee is mentioned I think of the losses that my own constituents suffered. I happen to represent a class of people who are thrifty. They are not capitalists or great industrialists, but a hard-working class. They were attracted by the unusual high interest rate of the bonds that were sold for the construction of all types of buildings, and they purchased bonds from their meager savings. There was one outstanding group of American citizens of Polish descent who were induced by a clever salesman to invest in these bonds, and they lost every dollar that they invested. I feel confident that if we had a law such as Mr. SABATH and his committee now desire passed their life savings would not have been wiped out. We have other groups in St. Louis that have suffered—in fact, millions of dollars were lost in my city not only by the people of my district but by the people of adjoining districts, as it was a fertile field for the sale of bonds of this character during the period that the country was running wild. I merely mention this to show my intense interest in the welfare of this committee, but the real purpose of my remarks is to call the attention of the House to just what happened in regard to the appropriation of money to be used by this committee in furthering its investigation.

As I recall it, the committee received several appropriations.

As the members of the committee know, when an application was made for $50,000 additional the last time they applied for financial assistance, there was a group in the House that absolutely was opposed to the continuance of the committee. There were members of the Committee on Accounts that felt that the committee should make a final report without getting more money. The committee had shortly before held hearings in St. Louis, and I knew of the good work that was being done and therefore I was in favor of continuing the investigation. I took the position that this committee was not going to cost the Government of the United States a dollar, but on the contrary it would bring money to the Treasury because of the information furnished by this committee to the Treasury Department a large amount of additional income taxes would be collected which would far offset the small amount that the Congress had allocated to the committee for investigating purposes. Mr. SABATH introduced a resolution requesting $50,000. There was strong opposition to his resolution, but as he knows, I took the lead and made a fight for an additional appropriation. Mr. SABATH personally told me that if we could not get the $50,000 he would be willing, if necessary, to take $25,000, but it would cripple his investigation. I asked him if $35,000 would be helpful, saying, as there was a fight among members of the committee and there was strong opposition in the House, naturally it would be to his best interest to effect some kind of a compromise. He replied that he would be most happy if he could get the $35,000.

The Committee on Accounts held a hearing. Mr. SABATH, Mr. FULLER, of Arkansas; Mr. MCLEAN, of New Jersey; Mr. O'MALLEY, of Wisconsin; Mr. DIRKSEN, of Illinois, were among the members of his committee who appeared and testified. Every one of the members of his committee were asked the question if additional appropriation was made, would they be able to make a final and complete report. Their unqualified answer was "yes." That question was asked for the purpose of showing that this would be the last appropriation they would request.

When the committee voted on the resolution, one member, who everyone thought was sympathetic with the investigating committee, offered an amendment to reduce the amount to $10,000 additional, with the promise that no additional appropriation would be made. I personally offered an amendment to this amendment, providing for an appropriation of $35,000. After a heated discussion my amendment carried and I was ordered by the chairman to call up the resolution in the House.

A group was going to fight this resolution, but after I conferred with them and assured them that this would be the end and I was authorized by the chairman and members of the investigating committee to make the announcement, they agreed not to oppose the resolution. I controlled 1 hour of time on the resolution, and after opening the debate I yielded time to Mr. SABATH, Mr. FULLER, Mr. MCLEAN, and to Mr. DIRKSEN, all members of the investigating committee.

The RECORD will show that we all were questioned by Members of the House and were required to show that if the resolution passed we would not bring in another resolution appropriating additional money, and Mr. SABATH stated that the committee would make a complete and final report, as well as introduce bills to correct the evil.

I remember distinctly being asked by the minority leader, Mr. SNELL, if this would be the last appropriation, and when I replied that it would I was further required to state that I personally would oppose any effort to provide an additional sum. This was absolutely necessary in order to prevent opposition to the resolution, and now I cannot place myself in a position, Mr. Speaker, of making a promise to this House and then going back on that promise.

I merely wanted the RECORD to show that I approve of the investigation, that I supported the request of the committee for money to carry on its investigation, and feel that I was more responsible than any member of the Accounts Committee in securing favorable action on the last appropriation of $35,000.

Investigating committees many times bring no good results. The money that we have appropriated for this committee, however, has been very well spent and I predict now that some legislation will pass next session that will for all time curb this evil. In conclusion let me say there is a strong belief that the present Securities Act is so drawn that it will prevent many of the unethical practices which promoters have been engaging in and which were the subject of the investigation.

BENEFITS WHICH VARIOUS STATES EXTEND TO VETERANS AND THEIR DEPENDENTS

Mr. HOEPPEL. Mr. Speaker, I desire to bring before this body some very interesting data regarding the steps that have been taken by various States to assist veterans, widows, orphans, and so forth, with a view to providing other Members information which should be very useful to them in handling voluminous correspondence from such sources.

As a member of the Committee on Pensions and the Committee on World War Veterans' Legislation; as the founder of the Retired Men's News, a paper which enjoys a wide circulation among veterans throughout the Nation; and as one who has taken a leading part in veteran affairs by introducing various measures designed to assist those in these categories in many ways, I am naturally in receipt of more correspondence on this subject than is the average Member. Knowing that I am a veteran of two wars and that I am familiar with military administration as well as the Veterans' Administration, and because of my many years of service in the Regular Army as an enlisted man, other Members frequently refer to me letters that they receive from veterans. Consequently, the voluminous correspondence which I receive from all sources on this subject has prompted me to do considerable research in order to eliminate routine and insure prompt replies to all letters received.

Following is a list of veteran benefits provided by the several States, also a recapitulation of additional benefits regarding which information is frequently sought by Members for their constituents:

SOLDIERS' HOMES MAINTAINED BY STATES

California: Veterans of any war now admitted to the home. Additional funds have been appropriated for new building.

Connecticut: World War veterans now eligible for admission to State homes and the wives and dependent children receive a monetary allowance while they are domiciled at the home.

Idaho: Ex-service men of the World War now admitted to the State home.

Iowa: State home maintained for veterans, wives, and children.

Kansas: World War veterans now admitted to State home.

Michigan: World War veterans admitted to State home.

Minnesota: Benefits of State home extended to veterans of World War and their dependents under certain conditions.

Montana: Disabled veterans admitted to State home.

Nebraska: Soldiers and Sailors Home admits veterans of the World War who are disabled and incapable of earning a living. Their dependents are also admitted under certain conditions.

New Hampshire: Home maintained for care of disabled, needy, diseased, and aged veterans.

New Jersey: Veterans and widows admitted to State home.

New York: World War veterans now admitted to State home.

Ohio: Home maintained for such of the disabled veterans as are unable to earn a living.

Pennsylvania: Home maintained for disabled and indigent veterans of any war.

Rhode Island: Home for disabled, diseased, feeble, and indigent veterans.

South Dakota: Soldiers' Home at Hot Springs admits veterans who were incapacitated; also wives or widows who are over 60 years of age.

Washington: Any veterans, if 25 percent disabled and indigent and who has been a resident of the State 3 years or more, is eligible for domiciliary care and hospitalization at the State home.

HOSPITALIZATION

Michigan: The State pays $1 per day, and the county of which the veteran is a resident pays $2.10 additional per day, for treatment of all cases of tuberculosis. General hospitalization now under consideration by State authorities.

Nevada: State hospital provides separate quarters for treatment of shell shock and mental disorders.

New York: State hospital constructed for the sole purpose of caring for and treating veterans of the World War.

Oklahoma: Considerable funds available to cover cost of treatment of disabled veterans and their dependents.

Pennsylvania: State-aided hospitals treat all veterans who are awaiting Federal hospitalization.

Wisconsin: Hospitalization, medication, and surgical treatment provided at cost for veterans, who are given preference in admission.

HOME AND FARM PURCHASES

California: To enable veterans to purchase farms or homes the State enacted a law which enables veterans active in the service in time of war and who were residents of the State when they entered the service to select a home—maximum value, $5,000—or farm—maximum value, $7,500—in California, the State assisting the veteran in the purchase. The State buys the property for the veteran, accepting a down payment of 5 percent of the cost of the home, or 10 percent of the cost of the farm, as the case may be, amortizing the balance over a period of 20 years at 5-percent interest, in monthly or yearly installments, there being no taxes on the property thus acquired. Five percent of the cost is charged by the State for services rendered.

Colorado: State land settlement board assists veterans in settlement upon lands within the State for agricultural purposes.

Idaho: Ex-service men given preference in land grants.

Oregon: Land settlement commission provides useful employment and opportunity to acquire farm houses with profitable livelihood on the land for veterans.

EDUCATION OF THE DISABLED

California: State appropriation of $500,000 to aid veterans to continue their education, a maximum of $1,000 being allotted to individual veterans to cover payment of tuition and other fees or an amount for living expenses incident thereto, not to exceed $40 monthly.

Colorado: State educational loan board loans as much as $200 to veterans within the State for a period of 5 years, to be used for educational training in State institutions.

Connecticut: Education of blind veterans provided at expense of State.

New York: Vocational training of the disabled provided by the State. Outright grant of $500 each year to each blind veteran.

New Jersey: State law provides for rehabilitation of all veterans who are incapacitated.

South Carolina: All veterans granted free tuition in State college.

WELFARE WORK

Idaho: State welfare commission renders emergency assistance to disabled and destitute ex-service men and their dependents.

Illinois: Appropriation for care of indigents and all needy veterans.

Kansas: Destitute ex-service men and their wives, widows, or children under 14 provided with necessities of life at their own residences.

Maryland: State appropriation for temporary relief of veterans of all wars.

Massachusetts: Financial assistance given veterans and the widows and children of veterans.

Michigan: Financial assistance given veterans in emergency.

Minnesota: Department of soldier welfare for relief of disabled veterans and the dependents of veterans.

Nebraska: Endowment fund of $2,000,000 appropriated by the State to aid disabled and needy ex-service men and the wives, widows, or children of same.

New Hampshire: Needy ex-service men and dependents cared for in their own homes, if necessary, or at the State home.

New York: Liberal cash allowance for all sick or disabled veterans, residents of the State, and their dependents, provided they receive no assistance from the Federal Government.

Oklahoma: Soldiers' relief commission well supplied with appropriated funds for disabled veterans.

Pennsylvania: Large fund for direct relief of indigent veterans and their dependents.

South Dakota: Relief given sick and disabled veterans until they can be provided with vocational-training facilities or Federal hospitalization.

Vermont: Sum available to aid indigent and disabled veterans who are unable to avail themselves of the privileges of the State home.

Wisconsin: State aid given ex-service men, their wives, widows, or helpless children in emergency.

States	Burial allowance	Headstones	Free or reduced vending-peddling license	Discharge recording and record certification	Free notary service	Civil-service preference	Maximum tax exemptions		Financial aid to indigents	Relief provided for the children of veterans by the States
							Property of World War veterans	Property of Spanish-American War veterans		
Alabama	None	No	Reduced	No	No	No	(1)	(1)	No	War orphan education.
Arizona	$150 [3]	do	No	Free	Free	do	$2,000	$2,000	Yes	Relief commission.
Arkansas	None	do	do	No	No	do	None	None	No	War orphan education.
California	$125	Yes	Free	Free	Free	Yes	$1,000	$1,000	do	$450 annual orphan tuition.
Colorado	$50	No	No	No	No	No	None	None	do	Guardianship Act.
Connecticut	$100	$35	do	do	do	do	$3,000	$3,000	Yes	$200 annual orphan tuition.
Delaware	$100 [3]	No	do	do	do	do	None	None	No	Annual appropriation.
Florida	None	do	do	Free	do	do	do	do	do	$300 annual orphan tuition.
Georgia	do	do	Free	do	Free	do	do	do	do	None.
Idaho	$75	do	No	do	No	do	$1,000 [1]	do [1]	Yes	Welfare commission.
Illinois	None	do	do	do	do	Yes	None	do	do	Annual appropriation.
Indiana	$75	do	Free	do	Free	do	$1,000	$1,000	No	Do.
Iowa	$100	$16	No	do	No	do	$500 [1]	$1,800 [1]	Yes	Do.
Kansas	None	$20	Free	do	do	do	None	None	do	Guardianship Act.
Kentucky	do	No	No	No	do	No	do	do	do	$150 annual orphan tuition.
Louisiana	do	do	do	Free	do	do	do	do	No	Childrens' Aid Act.
Maine	$100 [3]	do	do	25 cents	do	do	$5,000 [1]	do	Yes	$150 annual orphan tuition.
Maryland	None	do	do	No	do	do	None	do	do	$150 war orphan grant.
Massachusetts	$100	do	do	Free	do	Yes	Variable	Variable [1]	do	Childrens' Relief Act.
Michigan	$100	do	Free	do	15 cents	do	None	$2,000	do	Tuition exemptions.
Minnesota	$100	Yes	do	25 cents	No	No	do	None	do	Childrens' Relief Act.
Mississippi	None	No	No	Free	do	do	do	do	No	Do.
Missouri	do	do	do	No	do	do	do	do	do	None.
Montana	$100	do	do	Free	do	do	Conditional	Conditional	Yes	$250 annual orphan.
Nebraska	$60 [3]	do	do	do	do	do	do	do	do	None.
Nevada	None	do	do	No	do	Yes	$1,000	$1,000	No	Do.
New Hampshire	$100 [3]	do	Free	do	do	do	$1,000 [1]	None	Yes	$150 annual orphan tuition.
New Jersey	$200 [3]	$50	do	Small fee	do	do	$500	$500	No	Direct financial aid.
New Mexico	$75 [3]	No	No	No	do	No	$2,000	$2,000	do	None.
New York	$100	Yes	Free	Free	do	Yes	None	None	Yes	Direct financial aid.
North Carolina	None	No	do	do	do	No	do	do	do	Free tuitions.
North Dakota	do	do	No	No	do	do	do	do	No	Do.
Ohio	$100 [3]	do	Free	do	do	Yes	do	do	Yes	Direct financial aid.
Oklahoma	$150 [3]	do	do	Free	do	No	$300	$300	do	Crippled child care.
Oregon	None	do	No	do	do	10 percent	$1,000	$1,000	Yes	Direct relief.
Pennsylvania	$75 [3]	Yes	Free	do	Free	Yes	None	None	do	$200 per annum for each war orphan.
Rhode Island	None	No	No	do	No	No	$1,000	$1,000	do	Do.
South Carolina	do	do	do	No	do	Yes	None	None	No	$150 per annum for each war orphan.
South Dakota	$100 [3]	do	do	do	do	No	$5,000	$5,000	Yes	None.
Tennessee	None	do	do	Free	do	do	$500 [4]	$500 [4]	No	Direct relief.
Texas	do	do	do	do	do	do	None	None	do	Child Welfare Act.
Utah	do	do	do	do	do	do	$3,000	$3,000	do	$100 per annum for each war orphan.
Vermont	do	Yes	do	No	do	do	None	None	Yes	Do.
Virginia	do	No	do	Free	do	do	do	do	No	$150 annual orphan tuition.
Washington	$100	do	Free	No	do	Yes	do	do	None	Child Welfare Act.
West Virginia	None	do	No	do	do	No	do	do	No	War orphan education.
Wisconsin	do	do	Free	do	do	Yes	do	do	Yes	None.
Wyoming	do	do	No	do	do	No	$2,000	$2,000	No	Do.

[1] Indicates poll-tax exemption. [2] Indigents only. [3] Includes wives and widows. [4] Indicates business property only.

THE FEDERAL LAND-BANK SYSTEM—ITS OWNERSHIP AND CONTROL

Mr. GILCHRIST. Mr. Speaker, the farm-loan system, as organized under the act of 1916, was nonpartisan and cooperative. It was established after an American commission went abroad in 1913 to study European land-credit systems. The chairman of this commission was the late Senator Fletcher, of Florida. Upon its return the members filed their report with Congress, declaring that all successful European systems of farm credit strictly followed the cooperative principal of farmer ownership and farmer control. After 3 years of further study from 1913 to 1916, during which time the Governors of all of the States and prominent farm leaders were invited to advise the commission so that the European plan might be adapted to the different American conditions, the act was finally passed and it adopted these cooperative principles.

To preserve the nonpartisan character of the supervisory authority of the system a Farm Loan Board was provided, with the restriction that the President could not appoint more than one-half of such board from any one political party. This Board was given broad supervisory powers. Twelve Federal land banks were organized. Before the New

Deal came into power in 1933 the directors of these banks were chosen as follows: Three were appointed by the Federal Farm Loan Board, three were elected by national farm-loan associations, and a director at large was selected by the Farm Loan Board from the three highest nominees of all of the associations. In this manner and because of this set-up full recognition was given of the cooperative principle of management.

The most important cooperative units, of which there are now 5,000 in the United States, are the national farm-loan associations, in which full powers of local control were granted by the original Farm Loan Act. These associations have guaranteed all the loans of their neighboring farmer members. Each borrower has subscribed for 5 percent of the amount of his loan in the stock of his association, and the associations have in turn subscribed an equal amount of stock in the Federal land banks. Individual farmer borrowers own all of the stock of the national farm-loan associations. Their investment now amounts to $113,000,000.

But what happened in 1933 upon the coming into power of the present Democratic administration? The Farm Loan Board was abolished and all the powers for 17 years exercised by that Board were transferred to the Governor of the Farm Credit Administration, an appointee of the President. Before 1933 these national farm-loan associations elected four of the seven directors of each Federal land bank, but the New Deal legislation of 1933 permits them to elect only one out of the seven. Four are appointed by the Governor of the Farm Credit Administration, one is selected by the production-credit associations, and one by borrowers from banks for cooperatives, although neither of the last two named institutions own a dollar of stock in any Federal land bank. Furthermore, these national farm-loan associations, being cooperative organizations, are now required to sign contracts with the Federal land banks and the Farm Credit Administration stipulating that such associations shall at all times have and keep in office a secretary-treasurer satisfactory to the bank. Hence it will be seen that in place of a nonpartisan system we now have a perfect piece of machinery for absolute political control of this $2,000,000,000 institution upon which the farmers depend and for which they have subscribed over $100,000,000 in stock under the representation and belief that they would have the ordinary element of stock ownership, to wit, management control.

We now have what may well be made in a Republican administration a Republican farm-loan system and in a Democratic administration a Democratic farm-loan system. Let us look at the set-up. The President appoints the Governor of the Farm Credit Administration, who is given no definite term of office under the law, and who can be cashiered at any time. This Governor appoints a general agent to represent him in each Federal land bank. There is no such officer mentioned in any of the farm-credit legislation from 1916 to date, but nevertheless the agent is appointed. The Governor of the Farm Credit Administration, through his personal appointee, the general agent, and through the four directors of each land bank, directly appointed by him, and the two directors from institutions in which the Government owns at least 90 percent of the stock, has complete power over the policies and personnel of every Federal land bank. More than that, under this new contract, through which associations are required to select secretary-treasurers satisfactory to the bank, these associations may likewise be politically dominated by Washington.

I cannot say what the change from a nonpartisan to a partisan system has cost the farmers of the United States. The trained executives of the Federal land banks, with years of experience prior to the advent of the New Deal, have been forced to accept personnel from outside of their districts uninformed as to conditions and oftentimes theoretically instead of practically minded about farm-credit problems. These acts on the part of the present administration toward this credit system are wholly unjustified. The farmers in the eighth Federal land-bank district of Omaha, including my State of Iowa, have paid $21,000,000 for the stock of that bank, being 75 percent of the total capital stock, yet they are permitted to elect only one director, and the policies are under the complete control of a Washington bureau. This violates all cooperative principles and is in flagrant disregard of the ordinary rights of corporate stockholders.

Admittedly due to the conditions during the depression it became necessary or proper for the Government to advance funds so that these institutions could make loans to thousands of farmers throughout the country. Because of these advances it was proper for the Government to ask for a larger measure of control during the emergency if it were thought that the national farm-loan associations and Federal land banks were not competently officered and able to handle the larger problems. I do not believe that it is your judgment, as it is not mine, that a Government bureau can operate any more efficiently and economically than private organizations do. The best managers will come from the group whose money is invested in the enterprise. "For where your treasure is, there will your heart be also." But while the Government may have been justified in asking for greater control there is no reason why it should have acted differently in this case than in those cases where it bailed out banks, railroad companies, insurance companies, and so forth, through the Reconstruction Finance Corporation. It conditioned such aid upon representation upon the boards of these institutions but it did not destroy any of the rights of the stockholders and did not take away the normal powers of the directors. During the 17 years of operation of this system prior to 1933, the officers and directors of the national farm-loan associations and of the Federal land banks had demonstrated their ability to manage the system and they were at least entitled to the same consideration that the Government gave to these other private institutions which it also financed.

What did the Government put into the system? In January 1932, which was 14 months before the New Deal took over the control, Congress voted $125,000,000 as an additional capital stock subscription for the Federal land banks. At that time Congress showed its confidence in the management of these banks and associations by making no provisions whatever for restricting these local operations. Since 1933, additional advances have been made by the Government for surplus to take care of the moratorium and the extension of principal and interest payments. This amounts to about $100,000,000, which will be repaid as soon as payments are made on these postponed installments. Then again and through the Federal Farm Mortgage Corporation (which is really the Government itself) the Government has guaranteed $750,000,000 of bonds issued by such mortgage corporation, the proceeds of which were used to purchase Federal land-bank bonds. These practically Government issues were sold at a very low rate to take up Federal land-bank bonds, most of which bore a 4-percent rate. As a result of this transaction the Government has made a big net profit which amounts to the vast sum of $23,393,639 as shown by the report of March 31, 1936. There is no excuse for continued unreasonable centralized Washington control of the system because of this bond transaction. Federal land-bank 4-percent bonds were quoted in this morning's paper (June 20, 1936) at from 104⅛ (for the lowest issue) to 110 for the issue having the best market price. Whenever it sees fit the Government can therefore relieve itself of the guaranty upon the $750,000,000 obligation and realize a handsome profit of from about 5 to 10 points. And the Government can continue from time to time to float Federal Farm Mortgage Corporation bonds at very law rates. It has made profits heretofore and it will continue to make profits hereafter based upon the spread between the low rate which it pays upon its flotation of Mortgage Corporation bonds and the high rate which it receives from consolidated Federal land-bank bonds.

At the cost of repetition I call attention to the fact that the Government acquires the bonds of the land banks which are secured by farmers' mortgages and are known as consolidated Federal land-bank bonds. These bonds draw interest as high as 4 percent, and even more than this high interest rate is paid to the Government. Then it turns around

and under the name of the Federal Farm Mortgage Corporation—which is really Uncle Sam himself—floats huge sums which bear interest at rates running from 1½ percent to 3 percent. Therefore it is making a profit in no case less than 1 percent, and in many cases more than 1 percent, on these Farm Mortgage Corporation bonds amounting in the aggregate to more than three-quarters of a billion dollars. Now, I submit that the Government has no right to exploit the farmers in such a way.

I have never been able to find any detailed and specific and separate and comprehensive profit-and-loss statement from each of these several land banks. I asked Governor Meyers for such a report about 3 months ago, suggesting that Congress ought to be informed upon the question so as to be able to enact proper legislation. He replied that such information had never been given out. Now, in the closing days of this Congress and on yesterday, June 19, and after the time has gone by within which there is any chance of enacting new legislation—we will adjourn sine die today—there has come to my hands a letter dated June 18, 1936, from Mr. F. F. Hill, Deputy Governor of the Farm Credit Administration, as follows:

> In accordance with our letter to you of April 2, 1936, there is enclosed herewith a copy of the Farm Credit Quarterly of March 31, 1936, which has just been made available for distribution. I wish to call your particular attention to the profit-and-loss statement for the Federal land banks appearing on page 8, and a similar statement for the Federal Farm Mortgage Corporation which appears on page 11.

I am very grateful for this letter and for this information and thank Mr. Hill for it. But there is no attempt to show any profit-and-loss statement of any specific one of the 12 Federal land banks. This information would have been helpful if we could have had it sooner. For example, it would have helped us to get cheaper rates of interest for farmers. Some progress has been made along this line in the passage of H. R. 10101, notwithstanding the belated information and our lack of knowledge. But this bill was amended in the Senate and is inadequate and covers the situation for 1 year only. After July 1937 it compels the farmers to return to the old rates, which are too high and are indefensible.

The Republican national platform declares for the restoration of the system and for a decentralized nonpartisan control. The language is clear. We should put the authority again close to the people—close to the farmers who bought and paid for the stock in the banks and who at the time they borrowed the money had the right to run their associations upon the cooperative principle. They know how to do it in my section of the country. They have done it. In addition, they have successfully operated cooperative grain elevators, hog-shipping associations, creameries, and other cooperatives.

The attitude of the present administration toward the 650,000 farmers who are members of these national farm-loan associations can be explained in only one of three ways; (a) either this is a cold-blooded, determined effort to build a political system with complete power in the appointee of the President, (b) or else the administration now distrusts the ability of the farmers to run their own institutions, (c) or else it has neglected to give any thought to the matter.

Whatever may have been the cause for this ruthless destruction of the cooperative control principles of the Farm Loan Act, I protest that this system must not be made a political machine for the party in power and that the control of these institutions should not be removed from the men who built them and paid for them.

The Republican Party has assured these 650,000 farmers that their rights will be restored in the following clear statement from the platform adopted by the Cleveland convention.

> We propose * * * to provide for decentralized nonpartisan control of the Farm Credit Administration and the election by national farm-loan associations of at least one-half of each board of directors of the Federal land banks, and thereby remove these institutions from politics.

Surely the Government cannot complain of such a proposal.

I do not now make these comments out of any partisan spirit; but, on the other hand, I make them by way of constructive criticism and in the hope that the law will be properly amended by the Congress which is to be elected in November of this year. I want remedial legislation.

ROOSEVELT AND RECOVERY

Mr. JOHNSON of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD, I submit the following in addition to the facts contained in my radio speech on Roosevelt and Recovery:

PAYMENT OF SOLDIERS' BONUS

During my service in Congress I consistently advocated and supported the payment of this just debt, and am glad that it has now been discharged. The payment of these certificates not only discharged a debt due to the World War veterans, but is a godsend to many who are in need at this time. Furthermore, it will equitably distribute throughout the country a large sum of money that will, in my judgment, materially aid in the recovery from the depression.

I have also supported legislation in behalf of disabled veterans and dependents of deceased veterans, and have spent much time in assisting veterans and their dependents in presenting their claims to the Veterans' Administration.

OLD-AGE PENSIONS

Under the Social Security Act the Federal Government, for the first time in history, provided funds for old-age pensions, thus giving just recognition to that class of aged and worthy citizens for many of whom there is always a depression.

The Federal Government contributes to the States not exceeding $15 per month to all persons 65 years of age or over, provided the State will match it with a like amount.

It has been erroneously charged that the Federal act requires a pauper's affidavit to be eligible for such pensions, but this is untrue. Each State passes its own laws prescribing what the financial condition of a person must be in order to receive a pension, and the amount thereof.

If pensions of less than $30 a month are paid in any State, or unjust restrictions of eligibility are imposed, the fault lies with the State and not the Federal Government, for the Federal act has left free and unrestricted the imposition of all requirements in obtaining pensions to the respective States.

While the legislation is not all that could be desired, it is a step in the right direction. Like any new law, especially upon a subject concerning which there has been no previous legislation, experience will doubtless demonstrate defects, and it can and will likely be liberalized.

I favor the payment of as large a measure of assistance to the aged as the Government can reasonably make without impairment of its solvency or undue inflation of prices.

NEUTRALITY LEGISLATION

Congress at the last session passed a temporary neutrality bill, which expired on February 29 of this year; but a few days prior thereto we passed another bill, strengthening the act previously passed and extending the date of its effectiveness until May 1, 1937.

This act is designed to keep our country from becoming involved in war between other countries.

Being a member of the Foreign Affairs Committee, which handled this legislation, I had much to do with its consideration and served as chairman of the subcommittee which drafted the bill. Time does not permit a discussion of this important measure, but it goes far in removing the causes that might involve us in war between other countries.

There is one question upon which the American people are agreed, and that is that we have had enough of war.

If the provisions of this neutrality law had been in effect, it would have contributed much toward keeping our country out of the World War.

REGULATION OF COTTON EXCHANGES

Another bill for which I voted (H. R. 6772) and which has, within the past few days passed both Houses and now awaits the President's signature, is a bill to amend the Grain Futures Act of 1922, so as to make that act applicable also to cotton futures.

The price of cotton has too long been controlled by the manipulation of professional brokers upon the futures market, and while there has been some restrictive legislation as to grain, the cotton-futures market has gone unregulated and uncontrolled.

While this act is not as drastic as I should like to have seen, yet it is a step in the right direction, and confers upon the Secretary of Agriculture, the Secretary of Commerce, and the Attorney General authority to fix limitations upon purely speculative trades and commitments. Hedging transactions are expressly exempted. It is designed specially for the purpose of preventing overspeculation and a type of racketeering by a few large professional traders who, by combination and collusion, have controlled the cotton-futures market to the detriment of the American farmer.

RURAL ELECTRIFICATION

This act, passed at the present session and approved by the President on May 20, creates the Rural Electrification Administration, whereby loans may be secured for rural electrification and the furnishing of electric energy to persons in rural areas. Nothing will add more to the comfort, satisfaction, and happiness of the rural population than the electrification of farm houses. The farmer can use electric power not only for illumination of his home but also in the operation of water pumps, feed grinders, milking machines, small motors for many uses, and refrigeration; and it will be a means not only for the saving of money but relieve also much of the drudgery of farm work.

COTTON-REDUCTION PROGRAM

The Government in a very short time made rental contracts with millions of cotton and wheat farmers.

In dealing with such a vast number the Government has doubtless made some mistakes and some injustices have been done individual farmers. The small farmers have in some instances been discriminated against, especially those who had theretofore reduced their acreage before the Government took charge of the reduction program.

Congress is in nowise to blame for these discriminations and injustices, for while they pass the laws, the administration of them is necessarily left to executive agencies, and frequently there are instances where the administration of a law is in conflict with the will and intention of Congress.

When one of the cotton-control bills passed the House I offered and secured the adoption of an amendment reading as follows:

The Secretary of Agriculture, in determining the manner of allotment to individual farmers, shall provide that farmers who have voluntarily reduced their cotton acreage shall not be penalized in favor of those farmers who have not done so.

Again, when the farm bill substituted for the A. A. A. passed the House at this session, I spoke in favor of and supported an amendment by my colleague from Texas [Mr. DIES], which was adopted, to wit:

In carrying out the provisions of the bill the Secretary shall in every practical manner protect the interest of small producers.

I likewise supported another amendment to this bill offered by the gentleman from Georgia [Mr. TARVER] designed to protect the interests of the tenant farmer, which was also adopted.

TEXAS CENTENNIAL

A notable victory for Texas was achieved in the passage of the bill appropriating $3,000,000 for participation of the Federal Government in the Texas Centennial.

My colleague, Mr. LANHAM, of Texas, and I were appointed by the Texas delegation as the steering committee in charge of the bill. It was referred to the Committee on Foreign Affairs, of which I am a member, and I directed the hearings there and succeeded in securing favorable action by the committee and was the author of the committee's report on the bill. And when the bill was debated in the House I participated therein and also had charge of the time consumed in debate.

With one exception this was the largest amount ever contributed by the Federal Government to any exposition held in this country. The amount was not excessive. The winning of Texas independence from Mexico was not sectional. The valorous men who composed that army and the statesmen who established the Republic of Texas came from nearly every State of the 24 which then comprised the Union. The Texas Centennial celebrates not only the winning of the independence of Texas but also a chapter in our history by which the United States, by the subsequent annexation of Texas and the war to make effective the annexation, acquired nearly one-third of its present domain.

RELIEF

The Government has spent vast sums of money in trying to assist the unemployed by creating Federal work for those upon relief. With the expenditure of such a large sum, many injustices have doubtless been done and many projects have been undertaken that were perhaps unwise, but these instances are the exception rather than the rule.

Congress has appropriated these funds upon the recommendation of the President, and the expenditure and administration thereof have of necessity been left to governmental agencies; and if abuses have occurred, either in the selection of projects or discrimination against men, these have not been the fault of Congress.

Aside from the Government work for relief of the unemployed, perhaps even more criticism has been directed against the distribution of funds to those strictly upon relief, but the expenditure of these funds differs from that of Federal work for the unemployed, for as to relief funds the Federal Government contributes to each of the States an amount to be expended by the States and the respective States select the personnel for the distribtion of these funds, and relief funds are handled by the State governments and their officials rather than by the Federal Government.

There are doubtless many who have received relief who are not entitled to it, and others who have been denied relief which should have been accorded; but Congress felt that the State governments, being closer to the citizens than the Federal Government, would be in better position to select the personnel for the administration of these funds, and hence delegated this authority and responsibility to the States, and any criticism as to expenditure thereof rests against the State governments rather than the Federal Government.

FEDERAL CONTRIBUTIONS AND LOANS MADE IN SIXTH CONGRESSIONAL DISTRICT OF TEXAS

The Federal Government has made cash contributions and loans in the eight counties comprising the Sixth Congressional District of Texas, which I have the honor to represent, in an aggregate amount of $34,304,501.54, itemized as follows:

Adjusted compensation paid World War veterans	$4,219,014.60
Farm rental and benefit payments and profits on cotton options to Mar. 1, 1936	13,186,022.03
Civilian Conservation Corps (approximately)	1,200,000.00
Home Owners' Loan Corporation	1,179,579.00
Public Works Administration	665,430.00
Works Progress Administration	1,025,428.40
12-cent cotton-loan program	2,912,489.22
Federal Housing Administration	212,939.51
Farm Credit Administration	6,726,847.00
Resettlement Administration	691,601.83
Reconstruction Finance Corporation	2,065,149.95
Post-office buildings (approximately)	220,000.00
Total	34,304,501.54

NEW FEDERAL BUILDING AT BUFFALO, N. Y.

Mr. MEAD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my remarks at the dedication of the new Federal building at Buffalo, N. Y., on May 29, 1936, as follows:

I am glad to be here to officiate at the laying of the cornerstone of our new Federal building. Buffalo now has three Federal buildings wherein are housed the activities of the Federal Government serving this area. The first of these buildings, known as the Post Office and Customs House, was erected in 1858. The site, which is located on the corner of Seneca and Washington Streets, was purchased for $45,000, and the building was erected at a cost to the Federal Government of $150,839. The present Post Office building was erected in 1901. The site cost the Federal Government $477,884, while the building was constructed at a cost of $1,554,598, the total cost of the building and site being $2,040,831.

This building, which will be a more beautiful edifice when it is completed and extended, will stand as a monument between an epoch that is past and the beginning of a new era in the

design and construction of modern buildings. It is fitting that we participate in ceremonies of this kind, for this building is dedicated to the uses of all our people. It is proper that these ceremonies be attended by distinguished and representative men and women of Buffalo and Erie County, as well as by representatives of the Federal departments whose agencies will be housed within its walls.

There will be housed under the roof of this building many Federal agencies now located in various buildings throughout our down-town district. The concentration of these agencies will improve the efficiency of the service and add to the convenience of our citizens.

We are grateful to the Congress for the action taken by that body which provided the funds for its erection. We are likewise grateful to the interdepartmental building committee for the great part they took in making this day a reality. We thank those who designed this beautiful building, and all who have had a part in its construction.

This building is typical of the power and the glory of our Nation, and marks the industrial and social progress of our city. Its location adds to the beauty of our civic center and makes more impressive the scene which greets the eye of our visitors.

The business interests of our Government are both large and complex. The happiness of our people is concerned with the intelligent, sympathetic, and efficient manner in which our business and our industry are directed. Business, in large measure, depends upon the attention to duty, as well as the loyalty, of those who are employed by the Government to carry on its work.

It is necessary that the rights of property be protected, and that same protection must be given whether the property rights be large or small. The vast industrial organization, the small business concern, or the home, or the rights of the individual to earn a livelihood must each be the concern of a wise and effective government. It is as important that the the duties and responsibilities associated with the ownership of property be observed as it is that the rights of property receive protection. The future of our people demands that these two principles go together, and that human rights, as well as property rights, go hand in hand in a well-organized society.

It is from here that equal and exact justice is dispensed to all. It is here that the powerful and authoritative arm of the Federal Government stands to protect the poor and the defenseless and to curb those who would become either arrogant or lawless.

The chambers of this building should never be barred to those who would dispense justice, nor to those who would suffer from an injustice. May those who rule, as well as those who judge in this edifice, rise up to that lofty vision of the fathers of our Republic, who visualized justice as being clothed with dignity, as being supported by loyalty, charity, and truth.

One cannot help being moved to patriotic impulses when ceremonies like this take place. Our minds turn in the direction of the great Federal Government and its agencies, which have meant so much to our people through the years of our Republic's existence. Our memory goes back to the great men and splendid women who founded our beloved country; to those sturdy pioneers who gave form and substance to our National and our State Governments; to those patriots who pledged their lives, their fortunes, and their sacred honor that the principles upon which this Government was founded might be given opportunity to prove their righteousness. It was the men and women supported by the leadership of Washington, of Jefferson, and of Jackson who established a government founded on high ideals, on sound laws, and with equal opportunity, the rich heritage of their descendants.

Here in this country democracy goes on, while all about us nations shaken with violent reactions have set up a dictatorship or welcomed back the monarchy of old. Here the rich and the poor, the farmer and the industrialist, every group and every section of our people are considered without discrimination of any kind, and it is they who constitute the primary concern of our great democratic institutions. Whenever we enter this building let it remind us of the power, the dignity, and the equality of these United States, and let those lasting principles which animate our Government serve the common welfare.

OUR CONSTITUTIONAL GOVERNMENT CALLS FOR THE ECONOMIC AND SOCIAL SECURITY OF ITS PEOPLE

Mr. SNYDER of Pennsylvania. Mr. Speaker, the economic and social security of our people and our Nation has been discussed during the last 2 years more than ever before in the history of the Nation.

It is only natural that when a people are oppressed that they become active on this subject. When they are prosperous they give little thought to economic security or social security.

When the people of a nation are prosperous it is sad to note that they neglect the institutions and make for social and economic security. For example, during the years 1920 to 1929, when money was cheap and plentiful, individuals and families neglected their homes; school boards and school authorities neglected to build for the future; municipalities, States, and even the Nation neglected to provide for a rainy day. As the result, when the rainy-day cyclone came in 1929 the structure in these institutions was not strong enough to withstand the momentum of the cyclone.

A nation is only prosperous and secure in proportion to the prosperity and security of the farmers and the little-home owners. The carelessness during the years from 1920 to 1929 and panic of 1929 to 1933 ruined tens of thousands of farmers and hundreds of thousands of home owners.

We are all happy in the fact that the Seventy-third and the Seventy-fourth Congresses, piloted by Franklin D. Roosevelt, set up a constructive series of legislative procedures that has brought hope and cheer to the hearts of our home owners and our farmers.

My belief in social security was put into action when I worked for and voted for the following measures in Congress:

(a) The Banking Act—only 4 failures as compared with some 1,300 under Hoover's administration.

(b) The Home Owners' Loan Act, saving thousands of homes from falling under the sheriff's hammer.

(c) Farm debts, refinancing—act establishing corporation to aid, giving aid to tens of thousands of farmers.

(d) National Securities Exchange Act (act designed to keep the swindlers from gold-bricking the people).

(e) Currency system; to protect act (an act that prevents international bankers and the like from cornering the money market and creating depressions and panics).

(f) Enlarging and enriching the Reconstruction Finance Corporation (we now give assistance to the little fellow).

(g) Old Age Security Act (making certain provisions for pensioning the old).

(h) Acts providing funds and set-ups, such as the C. C. C. camps; Public Works Administration activities; soil-conservation activities; home-building activities; farm-protection activities.

(i) Guffey-Snyder Coal Stabilization Act (giving labor certain rights in collective bargaining and wage adjustments).

(j) Railroad Pension Act and Wagner-Connery Labor Act.

(k) Legislation adjusting tariff to the effect that we now have a greater tariff income.

These, with other dovetailing acts, we put into effect. The results can be found all around you. All we have to do is close our eyes and think of the poverty and bread lines of 1932 and the early part of 1933 and we will know that something happened to bring about these wonderfully improved conditions. The thing that happened was your Congress and your President set up machinery at Washington that is functioning in the interests of the little-home owner, the farmer, the laborer, and the little-business man.

Mr. Speaker, my training and my teachings in life compel me to be a supporter of our constitutional form of government. I cannot and will not support any of these communistic or other "istic" phases of so-called government.

My people want an opportunity to work for a living. My people do not want hand-outs or doles. My record in Congress indelibly stamps me as fighting for legislation that will give every man an opportunity to go out and make an honest living and earn an honest wage. I stand for legislation that does not discriminate when it comes to race, creed, or conditions of servitude. In fact, this Roosevelt administration has done more to break down the barriers that for years caused class distinction than any other administration.

Our citizens of foreign extraction have received more consideration under this administration. The colored people have received more consideration under this administration. True, the antilynching law did not come before Congress, but I, for one, will support it when it does come up, if it is in the form that my colleague, Congressman MITCHELL of Illinois, now has the bill drawn.

The farmers, the laborers, and little-business men have received real substantial help through the measures enacted by the Seventy-third and the Seventy-fourth Congresses. These groups received promises for years and years, but never very much actual help until the Roosevelt administration started to function.

Youth, the young men and the young women, have received substantial help during this administration. At the beginning of 1933 some 4,000,000 boys and girls were walking the streets and highways and byways. Today we find less than 1,000,000 of these splendid young people idle on our streets.

No wonder that both the young and the old are enthusiastic about the New Deal program. In fact, it is not a New Deal; it is just the deal that our forefathers handed down to us, restored to a working basis, whereby human rights are on a level with all other rights of a free people. This is as it should be under our Constitution.

THE MACHINE, UNEMPLOYMENT, AND SHORTER HOURS

Mr. MEAD. Mr. Speaker, I want to discuss the biggest problem we have in America—in fact, the biggest problem in the world today. That problem is unemployment.

The cause of the problem is technological, and the by-products of the problem are deficits, taxes, communism, vice, crime, relief, and a hundred and one associated minor problems. Put the unemployed back to work and all these problems will diminish or vanish from our midst.

I hold that the natural resources of America are sufficient with our present manpower and our existing capital set-up to furnish all the necessities of life, including food, clothing, shelter, transportation, and the entertainment of our population. Our modern machine methods have made it possible for a part of our population to produce as much and more than we have been able to consume. Our problem is therefore to care for that portion of our population which under existing circumstances cannot be gainfully employed. Are they to starve to death? Will they be continued on made-work projects? Will we imitate England and assign a large portion of our citizens to a life of indolence on the dole? Or are we to provide for their employment in private enterprise?

Of all these methods I prefer private employment. I would have it provided for by a law which would compel a reduction in the work period commensurate with work opportunities available for our working population. If unemployment results from machine efficiency, then the only practical solution is in a reduction of the workday for the employees of America.

Every authority agrees that productive efficiency during the passing years has revolutionized the operating processes of industry. The driving urge was to produce a greater volume of goods at the expenditure of less human energy. The result has been more and more production with fewer and fewer men. There is no exception. It is true in every enterprise, as a survey of the roster of all industry will show.

A significant case of this character received the consideration of Congress recently—railroad workers, a short time ago numbering 2,000,000, now scarcely total 1,000,000, and with a further prospect of an early reduction of 150,000 more railroad employees, resulting from sweeping consolidation proposals made by Mr. Eastman, the former Railroad Transportation Coordinator.

Coal miners now average scarcely 3 days a week, despite the reduction in hours to 7 a day. The same situation is more or less true in all industry. Modern machines and mass-production methods have already reduced the workday and the workweek, but in most cases the workers have been denied their share in the fruits of these modern tendencies.

There is no more appropriate time for a serious consideration of this problem than at present. Industry can well afford in most instances to reduce the workday of those now gainfully employed. The Government cannot long continue the tremendous expenditures which now provide made work and home relief for millions of our people. The constant and steady upswing of business, the tremendous increase in profits, the rising tide of business expansion, make it compelling for us to increase the consuming power of our people lest this sudden boom be followed by another collapse.

Every authority of note tells the story of added industrial profits, of a sharp rise in dividend payments, of the unusual increase in industrial production, of the remarkable gains in the iron and steel industry, of the record-breaking sales in the motor industry. However, these gains cannot continue permanently unless consumer buying—the foundation of all these gains—is placed upon a parity with our increased productivity. Not only is it necessary, therefore, to relieve the problems which menace government and disturb industry but the elimination of our unemployment problem by shortening of the work period is essentially necessary if we are to avoid a repetition of the crash of 1929.

In his Baltimore speech to the youth of America the President of the United States charted the course which industry must follow—a reduction in the work period, an increase in the leisure time is the philosophy contained in that historic utterance. Its logic is strengthened and fortified by the presence of millions of men in our country rendered idle by the efficiency of machine productivity. However, captains of industry like Alfred P. Sloan, Jr., of General Motors, declare that unemployment will result from the application of the President's recommendations; and from the pen of that noted writer Walter Lippmann, we learn that the President's promise of better life with less work defies common sense.

Mr. Sloan, to further quote him, declared:

> That is like saying if we bake less cake, we will have less cake to eat.

While Lippmann, on the other hand, observes:

> They cannot eat more cake by eating less cake.

And then he adds:

> If the older people and the younger are to be supported in leisure, the others will have to provide their support.

And from these observations they raise a thesis charged with absurd deductions.

A sample of their absurdities is this statement made by Mr. Lippmann:

> If working less is the cure for unemployment, then total unemployment ought to produce the abundant life.

Carrying out the Sloan and Lippmann philosophy to the other extreme, the abundant life will result only in working our people from the cradle to the grave, with such leisure as will be theirs to be provided not here but hereafter.

Production is the cornerstone of well-being. No one denies it. Wages, profits, taxes—everything must be paid out of production. The more produced, the more there is for social distribution. Of course, the man who does not work must be kept by the man who does. There can be no exception to that rule. That lesson has come home to us during the last 6 years. The Nation is called upon to provide work relief and home relief through taxes for its unemployed ranging from ten to twenty million people. The situation results from economic maladjustment, throwing production and consumption grossly out of balance, creating the harrowing paradox of plenty causing poverty, with all of its devastating trail of related miseries.

To the ultimate solution of this grave situation, the President has successfully directed the Nation's industry. National wealth production—which dropped from its 1929 high of eighty-five billion to its 1932 low of thirty-eight billion—is now above the sixty-billion mark, with the continuance of its rising trend as certain as tomorrow's sun. It is plain enough to any observer whose reasoning is not distorted by partisan design or reactionary thinking that if the millions now unemployed, or on part-time jobs, could be given steady work on modern machines and on a 30-hour-week basis, America's wealth production would soon reach, and likely pass, the one-hundred-and-fifty-billion-a-year mark. Then would come health and leisure, free from care and grief. And then the added cost of Government as well as the added cost of caring for both our older and our younger folks would seem trifling in comparison with our increased national income.

Today there is no problem of production. To give willing workers a chance to produce—that is our main problem.

"Notwithstanding the reductions in hours of labor", reported the committee on economic changes, of which the Honorable Herbert Hoover was the chairman, "per capita productivity is nearly 60 percent greater than it was toward the close of the nineteenth century; the increase in per capita

productivity in manufacturing from 1922 to 1925 was 35 percent; the productivity of farm workers has increased at a rate probably never before equaled."

Since the report of the Hoover committee on economic changes, productive efficiency per unit of worker has been going forward at a constantly accelerating pace, with no end in sight. Call the roll of industry, one after another, and each presents a romance of industrial revolution, as old producing methods give way to new. Surplus and disposition of surplus is the only economic problem. Today, with production running steadily upward, the mills, mines, factories, and farms will not be able to employ more than 80 percent of the workers they required in predepression days.

With sufficient purchasing power, America has a potential productive capacity that defies the imagination. This carries with it a certain promise of higher living standards for the average man and woman than ever enjoyed before, and this on a basis of shorter labor hours than heretofore has met popular sanction.

Today we are caring for our older people, our younger folks, and many who are in between those periods of life. They all stand before us the victims of our machine productivity. President Roosevelt, having this in mind, indicates the manner by which this present, expensive, planless basis may give way in an orderly and progressive fashion to a more enlightened and equitable policy; a policy based upon a fair and just distribution of earnings, by reducing the work period and giving to every willing hand the inherent right to work. It is the course that progress must take. Man has perfected no better plan. Its simplicity recommends its application above every other device yet advocated. It necessitates no bureaucracy or governmental supervision. It substitutes a lesser number of days in the workweek than is now the case. It merely reduces the hours per day to a lesser number than is now in effect. The acceptance of this simple plan on the part of Government and industry solves the most important problem of the day. We control the machine or it ruins us.

RECIPROCAL ECONOMY OF SELF-HELP

Mr. CARTER. Mr. Speaker, cooperative self-help associations have proved in the last 3 years to be the best method through which to meet the problems arising out of unemployment and need.

The assistance given to these self-help groups on the part of the Federal Emergency Relief Administration has been small compared with the vast sums expended by the Administration for direct relief or work relief.

From July 1933 to October 31, 1935, the Administration extended grants to some 208 self-help cooperative groups amounting to $1,656,578. At the end of this period these groups reported assets in equipment and inventories of $1,145,595 besides a total value of $3,115,094 received by members in the form of goods and services. Concurrently a cumulative total of $2,279,396 in relief savings had been accomplished by these activities.

Participating in these 208 groups during this period were some 30,000 unemployed people, with their dependents, amounting to around 100,000 individuals. The activities of these self-helpers have resulted in the saving of crops that would otherwise have gone to waste. In their operations of trading labor and services many farmers, small manufacturers, and businessmen have been able to expand their operations by acquiring labor through trading their surplus produce and goods, for which there was no ready profitable cash market.

How far the benefits resulting from the unemployed trading their labor and services have reached outside of their own ranks would make an interesting research and would undoubtedly prove that the self-help, or reciprocal-economy cooperative could, if properly encouraged and directed, become a potent factor in national recovery from depression.

The self-help cooperative, when properly organized, becomes a center of hope and courage for its membership. Here the unemployed can always invest their labor and receive something in return for it without feeling that they are being pauperized by asking for relief. More than that—the cooperative becomes a recruiting ground for private business. In the trading operations members of the cooperative come in contact with farmers, manufacturers, and employers of every sort. The kind of men and women who would rather work for a living than go on relief also make the most desirable employees, and employers within the trading radius of a self-help cooperative soon learn that here is an excellent source of dependable labor. Thus the self-help cooperative becomes an asset to the employers of the community in which it is located as well as to the community itself by its reduction of relief costs.

In furnishing private business with dependable labor the self-help cooperative often loses its best and most valuable members. This of necessity tends to make the level of average efficiency of production in the cooperative low. They lose their best members who go on cash jobs when they have regained their courage and gotten into the swing of working for a living.

In spite of this handicap which would wreck most private enterprises the self-help cooperatives have proved successful.

The amounts invested in these enterprises by the Federal Government has been about a hundred dollars per worker. In comparison to this the investment considered necessary in private enterprise per worker is somewhere between $1,000 and $1,500. In the light of these facts the achievements of these struggling groups have been nothing short of phenomenal.

Our Government can well consider ways and means of turning the major portion of relief expenditures into the building of reciprocal economy.

Through the development of organized self-help a solution to the unemployment problem is being found by the unemployed themselves.

In Oakland, Calif., the self-help group known as the Unemployed Exchange Association, U. X. A. for short, has been operating since June 1932. This organization has hundreds of businessmen on its books with whom a brisk trade in labor, services, and commodities has been developing and increasing.

The relief saving to the county of Alameda amounted to more than $150,000 before this group received any aid in the form of grants from the F. E. R. A. With Federal grants plus trading operations of their own the U. X. A. has acquired and is operating a sawmill in the foothills of the Sierras above Oroville, Calif., and the organization is trading lumber to farmers in several counties, taking surplus produce in exchange. The U. X. A. has proved an incalculable asset to all the people of the communities in which it is operating.

In Santa Barbara, Calif., a younger self-help group organized after the reciprocal-economy pattern evolved by U. X. A. has been operating during 1935. This group has earned hundreds of tons of food for its participants and has become a real asset to Santa Barbara. The Santa Barbara County Cooperative Industries, group no. 1, has scores of businessmen and farmers on its books as trade agreements besides over a thousand members. It has been endorsed officially by the local chamber of commerce, the Bankers' Association clearing house, the county board of supervisors, the city council, the mayor, the superintendent of schools, the Parent-Teachers' Association, the Y. M. C. A., the City Teachers' Club, the Kiwanis Club, the Native Sons of the Golden West, and many other organized bodies, besides the majority of business and professional leaders individually.

The Santa Barbara group has the community of Santa Barbara united in its support and has proved that reciprocal economy is an acceptable application to unemployment and need.

In 28 States and 3 Territories organized self-help has proved superior in its effects to relief and work relief. Out of these efforts, made primarily by the people themselves, has grown a method which is known as reciprocal economy.

This is an orderly, constructive, understandable method which makes it possible for unemployed people to work for a living instead of going on relief. It has become a proved method, acceptable to organized business, organized labor; and it has proved to be an asset to Government in reducing relief expenditures, in expanding the usefulness of relief expenditures, and in eliminating in many cases the need for relief expenditures. This method may well be instituted as the proper and most effective method for our Government to apply relief funds through.

ALAMEDA NAVAL AIR STATION

Mr. CARTER. Mr. Speaker, legislation providing for the establishment of a naval air station at Alameda has passed both the Senate and House and is now pending before the President. I have no doubt but what he will sign this very important measure.

This matter was initiated November 6, 1935, when Admiral E. H. Campbell, United States Navy, commandant of the twelfth naval district, stationed at San Francisco, Calif., dispatched the following letter to the mayor of Alameda:

NOVEMBER 6, 1935.

Hon. HANS W. ROEBKE,
Mayor of Alameda, City Hall, Alameda, Calif.

DEAR MAYOR ROEBKE: The Navy Department has under consideration the establishment of an air station on San Francisco Bay for heavier-than-air craft—landplanes and seaplanes.

This will involve, first, the acquisition of a suitable site for the air station, to be followed by the development of the site acquired. Both of these depend upon favorable action by Congress.

Studies of available sites give high priority to the Alameda airport location, owned by the city of Alameda, and at the present time under lease by the city to the Curtiss-Wright Corporation.

As the representative in this area of the Navy Department, the commandant, twelfth naval district, has been directed by the Secretary of the Navy to contact the city officials of Alameda to ascertain whether the city is willing to convey to the Government for naval uses, at a nominal consideration, approximately 346 acres of land at Alameda, subject to leasehold and improvements of the Alameda Airport, Inc., said conveyance to be made as soon as the Navy Department secures authorizing legislation from Congress to purchase the leasehold and improvements and accept conveyance of this land.

In addition to the land under lease to the Alameda Airport, Inc., the Navy Department desires to acquire under similar conditions the adjoining approximately 500 acres of tideland and submerged land to the southward and westward, owned by the city of Alameda, which the commandant understands is free of encumbrances. It is the Navy Department's intention, when assured that this property can be acquired by the Government for naval uses, to present to Congress a program of development and construction for a first-class air base at the Alameda site.

The requirements of the new base will be such as to provide landplane facilities for the airplanes assigned to three carriers and seaplane facilities for two or more squadrons of large patrol planes, a total of approximately 300 airplanes. In addition, overhaul facilities would be required for the above aircraft and engines, barracks for approximately 2,000 enlisted men, docking facilities for 3 carriers and 1 or more large tenders. the total expenditures would involve several million dollars. Approximately 300 civilians would be employed, with a total annual pay roll of approximately $500,000; this in addition to the pay roll of enlisted men attached to the base and ships lying at the base.

It is proposed that the Government occupy the property immediately after congressional authorization and funds are provided for the acquisition of the leaseholds and improvements, and that development would proceed as fast as authority and funds permit.

Consideration of a location for a naval landplane and seaplane base on San Francisco Bay depends upon the early availability of sufficient land and adjacent water front to permit development as outlined above. The commandant is most interested in learning if the city of Alameda is favorable to conveying this property to the Government for the purpose set forth at a nominal consideration.

An early reply will be appreciated in order that the Navy Department may proceed with the necessary steps to secure legislative authority.

Yours sincerely,

E. H. CAMPBELL,
Rear Admiral, U. S. Navy,
Commandant, Twelfth Naval District.

Following the receipt of this letter, the city of Alameda called a special election on January 28, 1936, for the purpose of voting upon the proposition as to whether or not the city would deed for a nominal consideration 929 acres of land to the United States for the purpose of establishing a naval air station thereon. In due time identical bills were introduced having for their objects the establishment of this naval air station. On March 12, 1936, Adolphus Andrews, Acting Secretary of the Navy, reported on the House bill as follows:

[No. 523]

TO AUTHORIZE THE ACQUISITION OF LANDS IN THE CITY OF ALAMEDA, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, AS A SITE FOR A NAVAL AIR STATION AND TO AUTHORIZE THE CONSTRUCTION AND INSTALLATION OF A NAVAL AIR STATION THEREON (H. R. 10708 AND H. R. 11039). MR. CARTER

NAVY DEPARTMENT,
Washington, March 12, 1936.

The CHAIRMAN, COMMITTEE ON NAVAL AFFAIRS,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: The bills (H. R. 10708 and H. R. 11039) to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon, were referred to the Navy Department by your committee with request for comment and recommendation. It is noted that the two bills are similar in purpose but that the bill H. R. 11039 contains a more detailed description of the property in question.

The purpose of these bills is to authorize the Secretary of the Navy to acquire on behalf of the United States at a cost not to exceed $1, as a site for a naval air station, from the city of Alameda, Calif., a parcel of land containing approximately 95 acres of hard land and 884 acres of tide land, free from all encumbrances except a certain lease entered into by and between the city of Alameda and the Alameda Airports, Inc., a subsidiary of the Curtiss-Wright Corporation.

Both bills authorize the appropriation of the following sums:

"(a) Not to exceed $296,000 for the purpose of acquiring the Curtiss-Wright Corporation leasehold interest and all improvements of every kind and nature on said tract of land;

"(b) Four thousand dollars to be paid to the city of Alameda, Calif., to reimburse said city for the expenses of a special election held for the purpose of authorizing the city council of the city of Alameda to convey to the United States the above-described parcel of land for the above-specified purpose, and for incidental expenditures in connection with such conveyance; and

"(c) One million dollars to be used for any of the purposes as set forth in section 2 of this act."

A special election was called and ordered to be held in the city of Alameda, Calif., on Tuesday, January 28, 1936, for the purpose of submitting to the qualified electors the proposition to give, grant, convey, and alien forever to the United States of America the lands above mentioned for the aforesaid purposes. The total vote cast for and against the proposition was as follows:

For the proposition	8,284
Against the proposition	378

Thereafter on January 29, 1936, the city council adopted resolution no. 2035 authorizing and instructing the mayor of the city to make, execute, and deliver for and on behalf of said city a good and sufficient deed giving, granting, conveying, and alienating to the United States of America forever for use as a naval air base the lands above referred to—

"Provided, however, That at least $1,000,000 be expended for, or contracted to be expended in the actual work of development of said naval air base by December 31, 1939, otherwise said lands shall automatically revert back to said city of Alameda."

This project is of great importance to the efficiency of the Navy and was assigned the highest priority in the draft of the public works authorization bill recently submitted to Congress and introduced in the Senate on February 22, 1936, as S. 4073. It is possible, however, that the Navy Department may at some future date find it expedient to use this site not only as an air station but also for other purposes. The Navy Department therefore recommends that the bills be amended by inserting, after the words "naval air station" in line 5 of page 1, the words "or other naval purposes."

The Bureau of the Budget has advised that the bills, if amended as recommended, would not be in conflict with the program of the President.

The Navy Department recommends the enactment of the bill H. R. 11039 if amended as suggested.

Sincerely yours,

ADOLPHUS ANDREWS, *Acting.*

The Senate bill passed the Senate as originally introduced. The House bill was amended before leaving the Naval Affairs Committee of the House, and was further amended on the floor of the House, but the main purposes of the bill were not interfered with. The Secretary of the Navy and the Navy officials consider this project of great importance to the efficiency of the Navy, and it has been shown the highest priority in the draft of the public works authorization bill which was submitted to Congress.

This tract of land is located in the city of Alameda, on the eastern shore of San Francisco Bay. The Navy proposes to use this area primarily for a hydroplane base, but requires also a landing field for landplanes. There is already established on this area a modern first-class airport of landplanes consisting of an administration building, a hotel,

hangars, repair shop, warehouses, lighting equipment, and other facilities ordinarily found in connection with a modern airport. There are at present also facilities for the landing of hydroplanes. The Clipper ships, owned by the Pan-American Airways, use this area as their California terminal.

From the point of the view of the Navy, this tract of land is ideally located for facilities for both hydroplanes and the landplanes.

The citizens of Alameda are to be congratulated for their generosity in donating this area to the Government. The use of aircraft is, as one of the arms of our national defense, increasing each year, and this project is one of the most important units in the coast defense of the Pacific coast.

The Navy Department is anxious to begin construction at the earliest possible date on this undertaking, and I believe that the Congress of the United States should furnish ample funds to insure that this naval air station will be completed in the not distant future.

THE TWO-THIRDS RULE OF NOMINATING DEMOCRATIC CANDIDATES FOR THE PRESIDENCY SHOULD BE ABOLISHED

Mr. ROGERS of Oklahoma. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my radio address on the two-thirds rule, as follows:

Good evening, ladies and gentlemen. I speak to you now from Washington, D. C., as Congressman at Large from Oklahoma. I am a Democrat. I subscribe to the principles of Jeffersonian democracy. Coming to you as a Representative in Congress from the great Southwest, it would be natural for me to concur with southern statesmen in their traditional espousal of the two-thirds rule for nominating candidates for the Presidency. However, my tenacious adherence to the tenets of social and governmental justice as laid down by Thomas Jefferson and my inherent inclination toward liberal democratic government impel me to vigorous opposition to the two-thirds rule. I favor complete abolishment of this rule.

I have not discussed the subject with my colleagues in the Congress. I was probably invited by the National Broadcasting Co. to speak to you this evening because I am one of the few southern Members of Congress who have broken the shackles of tradition and who privately and publicly are willing to throw off the curse that has jinxed the Democratic Party since 1832. I have heard that President Roosevelt and Jim Farley favor abrogating the two-thirds rule. This being true, those who hold similar views to mine will probably be in the ascendancy at the national Democratic convention scheduled during the week in Philadelphia. There is considerable talk that that convention will discard the two-thirds rule. At any rate, the question will give the Democrats something over which to fight. There will be no scrap over who will receive the nomination for the Presidency or the Vice Presidency. The platform undoubtedly will offer no opportunities for lively, spirited debate, because it assuredly will be, and properly so, a reiteration of the platform of 1932 and a pledge for the continuance of the broad social and economic program of the Roosevelt New Deal. The question of abrogating the two-thirds rule, then, should provide a morsel of raw meat over which the delegates can maintain the usual combatant color of Democratic conventions.

I am opposed to the two-thirds rule because I believe in majority rule. I cannot interpret the two-thirds rule to be Democratic Jeffersonian liberalism. With the two-thirds rule in vogue, we review political conventions of the Democratic Party over the past 100 years and find that too often the minority controlled the convention. A minority group may not be able to nominate a candidate, but it can prevent the nomination of a candidate of the majority. The Democratic conventions of 1912 and 1924 are typical examples. Champ Clark in the former and McAdoo in the latter are typical of the truth of this statement. Both had the majority of delegates at the conventions.

Any man or woman, with few technical exceptions, who receives a majority of popular votes is the person who is elected to office. This holds true from the Presidency down the line to the position of constable. We would not think of requiring a candidate for office to obtain two-thirds of the votes before he would be declared the winner. We would not think of restricting ourselves to the point where we required a Presidential candidate to obtain two-thirds of the electoral vote of the Nation before he could take the oath of office of the Chief Executive. We would not countenance a situation whereby a Governor of a State would have to secure two-thirds of the votes to be elected. We would condemn any private or public citizen who advocated the two-thirds rule in electing State representatives, county judges, county attorneys, or the clerk of school boards. Who would defend a man who argued that county commissioners or city commissioners must have two-thirds of the total vote before they could be elected? Without attempting in the least to diminish the home popularity of my colleagues in Congress, and with all due respect, let me ask the question: How many of them would have been serving in the Seventy-fourth Congress, which has just adjourned, if they had been required to practice the two-thirds rule? We do not practice these principles at home; why should we handicap our party and our Government in our quadrennial conventions? Why practice this religion on Sunday, as it were, and go home to sin the remainder of the week? Why must we deviate from a universal majority practice of nominating and electing our officeholders to the inconsistency of establishing undemocratic procedure in our Presidential conventions?

This question of the two-thirds rule is much graver than matter-of-fact, offhand thinking reveals. The machinery of our democratic form of government is political. Our oft-referred-to ship of state is a political offspring. Thanks to those great minds that drafted our Constitution and pursued the campaign for its ratification by the Original Thirteen Colonies, our form of government is fabricated with democratic elasticity. The two-thirds rule is the only inconsistency in that democracy. Undoubtedly its infamous results were not anticipated by our founding fathers. If they had been, doubtless prohibitive measures would have been invoked.

The two-thirds rule has oftentime been the pivotal cause for the turn in important events in our national life. Many times this rule has prohibited both the minority and the majority Presidential candidates from receiving the nomination. It has brought to the front several unknowns. The first so-called dark horse was James K. Polk, who was nominated in 1844. Van Buren was the leading candidate. He previously had made the statement that outlined his opposition to the annexation of Texas without Mexico's consent. The South became infuriated, and although Van Buren had a clear majority on the first ballot, the imperialistic attitude of the delegates swung them to Polk and eventually threw the United States into war with Mexico. The two-thirds rule brought about the nomination of Franklin Pierce. The undemocratic two-thirds rule was the cause of the nomination of James Buchanan, of Pennsylvania. The convention that nominated him held spirited arguments in the resolutions committee over the slavery question. Because of Buchanan's wont to straddle the issue, the platform pretended that the slavery question had been settled by the compromise of 1850.

Raymond Clapper, noted newspaper writer, says that the two-thirds rule indirectly caused the Civil War. In 1860 the rule prevented the nomination of Douglas, caused dissention in the Republican Party, and produced the nomination of Abraham Lincoln. Douglas would have been nominated by a majority in that convention. Able historians express the belief that he would have averted the strife of civil war.

The two-thirds rule weakens the Democratic Party. For nearly 40 years, with one exception, where the convention ballotted time after time and ballot after ballot, the strife of the convention left such wounds that the party and the nominee went home to certain defeat. Bitter factional strife has often foreshadowed defeat for the Democratic Party. There have been few victories when the convention was long and bitter.

Speaking of nominating unknowns, I once knew a school board who selected a superintendent whom they did not know because they did not like any of the other candidates. The board met on call of the chairman to select the superintendent for the ensuing year. The usual ballots were cast expressing the members' choice. When counted it was found that a man was elected superintendent that none of the board members knew. Each member explained that he voted for the unknown man because he did not like the other applicants.

This simple little example describes the spirit that often motivates delegates at our national political conventions when the two-thirds rule invokes dissension. Delegates become heated, and to assuage their wounds they will declare themselves, as history shows, for any unknown rather than join either the majority or the minority. This contemptible attitude has wrecked the party many times.

Friends of Andrew Jackson fell upon the two-thirds rule to keep Calhoun from receiving the nomination for the Vice Presidency. This was in 1832. The South, bitter over the question of slavery, looks upon the rule as assuring it a balance of power over the North and West.

Again I repeat that I am a Democrat. I sincerely believe in the rule of the majority. Ladies and gentlemen, the Civil War is over. The North and South are now united. The East, the West, the North, and the South are one. I am, therefore, vigorously opposed to the two-thirds rule because it will not permit a rule of the majority. I believe the Democratic Party should abolish this rule. I will not have an opportunity to present my views to the Democratic national convention in Philadelphia because I shall not attend the convention. My absence from the convention does not indicate, however, that I am taking a walk along with other Democrats who, according to the newspapers, are said to be walking. The Seventy-fourth Congress has just adjourned. Official business will keep me here a few days, after which I shall return to the good "Sooner" State of Oklahoma.

ERNEST LUNDEEN: HIS FIGHT FOR SOCIAL SECURITY—UNEMPLOYMENT INSURANCE—OLD-AGE PENSIONS—FARMER-LABOR—VETERANS

Mr. MORITZ. Mr. Speaker, I have an editorial recently published in the Minneapolis Labor Review entitled "Veterans Won't Forget LUNDEEN." The editorial states:

One man the veterans who are now receiving the bonus will not and should not forget is Farmer-Labor Congressman ERNEST LUNDEEN.

When the enemies of the Patman bill and even the author himself thought it was buried forever in committee, it was LUNDEEN who resurrected it through a petition for action and who kept hammering until names enough were obtained to compel Congress to act.

So, through the determination of this Farmer-Laborite, himself a veteran of the Spanish-American War, the bonus bill was kept alive and finally passed.

The bonus bill was not a grandstand measure with Congressman LUNDEEN. It was something to be worked for in silence of oblivion as well as when the bands were playing.

Just as he worked and worked until the bonus became a reality, so LUNDEEN will work until his measure for social security for all is enacted into law.

SOCIAL SECURITY A LIFETIME INTEREST

I am sure Congressman LUNDEEN will continue his fight until social security for all is written on the statute books of this country. We are determined to continue the fight for the Frazier-Lundeen social-security bill during the next Congress.

Congressman ERNEST LUNDEEN's interest in social security began long before the beginning of his public career. His Carleton commencement oration, delivered at Northfield, Minn., on June 12, 1901, is a brilliant expression of the same views he holds today. Few people can view their youthful expressions of thought delivered 35 years ago and say, "I need not change a word nor take a letter back."

"THE IRREPRESSIBLE CONFLICT"

Foreseeing the rising tide of monopoly and the Money Trust, LUNDEEN stated in his college oration:

Today we are face to face with forces which tomorrow may plunge our land into the horrors of war. Capital and labor, wealth and poverty are arrayed like armored giants, chafing for the battle. The struggle is irrepressible—inevitable. The love of the much and the more, the idealizing of power have made the hearts of men as steel ringing on steel in the great conflict for victory.

We forget the shadows, we ignore the stifled cry of the burdened millions—and we fail to better their condition. We boast of the telegraph and telephone, of steamship and railroad, of cheaper clothing and a wider range of food, but, fellow citizens, how much of this do the tenement dwellers of our great cities enjoy? What great avenues of progress are open to the 140,000 coal miners of Pennsylvania whose wages average $250 per year?

In this atmosphere of social discontent are latent forces of labor unions and strikes. Let their miseries increase a little more; let the capitalist entrench himself a little more securely, heap a few more indignities and wrongs upon these bending forms, and lo, behold a revolution which no government soldiery can ever suppress. When he wills it, the brawny arm of the laboring man can destroy monarchies, dethrone kings, and banish republics from the earth forever.

The pinnacles of our educational system may reflect in golden gleams, wealth, and wisdom, but if our foundations of granite begin to crumble a rush of winds will sweep away the worthless debris and leave mankind an opportunity to build better.

PARENTS AMERICAN PIONEERS

ERNEST LUNDEEN was born on a homestead near Beresford, S. Dak. His parents were from Småland, Sweden. He early learned the toils and hardships of pioneering on the Great Plains. His mother was one of those noble, pioneer women whose sturdy build and strength of character our great American artists have, fortunately, forever preserved. His father was a farmer-homesteader and a minister of the gospel, independent and progressive.

EDUCATION

After attending the Brooklyn district country school near Beresford, S. Dak., the grade schools of Harcourt, Iowa, and high school at Dayton, Iowa, ERNEST LUNDEEN went to Northfield, Minn., where he worked his way through Carleton College. Here he participated in many activities, including debate and oratory, the football team and field sports of all kinds. In the course of his studies, his debating and oratory, his mind was made fertile with ideas of social justice. His progressive views early brought him in contact with the cooperative movement. He was a director of a cooperative boarding house at Carleton College, which was known to be very successful in furnishing good, wholesome food at unbelievably low cost to students of Carleton.

LUNDEEN's education was interrupted by the Spanish-American War, when he enlisted as a volunteer of Company B, Twelfth Minnesota Volunteer Infantry. His service in the Spanish-American War convinced him that something was wrong with the method of handling food supplies, health, and sanitation during the war.

LABOR'S LAWYER

After attending the University of Minnesota law school and being admitted to the bar, LUNDEEN soon made a name for himself as a successful, progressive lawyer of Minneapolis, where he has been practicing for 30 years. He came to the defense of labor unions in the switchmen's strike when no other attorney in the Twin Cities could be found to face the attacks of reactionary elements. Railroad labor will always remember LUNDEEN's defense of labor's rights.

MINNESOTA LEGISLATURE

ERNEST LUNDEEN served two terms in the Minnesota State Legislature, 1911 to 1915, where he successfully piloted through such progressive measures as a bill to increase the value of human life from $5,000 to $7,500 in cases of death by wrongful act. This law paid millions of dollars to widows and orphans made dependent by accidental death of their husbands and fathers. He was an active leader in the field of workmen's compensation.

WORLD WAR DAYS

During the hectic days of the World War, when LUNDEEN first served in Congress, 1917 to 1919, his speeches and the bills he introduced show that he was a fighter for social security. Having rare ability to vision the future in spite of war hysteria, Congressman LUNDEEN had the courage and the foresight to speak out against ruthless destruction of our natural resources and the depletion of supplies needed at home. He protested to Congress and to the President against the huge exports of coal to foreign countries while our own people were in danger of freezing from the resulting shortage of coal.

SPONSORED SOCIAL LEGISLATION 19 YEARS AGO

In those hysterical days of the war and the months that followed the armistice, Congressman LUNDEEN sponsored social legislation in Congress. He introduced a resolution to create in the newly established Department of Labor a bureau of the unemployed, which was to alleviate the unemployment that far-thinking people knew would result from the war. Hearings were held by the Rules Committee of the House of Representatives on another Lundeen resolution, directing certain committees of the House to provide means of employment for veterans and the post-war army of the unemployed. This was in 1919.

The persecution LUNDEEN suffered as a result of his vote against America's entry into the World War and against conscription for foreign service only further impressed upon his mind the necessity of building an enlightened labor movement to combat the power and propaganda of moneyed interests. For many years he suffered persecution, disgrace, and poverty. He had the experience of having his home foreclosed and all his possessions, including his treasured books, thrown into the street during a rainstorm. Books in his library today still bear the mud-splash marks of foreclosure.

Experiences of this kind do not crush the spirit of a fighting American. They make his heart beat faster for those of his countrymen who suffer the same fate. They make him more determined than ever to expose the cause of such tragedies and to fight for social justice.

HISTORY OF FRAZIER-LUNDEEN SOCIAL-SECURITY BILL

With this background of active leadership in labor legislation and with these many years of personal experience in suffering hardships that spring from social insecurity, Congressman LUNDEEN came back to Washington in March 1933 demanding social security for all the people. Within the 14 years preceding his election to the Seventy-third Congress he had made two trips to Europe, visiting England, Sweden, Denmark, Finland, Germany, the Soviet Union, and other countries, taking special note of progress made by these countries in social security. He found that America, though a leader in other fields, was behind many countries of Europe in social-security legislation. From boyhood he had given much time

to reading, especially the works of American liberal and progressive leaders, and today he is constantly on the watch for new books, pamphlets, magazine and newspaper articles on social security.

The Lundeen unemployment, old-age, and social-security bill was first introduced as H. R. 7598 on February 2, 1934. It was again introduced the opening day of the Seventy-fourth Congress, January 3, 1935, as H. R. 2827. That session it was favorably reported out by the House Labor Committee.

The Frazier-Lundeen bill, embodying the same principles as the original Lundeen bill, but worked out in greater detail, was introduced on January 6, 1936, as H. R. 9680 and S. 3475. It provides an immediate Federal system of social insurance for all persons over the age of 18 who are unemployed through no fault of their own. The insurance is equal to prevailing local wages, but in no case less than $10 per week plus $3 for each dependent; nor more than $20 per week plus $5 for each dependent. The cost is borne by the Federal Treasury, and further funds necessary are raised by taxation on incomes, gifts, and inheritances over $5,000 a year.

Old-age pensions and health, accident, and maternity insurance are provided in like amounts.

Hearings were held on the bill in 1936 by the Senate Committee on Education and Labor. The Frazier-Lundeen bill is endorsed by thousands of labor unions, church and fraternal societies, and local and State governments. It was the first social-security measure before the American Congress, and it is the only adequate social-security measure before the American people today. I feel certain the voters of Minnesota will return ERNEST LUNDEEN to Congress, so that we may continue to work with him in our fight for real and adequate social security for all the people.

ENDORSED BY NATIONAL UNION FOR SOCIAL JUSTICE

Congressman LUNDEEN has been unanimously endorsed by the National Union for Social Justice for reelection to Congress from the Third Congressional District of Minnesota. The endorsing resolution reads:

Whereas ERNEST LUNDEEN, Congressman from the Third Congressional District of the State of Minnesota, has always been a leader in the struggle for a more just economic order; and

Whereas his record in the Minnesota Legislature and the Congress of the United States over a period of years has demonstrated his sincerity and courage in the battle for justice to the common man; and

Whereas his record for social-security legislation has been such that he has won national recognition; and

Whereas Congressman LUNDEEN has approved all of the 16 points in the program of the National Union for Social Justice: Now, therefore, be it

Resolved by the Third District Convention of the National Union for Social Justice of the State of Minnesota, That we recommend to our membership the candidacy of ERNEST LUNDEEN for Congressman for the said Third District and urge our members to do everything possible to secure his nomination and election.

FRAZIER-LEMKE BILL

An early signer of the petition to bring the Frazier-Lemke bill before the House for a vote, LUNDEEN has never forgotten that he was born on a farm. He votes with the great farm and farm-cooperative organizations, and he often quotes an inscription on a monument to those who lost their lives in a Minneapolis mill explosion:

Labor, wide as the earth, has its summit in heaven.

TOTAL OF APPROPRIATIONS, SEVENTY-FOURTH CONGRESS, SECOND SESSION—FUNDS FOR VETERANS, RELIEF AND EMPLOYMENT, SOCIAL SECURITY, AND ASSISTANCE TO AGRICULTURE PREDOMINATE

Mr. BUCHANAN. Mr. Speaker, the effect on the Public Treasury of the work of the session of Congress just closed has been frequently misrepresented by many who wish, for partisan political purposes, to discredit the efforts of the National Legislature and the Democratic administration. They cite you only an aggregate of all appropriations made during the session, including those which are of a permanent character and automatically continue without annual review by Congress. They make no attempt to analyze the total to indicate what part of that aggregate is payable from postal revenues and trust-fund receipts and not therefore a charge against the general funds, nor to indicate what portion is for the fiscal year just closed and a charge against that year, nor to what portion is primarily for the fiscal year 1937, which commences July 1, 1936. They would leave the impression that the entire total represents a single year's expenditures. It does not.

The work of the session, insofar as appropriations are concerned, was affected by two momentous incidents. The invalidation of the processing taxes by the decision of the Supreme Court necessitated the appropriation of approximately $300,000,000 for the payment of commitments and obligations that had been in good faith entered into by farmers prior to the decision of the Court and which otherwise would have been paid from processing-tax appropriations. The enactment of the Adjusted-Compensation Payment Act—soldiers' bonus—requires appropriations aggregating $2,249,587,375, including in that total the expenses of administration and audit. These two extraordinary and unexpected amounts make a total of approximately $2,550,000,000. The national problem of relief still continues, though the need is in lessened form, due to general improvement in business conditions. There is included for this purpose a total of $1,425,000,000, with an additional $308,000,000 to continue the laudable activities of emergency conservation work through the Civilian Conservation Corps.

A listing of the appropriations by the totals of the acts in which they are carried leaves the layman with little comprehension of the broad general purposes to be attained by those sums. An appropriate summary classification of all of the appropriations by their general purposes and according to fiscal years places a different understanding and light upon the aggregate.

The gross total of all appropriations for the session—being for the fiscal years 1936 and 1937 and previous years—including the revised estimate of the permanent appropriations and including estimated amounts under new indefinite appropriations, is $10,338,938,839.69. This figure contains some estimated calculations that will be subject to future adjustment. I shall include in my statement at this point the classification of this total, broken down by fiscal years and assembled from all appropriating acts and sources, to give a general 12-point view of this aggregate. I will in this connection state that these appropriations do not include the amount of $300,000,000 to be obtained from sales of P. W. A. securities and authorized to be used for making of grants for public-works projects. The table referred to is as follows:

TABLE A.—*Classification according to major objects and purposes of expenditure and by fiscal years of appropriations made during 74th Cong., 2d sess.*

Purpose	Fiscal year 1935 and prior fiscal years, judgments and audited claims	Fiscal year 1936	Fiscal year 1937	Total
Relief and work relief			$1, 425, 000, 000. 00	$1, 425, 000, 000. 00
Emergency conservation work (Civilian Conservation Corps)			308, 000, 000. 00	308, 000, 000. 00
General public works			[1] 365, 410, 000. 00	365, 410, 000. 00
Social-security program		[2] $42, 664, 500. 00	[3] 475, 253, 410. 00	517, 917, 910. 00

[1] Exclusive of general public works for Army, Navy, and Veterans' Administration. Includes the following: Tennessee Valley Authority, $39,900,000; roads (Agriculture), $68,000,000; Reclamation Service, $54,610,000; national-park and Indian reservation roads, $10,000,000; penal institutions, $2,550,000; Rio Grande flood control, rectification, and diversion (State), $3,800,000; public buildings (Treasury), $65,550,000; river and harbor construction (War), $120,750,000; miscellaneous, $250,000.

[2] Administration, investigation, and grants to States.

[3] Includes $210,253,410 for administration, investigation, and grants to States, and $265,000,000 for first annual premium to be paid into old-age reserve account for payment of Federal old-age benefits.

TABLE A.—*Classification according to major objects and purposes of expenditure and by fiscal years of appropriations made during 74th Cong., 2d sess.*—Continued

Purpose	Fiscal year 1935 and prior fiscal years, judgments and audited claims	Fiscal year 1936	Fiscal year 1937	Total
Veterans:				
Veterans' Administration			[4] $593, 727, 000. 00	$593, 727, 000. 00
Adjusted compensation payments (bonus)		[5] $2,249,178,375. 00	[6] 409, 000. 00	2, 249, 587, 375. 00
Total, veterans		2, 249, 178, 375. 00	594, 136, 000. 00	2, 843, 314, 375. 00
National defense:				
Navy		875, 431. 35	[7] 528, 102, 532. 00	528, 977, 963. 35
Army (military activities, War Department)		4, 340, 000. 00	[8] 387, 445, 754. 00	391, 785, 754. 00
Total, national defense		5, 215, 431. 35	915, 548, 286. 00	920, 763, 717. 35
Postal Service and Post Office Department		40, 507, 185. 42	780, 584, 589. 00	821, 091, 774. 42
Assistance to agriculture		[9] 304, 554, 552. 34	[10] 709, 166, 823. 04	1, 013, 721, 375. 38
Interest on public debt			[11] 805, 000, 000. 00	805, 000, 000. 00
Public-debt retirements (from ordinary receipts)			[11] 580, 125, 000. 00	580, 125, 000. 00
Trust funds			[11] 152, 775, 393. 00	152, 775, 393. 00
All other activities and expenses of Government		[12] 19, 426, 286. 14	[12] 563, 932, 632. 46	583, 358, 918. 60
Items for all agencies for 1935 and prior years—incurred expenses	$384, 412. 07			384, 412. 07
Judgments and audited claims	2, 075, 963. 87			2, 075, 963. 87
Grand total	2, 460, 375, 94	2, 661, 546, 330. 25	7, 674, 932, 133. 50	10, 338, 938, 839. 69
Less trust-fund appropriations payable from trust-fund receipts and that portion of postal appropriations capable of being met from postal revenues			[13] 857, 775, 393. 00	[13] 857, 775, 393. 00
Net appropriations chargeable against general fund	2, 460, 375. 94	2, 661, 546, 330. 25	6, 817, 156, 740. 50	9, 481, 163, 446. 69

[4] Includes public-works item of $4,000,000.
[5] Includes $2,237,000,000 for adjusted compensation payments, $5,500,000 for administrative expenses under Veterans' Administration and $6,678,375 for administrative expenses under Treasury Department.
[6] Expenses of audit of adjusted-compensation payments by General Accounting Office.
[7] Includes public works.
[8] Includes public works and excludes trust fund of $799,105.
[9] Includes $296,882,948.54 for payment of obligations and commitments incurred prior to Jan. 6, 1936, under the Agricultural Adjustment Act.
[10] Includes $112,027,202 for regular activities of Department of Agriculture and Farm Credit Administration, $440,000,000 for carrying into effect new Soil Conservation and Domestic Allotment Act, $109,139,621.04 for encouragement of exportation and domestic consumption of agricultural commodities and products thereof, etc. (30 percent "customs duties" fund), $48,000,000 for payments on account of reduction in interest on farm mortgages and extensions and deferments of farm mortgages. In addition to this sum, funds are made available, under the relief appropriation, for rural rehabilitation and for loans and relief to farmers and livestock growers. Of the $112,027,202, approximately 25 percent is of more direct benefit to the general public than to assisting agriculture but this approximate percentage amount is offset by a reappropriation of $21,364,000 (not included in the total of appropriations) for the elimination of diseased cattle.
[11] Estimated.
[12] Includes all other activities of Government not classified above, comprising mainly operating expenses of the legislative branch, the Executive Office and independent establishments, Departments of Commerce, Interior, Justice, Labor, State, and Treasury, nonmilitary activities of War Department (including maintenance of rivers and harbors); and contributions to maintenance of District of Columbia government and to funds for retirement of Federal employees.
[13] Consists of $152,775,393 trust-fund appropriations payable from trust-fund receipts and $705,000,000 estimated postal revenues. The remainder of above postal appropriations for 1937, $75,584,589, is a charge against general fund of the Treasury.

It will be noted from the foregoing table A that, after deducting the trust-fund appropriations chargeable against trust-fund receipts and that part of the Postal Service estimated to be met from postal revenues, there is a resultant total for the session chargeable against the general funds of $9,481,163,446.69. This sum segregated by fiscal years is as follows.

Fiscal year beginning July 1, 1936, and ending June 30, 1937	$6, 817, 156, 740. 50
Fiscal year beginning July 1, 1935, and ending June 30, 1936	2, 661, 546, 330. 25
Fiscal years prior to July 1, 1935	384, 412. 07
Judgments and audited claims	2, 075, 963. 87
	9, 481, 163, 446. 69

The sum of $2,661,546,330.25 for the fiscal year which began July 1, 1935, and ends June 30, 1936, consists principally of two amounts. The sum of $296,882,948.54 for the payment of commitments and obligations to farmers under the former Agricultural Adjustment Act and $2,249,178,375 for administration and payments under the Adjusted Compensation Payment Act constitute $2,546,061,323.54 of the 1936 total, leaving $115,485,006.71 for all other 1936 purposes.

The amount for the fiscal year 1937, which begins July 1, 1936, and ends June 30, 1937, is $6,817,156,740.50. This sum contains the new item of $308,000,000 for the Civilian Conservation Corps in carrying on emergency conservation work, heretofore financed from relief and emergency appropriations and now appearing for the first time as an annual appropriation item. There are also included for the first time on a complete fiscal year basis the necessary funds to carry into effect all phases of the new Social Securiy Act in the aggregate sum of $475,253,410. The outstanding item in the 1937 total is the sum of $1,425,000,000 for relief and work relief.

The necessity for relief appropriations is of temporary character during the emergency. It will lessen as business conditions improve and industry absorbs those whom this Government will not permit to starve when they cannot find work. Eliminating this sum of $1,425,000,000 from the total of $6,817,156,740.50 leaves $5,392,156,740.50 as a sum which approximately represents the general appropriations for the fiscal year 1937, exclusive of relief.

The total of $10,338,938,839.69 for all fiscal years at this session, stripped of the amounts for relief and work relief, the amounts chargeable to trust funds and postal revenues, the amount for the soldiers' bonus, and the amount for payment of obligations under the invalidated A. A. A., leaves a total for the session for all other purposes of $5,509,693,123.15.

RELIEF AND WORK RELIEF

The appropriation of $1,425,000,000 made at this session for relief and work relief is not indicative of the amount that will be available for expenditure for employment purposes in the fiscal year to commence on July 1, 1936. In addition to this sum there is the item of $308,000,000 for the employment of young men in the Civilian Conservation Corps, the sum of $369,410,000 for general public works of the Federal Government, which will furnish employment to labor, there will also be expended in the next fiscal year approximately $1,000,000,000 to be carried over from the Emergency Relief Appropriation Act of 1935—four billion eight hundred and eighty million act—which is obligated but not expended, and in addition there is made available the sum of $300,000,000 for grants for public-works projects under the Public Works Administration. These sums make a total of $3,402,410,000. To the sum of $300,000,000 for P. W. A. grants should be added such sum as will accompany such grants as P. W. A. loans. This amount is problematic, dependent upon the ability of States and local public agencies to obtain funds at lower rates of interest than Government rates for P. W. A. loans. There is also made available to the Rural Electrification Administration for electrification in rural areas the sum of $50,000,000 from funds of the R. F. C. to be loaned by the R. E. A. Taking all of these items into account, it is reasonable to anticipate that the total amount for employment purposes to be available in the fiscal year 1937 will be not less than $3,600,000,000.

EMERGENCY CONSERVATION WORK

The results obtained from the operations of the Civilian Conservation Corps, both as a benefit to the young men given employment and for relief to their dependents and as a distinct contribution toward the conservation of our natural resources, will win for that service a permanent place in the activities of our Government. The appropriation of $308,000,000 for such purposes in the fiscal year 1937 will furnish funds for a total authorized enrollment in the continental United States of not to exceed 350,000, and in addition will permit enrollment of about 9,000 Indians for work on Indian reservations and care for a limited number of enrollments in Alaska, Hawaii, Puerto Rico, and the Virgin Islands. The number of camps to be in operation in forests, national parks, on soil-conservation projects, and other phases of the work, will average not to exceed 2,066 during the year. Since the inception of this activity in 1933 a total of 1,560,000 men has been given employment, and the value of their services, translated into public-conservation permanent improvements, exceeds $600,000,000.

SOCIAL SECURITY

A total of appropriations for the session for this new program is $517,917,910, of which $42,664,500 is on account of the fiscal year just closed and $475,253,410 is for the fiscal year 1937. This latter sum is spread among the various agencies of the Government required by law to administer the various phases of the act. Of the sum of $475,253,410, representing a full fiscal-year program, the following are the component parts under the agencies of administration:

Social Security Board:		
Administrative expenses and investigation		$18,400,000
Grants to States for old-age assistance		85,000,000
Grants to States for unemployment-compensation administration		29,000,000
Grants to States for aid to dependent children		35,000,000
Grants to States for aid to blind		8,000,000
Collection of wage-record data, old-age-benefit payments		12,400,000
		187,800,000
Treasury Department:		
Annual premium, old-age reserve account	$265,000,000	
Administrative expenses	31,860	
Collection of taxes	5,801,550	
Grants to States for public health assistance	8,000,000	
Public-health research	1,320,000	
		280,153,410
Children's Bureau, Department of Labor:		
Administration and investigation	$299,000	
Grants to States for maternity and child-health services	2,820,000	
Grants to States for aid to crippled children	2,150,000	
Grants to States for child-welfare services	1,200,000	
		$6,469,000
Office of Education, Interior Department:		
Grants to States for vocational rehabilitation of persons disabled in industry		831,000
		475,253,410

ASSISTANCE TO AGRICULTURE

The situation with respect to aid to agriculture was complicated at the outset of the session by the invalidation of the processing taxes by the Supreme Court. This decision resulted in a loss of estimated revenue from that source of approximately $462,000,000 in the fiscal year 1936 and $547,000,000 in the fiscal year 1937, or a total between the two years in excess of a billion dollars. It became necessary to provide new taxes to support the agricultural program and to make new appropriations for aid to agriculture to replace those which had automatically occurred under the Agricultural Adjustment Act from the funds collected under the processing taxes.

With this change in the situation, the session just closed provided a total of $1,013,721,375.38 for assistance to agriculture through the various appropriating acts and under the permanent appropriations. This sum is divided between the fiscal year just closed and the new fiscal year. Of the total of $304,554,552.34 for the fiscal year 1936, the sum of $296,882,948.54 is required for making payments under obligations and commitments incurred under the Agricultural Adjustment Act prior to the Court decision on January 3, 1936. The total of $709,166,823.04 for the fiscal year 1937 comprises some funds for the regular activities of the Department of Agriculture which are of more direct general public benefit than they are of assistance to agriculture. However, there is not included in this total an item of reappropriation of $21,364,000 for elimination of diseased cattle which in practical effect will offset those nonagricultural activities. The items entering into the aggregate of $709,166,823.04 for the fiscal year ending June 30, 1937, are as follows:

Regular activities of the Department of Agriculture, exclusive of public roads	$108,027,202.00
Farm Credit Administration, administrative expenses	4,000,000.00
New Soil Conservation and Domestic Allotment Act (to replace A. A. A.)	440,000,000.00
Encouragement of exportation and domestic consumption of agricultural commodities and products thereof (30 per "customs duties" fund)	109,139,621.04
Reduction in interest on farm mortgages (through Federal land banks)	24,000,000.00
Extension and deferment of principal of farm mortgages (through Federal land banks)	24,000,000.00
	709,166,823.04

VETERANS

The amount provided for the fiscal year 1937 for regular activities of the Veterans' Administration is $593,727,000. In addition to this sum of direct appropriation there are items of reappropriation for this Administration for the next fiscal year totaling $42,000,000, which makes a total available sum of $635,727,000.

The amount carried for all phases of adjusted compensation payments is $2,249,587,375, and this sum is composed of the following parts:

Adjusted-compensation payments	$1,730,000,000
Amount representing face value of bonds required to be paid to Government life-insurance fund (estimated)	507,000,000
Administrative expenses, Treasury Department	6,678,375
Administrative expenses, Veterans' Administration	5,500,000
Auditing expenses, General Accounting Office	409,000
Total	2,249,587,375

GENERAL PUBLIC WORKS

The amounts provided under the general heading of "Public Works" are exclusive of public works carried under the Army, Navy, and Veterans' Administration. They include the following projects, which will furnish employment and at the same time accomplish desirable public improvement of a lasting nature:

Tennessee Valley Authority	$39,900,000
Federal-aid highways and national-forest roads	68,000,000
Reclamation projects	54,610,000
National-park and Indian-reservation roads	10,000,000
Penal institutions	2,550,000
Rio Grande diversion, rectification, and flood control	3,800,000
Public buildings, Treasury Department	65,550,000
Rivers and harbors, new construction (War Department)	120,750,000
Miscellaneous	250,000
Total	365,410,000

PUBLIC DEBT

The public debt at this date is approximately $34,000,000,000. It should be remembered, however, that of this sum nearly $2,000,000,000 is occasioned by the Adjusted Compensation Payment Act, without which the public debt would stand at approximately $32,000,000,000. The necessity for relief and recovery from the deplorable conditions of the depression has caused the increase in the debt. Some increase is inevitable during the coming fiscal year on account of continued need for relief and further payments on account of adjusted compensation to soldiers. There should be kept in mind in connection with this debt that there are recoverables which the Government has taken in the form of securities and investments in capital stock and otherwise which will approximate $4,500,000,000 as a credit against the debt. The interest estimated to be payable on the public debt during the coming fiscal year is $805,000,000. This is a large sum, but I would call attention to the fact that it is less by $250,000,000 than our interest bill in the fiscal year 1923, when the public debt was considerably less. When this debt is challenged as a burden upon business and the taxpayer, it is well to remember that it is less of a current burden by a quarter of a billion dollars than was the debt in the fiscal year 1923. Much of this difference in interest is due to the successful refinancing of the debt structure by the Treasury Department at lower rates of interest than those carried by the retired obligations.

THE BUDGET

The regular Budget for the fiscal year 1936 was thrown out of balance by the invalidation of the processing taxes by the Supreme Court and the enactment of the Adjusted Compensation Payment Act. Had it not been for those contingencies there would have been a surplus of regular receipts over regular expenditures. For the fiscal year 1937, it is my opinion that except for such expenditures as may be necessary to conclude the payments for adjusted compensation and provide for relief, the expenditures will otherwise be within the revenues.

APPROPRIATIONS AND BUDGET ESTIMATES

I shall append as part of my remarks two other tables. Table B is a general listing of all appropriations during the session by acts, including the revised permanent appropriations and the estimated new indefinite appropriations in annual acts. Table C is a listing of all appropriations and Budget estimates by acts during the session showing in comparative form the increase or decrease in the Budget estimates considered during the session.

From table C it will be noted that the grand total of all appropriations made during the session is $80,129,575.82 less than the grand total of all Budget estimates submitted to and considered by the Congress. This is a net decrease after allowing as credits against the Budget estimates all proper sums granted as reappropriations, indefinite appropriations, or contract authorizations, which otherwise would appear as reductions in Budget estimates or not appear as increases therein.

TABLE B.—*Total appropriations, 74th Cong., 2d sess., including permanent annual and indefinite appropriations*

REGULAR ANNUAL ACTS

Department of Agriculture and Farm Credit Administration appropriation act:		
Department of Agriculture:		
Roads	$68,000,000.00	
General agricultural activities	[1] 101,565,606.00	
Total	169,565,606.00	
Farm Credit Administration	4,000,000.00	
		[1] $173,565,606.00
District of Columbia appropriation act		43,523,910.00
Independent offices appropriation act:		
Veterans' Administration:		
Regular activities	[2] 593,727,000.00	
Adjusted-compensation payments (soldiers' bonus)	[3] 1,730,000,000.00	
Total	2,323,727,000.00	
Soil Conservation and Domestic Allotment Act	440,000,000.00	
All other independent offices, including Executive Office	[4] 126,024,905.00	
		[5] 2,889,751,905.00
Interior Department appropriation act		114,579,357.05
Legislative branch appropriation act		23,314,428.00
Navy Department and naval service appropriation act		526,546,532.00
State, Justice, Commerce, and Labor Departments appropriation act:		
Department of State	17,829,550.00	
Department of Justice and Judiciary	41,223,925.00	
Department of Commerce	35,257,220.00	
Department of Labor	[6] 21,784,700.00	
		[6] 116,370,395.00
Treasury and Post Office Departments appropriation act:		
Treasury Department	211,940,303.00	
Post Office Department	780,584,589.00	
		992,524,892.00

[1] In addition to this sum, there is an estimated indefinite appropriation of $500,000 (see footnote 10) under the migratory bird conservation fund and a reappropriation of $21,364,000 for the elimination of diseased cattle.
[2] In addition to this sum, there are reappropriations totaling $42,000,000.
[3] In addition to this sum, there is an estimated indefinite appropriation of $507,000,000. (See footnote 10).
[4] In addition to this sum there are reappropriations totaling $7,582,861.
[5] In addition to this sum, there are reappropriations totaling $49,582,861 and an indefinite appropriation estimated at $507,000,000. (See footnote 10.)
[6] In addition to this sum, there is an indefinite appropriation estimated at $1,675,000. (See footnote 10). This sum is exclusive of $81,800 for Bituminous Coal Labor Board, such sum being repealed by First Deficiency Act. The total of the act includes $275,000 for the Great Lakes Exposition under an independent commission.

TABLE B.—*Total appropriations, 74th Cong., 2d sess., including permanent annual and indefinite appropriations*—Continued

REGULAR ANNUAL ACTS—continued		
War Department appropriation act:		
Military activities	[7] $383,104,859.00	
Nonmilitary activities	189,341,985.00	
		$572,446,844.00
Total, regular annual appropriation acts		[8] 5,452,623,869.05
MISCELLANEOUS ACTS CONTAINING APPROPRIATIONS		
Estimated amount of appropriations carried in miscellaneous public acts and resolutions and private acts		3,000,000.00
SUPPLEMENTAL AND DEFICIENCY APPROPRIATION ACTS		
Supplemental Appropriation Act, fiscal year 1936:		
Payment of obligations and commitments entered into under the Agricultural Adjustment Act prior to Jan. 6, 1936	$296,882,948.54	
Administration and grants to States under Social Security Act, 1936	42,664,500.00	
Administrative expenses for payment of soldiers' bonus, 1936	12,178,375.00	
All other items, 1936 and prior years	16,506,639.10	
		368,232,462.64
First Deficiency Appropriation Act, fiscal year 1936:		
Relief and work relief, 1937	1,425,000,000.00	
Social Security Act, including administration, grants to States, and old-age reserve account, 1937	458,633,410.00	
Emergency conservation work (Civilian Conservation Corps), 1937	308,000,000.00	
Public buildings, under Treasury Department, 1937	65,550,000.00	
Tennessee Valley Authority, 1937	39,900,000.00	
Postal Service, 1936, account 40-hour week and increased business	40,506,250.00	
All other items, 1937 and 1936 and prior years	37,827,877.96	
		2,375,417,537.96
Total, deficiency and supplemental bills, and miscellaneous		2,746,650,000.60
Total, regular annual, deficiency, supplemental and miscellaneous		8,199,273,869.65
PERMANENT ANNUAL APPROPRIATIONS [9]		
Interest on the public debt	$805,000,000.00	
Public-debt retirement funds (from ordinary receipts)	580,125,000.00	
Trust funds	113,382,378.00	
Encouragement of exportation and domestic consumption of agricultural commodities and products thereof, etc. (equal to 30 percent of duties from customs for calendar year 1935)	109,139,621.04	
All other permanent appropriations	22,842,971.00	
Total, permanent annual appropriations		[9] 1,630,489,970.04
Total, regular, deficiency, supplemental, miscellaneous, and permanent		9,829,763,839.69
ESTIMATED AMOUNTS UNDER NEW INDEFINITE APPROPRIATIONS CARRIED IN REGULAR ANNUAL APPROPRIATION ACTS		
Adjusted-compensation payments (soldiers' bonus) amount representing face value of bonds required to be paid to Government life-insurance fund	$507,000,000.00	
U. S. Employment Service, Department of Labor	1,675,000.00	
Migratory-bird conservation fund, Department of Agriculture	500,000.00	
Total, new indefinite appropriations		[10] 509,175,000.00
Grand total		[11] 10,338,938,839.69

[7] In addition to this sum, there are reappropriations totaling $2,845,925.

[8] In addition to this sum, there are indefinite appropriations (see footnote 10), totaling $509,175,000 and reappropriations totaling $73,792,786.

[9] As revised by eliminating appropriations of processing taxes under the Agricultural Adjustment Act and collections under the Kerr Tobacco Act and adding the fund for encouragement of exportation and domestic consumption of agricultural commodities and products thereof, etc. (an amount equal to 30 percent of 1935 customs duties).

[10] Amounts estimated under indefinite appropriations in regular appropriation acts. In each of these instances indefinite appropriations were substituted for definite appropriations as requested in the Budget estimates.

[11] The First Deficiency Appropriation Act makes available the sum of $300,000,000 from the sale of securities now on hand or to be received by the Public Works Administration and the use of the receipts from such sales for making grants for public-works projects.

TABLE C.—*Comparison of appropriations with Budget estimates, 74th Cong., 2d sess.*

	Appropriations 74th Cong., 2d sess.	Budget estimates 74th Cong., 2d sess.	Budget estimates replaced or affected by indefinite appropriations or reappropriations or contract authorizations	Budget estimates compared with appropriations (increase (+) or decrease (−))
REGULAR ANNUAL ACTS				
Department of Agriculture and Farm Credit Administration appropriation act	$173,565,606.00	$194,389,004.00	[1] $21,864,000	+$1,040,602.00
District of Columbia appropriation act	43,523,910.00	41,765,000.00	----------	+1,758,910.00

[1] Comprised of $21,364,000 of reappropriation for elimination of diseased cattle which is not included in the total of appropriations and $500,000 indefinite appropriation for migratory bird conservation fund which is included in total of appropriations. (See footnote 12.)

TABLE C.—*Comparison of appropriations with Budget estimates, 74th Cong., 2d sess.*—Continued

	Appropriations 74th Cong., 2d sess.	Budget estimates 74th Cong., 2d sess.	Budget estimates replaced or affected by indefinite appropriations or reappropriations or contract authorizations	Budget estimates compared with appropriations (increase (+) or decrease (−))
REGULAR ANNUAL ACTS—continued				
Independent offices appropriation act:				
Veterans' Administration:				
Regular activities	$593,727,000.00	[2] $633,727,000.00	[3] $42,000,000	+$2,000,000.00
Adjusted-compensation payments	1,730,000,000.00	2,237,000,000.00	[4] 507,000,000	----------
Soil Conservation and Domestic Allotment Act	440,000,000.00	440,000,000.00	----------	----------
All other independent offices	126,024,905.00	133,618,766.00	[5] 7,582,861	−11,000.00
Total	2,889,751,905.00	[2] 3,444,345,766.00	556,582,861	+1,989,000.00
Interior Department appropriation act	114,579,357.05	130,433,341.75	----------	−15,853,984.70
Legislative branch appropriation act	23,314,428.00	24,179,771.00	----------	−865,343.00
Naval appropriation act	526,546,532.00	549,591,299.00	[6] 1,000,000	−22,044,767.00
State, Justice, Commerce, and Labor appropriation act:				
Department of State	17,829,550.00	18,128,652.00	----------	−299,102.00
Department of Justice	41,223,925.00	43,795,250.00	----------	−2,571,325.00
Department of Commerce	35,257,220.00	35,354,175.00	----------	−96,955.00
Department of Labor	[7] 21,784,700.00	25,463,500.00	[8] 1,675,000	−2,003,800.00
Total	[7] 116,370,395.00	122,741,577.00	1,675,000	−4,696,182.00
Treasury and Post Office appropriation act:				
Treasury Department	211,940,303.00	217,658,300.00	----------	−5,717,997.00
Post Office Department	780,584,589.00	783,909,149.00	----------	−3,324,560.00
Total	992,524,892.00	1,001,567,449.00	----------	−9,042,557.00
War Department appropriation act:				
Military activities	383,104,859.00	375,025,510.00	[9] 5,515,711	+13,595,060.00
Nonmilitary activities	189,341,985.00	197,673,795.00	----------	−8,331,810.00
Total	572,446,844.00	572,699,305.00	5,515,711	+5,263,250.00
Total, regular annual acts	5,452,623,869.05	[2] 6,081,712,512.75	[10] 586,637,572	−42,451,071.70
MISCELLANEOUS ACTS CARRYING APPROPRIATIONS				
Estimated amount of appropriations carried in miscellaneous acts	3,000,000.00	1,264,000.00	----------	+1,736,000.00
DEFICIENCY AND SUPPLEMENTAL APPROPRIATION ACTS				
Supplemental Appropriation Act, 1936	368,232,462.64	373,351,107.60	----------	−5,118,644.96
First Deficiency Appropriation Act, 1936	2,375,417,537.96	2,412,713,397.12	[11] 3,000,000	−34,295,859.16
Total, deficiency and supplemental	2,743,650,000.60	2,786,064,504.72	[11] 3,000,000	−39,414,504.12
PERMANENT AND INDEFINITE APPROPRIATIONS				
As submitted in the 1937 Budget and revised	1,630,489,970.04	1,630,489,970.04	----------	----------
NEW INDEFINITE APPROPRIATIONS IN REGULAR ANNUAL ACTS				
Soldiers' bonus, migratory-bird conservation fund, and U. S. Employment Service	509,175,000.00	([12])	([12])	([12])
Grand total	10,338,938,839.69	[2] 10,499,530,987.51	[13] 80,462,572	−80,129,575.82

[2] Exclusive of $160,000,000 for the adjusted-compensation fund in regular annual estimates which was withdrawn after enactment of the Adjusted Compensation Payment Act (soldiers' bonus).

[3] Comprises reappropriations, $40,000,000 of which is in lieu of direct Budget estimates of that amount, not included in total appropriations.

[4] Indefinite appropriation included in total of appropriations. (See footnote 12.)

[5] Comprises reappropriations included in lieu of direct Budget estimates of that amount, not included in total of appropriations.

[6] Contract authorization substituted for direct Budget estimate of like amount, not included in total of appropriations.

[7] Exclusive of $81,800 for Bituminous Coal Labor Board repealed by First Deficiency Act. The grand total of the act includes $275,000 for Great Lakes Exposition Commission, not estimated for.

[8] Indefinite appropriation included in total of appropriations. (See footnote 12.)

[9] Comprises contract authorizations of $2,669,786 and reappropriations totaling $2,845,925, not included in total of appropriations.

[10] Of this amount, $509,175,000 is included in grand total of appropriations, and $80,462,572 comprises reappropriations and contract authorizations not included in total of appropriations.

[11] Contract authorization of $3,000,000 in lieu of Budget estimate of that amount, not included in total of appropriations.

[13] Budget estimates for this sum included above as follows: $507,000,000 in the item of $2,237,000,000 under Veterans' Administration, $1,675,000 under regular Budget estimates for Department of Labor, and $500,000 under regular Budget estimates for Department of Agriculture.

[12] Represents contract authorizations of $6,669,786 and reappropriations of $73,792,786 not included in total of appropriations, but credited against reduction in Budget estimates.

THE PEACE AMENDMENT

Mr. LUDLOW. Mr. Speaker, this is a report to the people of America on the progress of the peace amendment.

I deem it my duty to make this report to the thousands upon thousands of Americans who regard the peace amendment, introduced by me and known as House Joint Resolution No. 167, as the very best proposal that has been offered to keep our boys out of the slaughter pens of foreign wars.

The felicitous name "peace amendment" was given to my resolution by the magazine Good Housekeeping, because the editor of that magazine believes it would insure peace to America for ages to come.

There are, of course, peace proposals and peace proposals, some worthless, some with limited merit, and others highly meritorious.

After an exhaustive evaluation of all proposals, the magazine Good Housekeeping selected the resolution I have introduced as the most practical and meritorious of all and named it the "peace amendment." All signs indicate that the name will stick.

TEXT OF PEACE AMENDMENT

I think it is proper at this point to set forth the full text of the peace amendment. It proposes to amend the Constitution of the United States by adding a new article, as follows:

ARTICLE —

SECTION 1. Except in the event of an invasion of the United States or its Territorial possessions and attack upon its citizens residing therein, the authority of Congress to declare war shall not become effective until confirmed by a majority of all votes cast thereon in a Nation-wide referendum. Congress may by law provide for the enforcement of this section.

SEC. 2. Whenever war is declared the President shall immediately conscript and take over for use by the Government all the public and private war properties, yards, factories, and supplies, fixing the compensation for private properties temporarily employed for the war period at a rate not in excess of 4 per centum, based on tax values assessed in the year preceding the war.

A close scrutiny of this proposed constitutional amendment reveals its twofold purpose as follows:

1. Under its operation, unless the United States should be invaded or attacked, a declaration of war could not be made until the question has been submitted to all of the people of the country, women as well as men, and approved by a majority in a Nation-wide referendum. It is based on the philosophy that those who have to suffer and if need be, to die and to bear the crushing burdens of war shall have something to say as to whether war shall be declared.

2. The second objective of the amendment is to take the profit out of war. Take the profit out of war and there will be few wars.

WOULD KEEP OUR BOYS OUT OF FOREIGN WARS

Under this amendment, with all of the people allowed a vote on sending our boys to fight in foreign wars and with all prospects of war profits eliminated in advance, America would be on a firm and solid peace foundation. Our fine young men would be kept out of other peoples' wars. With profits gone glimmering, selfish interests would have no incentive to drag America into war. I firmly believe that with this amendment written into the Constitution, America would never enter another war except righteous wars of self-defense, if such should ever occur. At least 90 percent of the probability of our ever again becoming involved in any kind of a war would be removed.

We could then look forward to a long era of peace, when we of America may devote ourselves to a thorough job of attending to our own business; cultivating friendly relations with all of the nations of the world and interfering with none; showing once more some regard for the spiritual values; ordering our future course along lines of usefulness rather than destruction, and rehabilitating our happiness and prosperity while we strive to forget the sorrows and bind up the wounds of the last war.

The peace amendment was introduced on February 14, 1935. On June 19, 1935, elaborate hearings took place before the House Judiciary subcommittee no. 2. And I wish every friend of peace in America could read those hearings, which are most impressive, I think, showing the character and extent of the support back of the peace amendment.

After the resolution had been held in the committee more than a year, with no signs of committee action, I availed myself of my parliamentary rights and privileges and filed a discharge petition to bring the resolution out of the committee's control and before the House for debate and action. A discharge petition does not become effective unless, or until, it is signed by 218 Members of the House, a majority of the total membership. When the gavels pounded adjournment sine die on June 20, 72 Members of the House had signed the discharge petition to bring the peace amendment before the House.

These 72 Members, while far below the required number to make the petition effective, comprise a nucleus of a magnificent fighting force to carry on for the amendment in the next, or Seventy-fifth, Congress.

What are the forces that are lined up for the peace amendment? Its supporters are numbered not by the thousands or the hundreds of thousands, but by millions.

This proposal to give the people a chance to vote on a declaration of war and to take the profit out of war has penetrated deep into the consciousness of America, and down in the lower walks of life it finds a response of tremendous warmth and fervor, indicating a determination among the poor people of this country—the class that has never had a look-in when the war lords were setting the stage for war—that hereafter their sons shall not be used without their consent as cannon fodder in foreign wars.

FOUR EX-GOVERNORS SUPPORT PEACE AMENDMENT

It is to my mind most interesting and significant that among the 72 signers of my discharge petition 4 are Members who have been Governors of sovereign States. The Governor of a State comes into contact with all elements in his State; he knows what the people are talking about and thinking about; he is singularly equipped to interpret the spirit of the masses.

The four representatives who have held the highest executive positions in their States, who signed my petition and who are with me in this fight for humanity, are ex-Gov. Ralph O. Brewster of Maine, ex-Gov. Theodore Christianson of Minnesota, ex-Gox. Walter Pierce of Oregon, and ex-Gov. James G. Scrugham of Nevada.

SOME CHAMPIONS OF THE AMENDMENT

Among the many prominent individuals and groups supporting the peace amendment are the following:

1. Hon. Frank B. Kellogg, ex-Secretary of State and coauthor of the Kellogg-Briand Peace Pact.

2. Archbishops Michael J. Curley, Arthur J. Drossaerts, and John T. McNicholas and numerous bishops and priests of the Catholic Church.

3. The Church of the Disciples of Christ of America, hundreds of outstanding Protestant clergymen, and church conferences and organizations too numerous to mention.

4. Rabbis Stephen S. Wise, Edward L. Israel, Max C. Currick, Morris M. Feuerlicht, and Israel Goldstein and many other leaders of the Jewish people.

5. Maj. Gen. Smedley D. Butler, who knows from experience the meaning of war and on whom has been conferred for valorous service almost every known medal, including the Congressional Medal of Honor.

6. The American War Mothers by resolutions unanimously adopted at their annual convention in Washington, D. C., in 1935.

7. Gen. James E. Van Zandt, national commander of the Veterans of Foreign Wars, who says:

The legislation that you have introduced coincides in many ways with our thoughts to keep this country out of war, and as commander in chief of the Veterans of Foreign Wars of the United States, it is a pleasure to not only thank you for your interest in this matter but to congratulate you on the initiative you have taken in bringing this matter to the attention of the Congress of the United States.

8. The 21 brotherhoods of railroad men, comprising the largest group of organized labor in the world.

9. Fifty-six presidents of universities and colleges, including many of the country's most distinguished educators.

10. The magazine Good Housekeeping; Labor, the organ of the railroad brotherhoods; and many newspapers and periodicals in various States and cities.

11. The Federation of Womens' Clubs of the District of Columbia, the Womans' Christian Temperance Union, of Indiana, and various other States, and a great number of womens' organizations in all sections.

LEAST CONSPICUOUS OF GOD'S CREATURES

And beyond these whom I have here described are many other people, among the least conspicuous of God's creatures, people with hearts and feelings but devoid of education, who say in their letters, "This is the first time I have ever written to a Congressman, but I just had to let you know that I endorse all you are trying to do." There are times when the tongue cannot speak, and the pen cannot write, the language of the heart and many of these correspondents write falteringly, violating all rules of punctuation and spelling, but saying enough to make themselves articulate in their earnest, almost pathetic desire that there shall be no more wars and that the common people, who have to do the fighting and the suffering and the dying shall at least have something to say as to whether America shall enter future conflicts. The peace amendment already has established itself in the hearts of our countrymen as a great and righteous principle that should be recognized and vitalized in the form of an amendment to the Constitution of the United States.

Mr. Speaker, believing that the peace amendment I have proposed would keep our fine American boys out of the shambles in foreign countries and that it would protect our people from the pain and sorrow, the grief, the moral degradation, and the insufferable financial burdens that are inseparable from war; that it would promote the spiritual power and strength of America as a Nation consecrated to ideals of neighborliness and kindliness and that it would help to establish the kingdom of righteousness on earth, it is my purpose—provided I am reelected—to reintroduce the peace amendment on the opening day of the next Congress and to ask all of the friends of peace, everywhere, to rally with the enthusiasm of crusaders to its support.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS SAVED GOVERNMENT HUNDREDS OF MILLIONS OF DOLLARS

Mr. COCHRAN. Mr. Speaker, as chairman of the Committee on Expenditures in the Executive Departments, I feel it is incumbent upon me to give a brief account to the House of the activities of this important committee.

Some 9 years ago the House abolished about 12 small committees on expenditures and adopted a resolution providing for one Committee on Expenditures in the Executive Departments composed of 21 members.

While a large number of bills are referred to the committee, the chief duty of the committee is to see that the moneys appropriated by the Congress of the United States to be spent by the executive departments is disbursed as the Congress intended and not as the officials of the executive departments might desire. We have no quarrel with any officials of the executive departments, but we do feel if the laws that Congress pass are not sufficient to carry out the purpose of a legislative act to the satisfaction of the administrative officer, then it is his duty to come to the Congress and ask for amendments and not take it upon himself to override the intent of the Congress.

I doubt if any committee of Congress receives as many complaints or as much information relative to the conduct of various Government officials and Government agencies as does our committee. I regret to say a large number of the communications that bring the complaints are anonymous, and naturally the committee does not give as much attention to such communications as it does to those where the writer signs his name and address where he might be located.

As chairman of the committee, acting for the committee, I investigate all complaints that come to the committee, and, where I feel I am justified, I take action immediately, not only during the period Congress is in session but while Congress is on vacation.

The committee has taken the position that the Office of the Comptroller General of the United States and the General Accounting Office were established by the Congress for the purpose of seeing that the Government agencies carry out the will of Congress.

It cannot be disputed that the Comptroller General of the United States is a representative of the Congress and not a representative of the executive branch of the Government.

The present Comptroller General, Hon. J. R. McCarl, who is just completing his 15-year term, and who cannot be reappointed under existing law, has been most helpful to the committee, cooperating in every way. His desire at all times to assist the committee when called on is most commendable. Many Government officials will rejoice over the fact that Mr. McCarl's term has expired. If they would stop, however, for a moment to realize he was only carrying out the duties imposed upon him, probably they would not be so critical in speaking of the manner in which he has conducted himself during the long period he has been in office. Mr. McCarl carried out the duties of his office without fear or favor.

The appointment of his successor is in my opinion the most important appointment President Roosevelt will have to make during his tenure of office.

It can be shown without question that the Committee on Expenditures in the Executive Departments during the present Congress has saved the Government of the United States hundreds of millions of dollars. It is not my purpose to review all the work that the committee has done, but I am going to call attention to two outstanding accomplishments.

Just before the convening of the present Congress, information reached me regarding Indian claims pending before the Court of Claims. These suits had resulted from Congress passing 114 resolutions setting aside the statute of limitations and permitting Indians or their representatives to sue the Government on claims growing out of treaties, acts of Congress, and Executive orders. There was no limitation, and some of these claims grow out of treaties that were ratified as far back as 1779. After making a thorough investigation of the situation I called a meeting of the committee and had the Assistant Attorney General, Hon. Harry W. Blair, who represents the Government in the Court of Claims in these suits, as well as two assistants and representatives from the Comptroller General present. The Assistant Attorney General, Mr. Blair, stated before the committee that while all the petitions in those suits had not been filed up to that date, the suits filed amounted in claims to over three and one-quarter billion dollars. In some of the resolutions the Government was permitted to offset the claim by showing gratuities and advances that had been made to the various tribes, but in the great majority of the cases this right was not extended to the Government. The Government apparently was helpless.

Our committee was told frankly if Congress did not act it would be impossible to estimate the amount that the Court of Claims would be required to allow the Indians as a result of these suits. The committee came to the conclusion that the only way the Treasury and the taxpayers could be protected was to have a law passed that would be retroactive and would extend to the Government the right to charge off gratuities and advances made to the tribes in all suits pending and in future suits unless the Congress specifically provided that such offsets should not be allowed. Acting under directions of the committee, I placed the matter before the Committee on Appropriations, and Chairman JAMES P. BUCHANAN, of Texas, of that committee, as well as many of his colleagues, both on the Democratic and Republican side, were not only amazed but alarmed over the situation. The suggestion of our committee was when the next deficiency bill was considered the Committee on Appropriations call the judges of the Court of Claims, the Attorney General, and the Comptroller General before them, who would confirm our

statement, and then add an amendment to the deficiency bill giving the Government the right to set off the claims of the Indians by showing gratuities and advances that had been made to the tribes. The Appropriations Committee followed this procedure, and as a result we now have the law on the statute books, and while, no doubt, the Indians will recover some money from the Government, the amount will be very small in comparison with the amount of the claims.

Since that amendment was adopted several of the cases have been tried and the court allowed gratuities and advances as a set-off and rendered judgments in favor of the Government. This has resulted in individual resolutions and bills being introduced amending the original Jurisdictional Act which would deny the Government the right to charge off the gratuities and advances. Many of those resolutions and bills passed the Senate without debate and were favorably reported by the Committee on Indian Affairs of the House. I called this to the attention of the members of our committee and was directed to oppose the passage of these bills when they were called up in the House. Acting under the instructions of the committee, I have stopped the passage of the bills, with the assistance of many members of my committee, as well as the assistance of many members of the Appropriations Committee, notably, Hon. JAMES P. BUCHANAN, chairman of the Committee on Appropriations; Hon. JOHN TABER, of New York; and Hon. ROBERT L. BACON, also of New York. We were likewise assisted by Hon. JESSE P. WOLCOTT, of Michigan; Hon. THOMAS A. JENKINS, of Ohio; and Hon. JOHN M. COSTELLO, of California.

As an example, here is what happened in the last 2 days of the Congress:

The California Indian claims bill was passed, but before it was passed I insisted upon two amendments. One sentence which struck out only four lines in the bill which appeared to be perfectly harmless would have cost the Government, according to the Bureau of the Budget and the Comptroller General of the United States, $15,000,000. This was stricken out, together with an entire section which would also have cost the Government many millions of dollars, if the bill were allowed to pass in the form it passed the Senate.

A second bill called up Saturday was defeated by my objections, and that bill would have extended to the Cherokee Indians certain privileges that would have cost the Government untold millions of dollars if it had been allowed to pass.

In both cases the Court of Claims has already acted upon the matter, as well as has the Supreme Court, and they have ruled against the Indians; but if the jurisdictional acts were changed as the bills provided, a new suit would have been instituted and there would have been nothing that the judges could have done but render an opinion in favor of the Indians and against the Government.

Our committee's contention is when these suits have once been tried and acted upon by the Court of Claims and the Supreme Court they should not be allowed to be returned to the courts.

I also want to emphasize the fact that our committee has taken into consideration the report of the Director of the Budget, who is the President's representative; and when he has opposed the bills, stating their passage would be in conflict with the President's financial program, we take it for granted he is speaking for the President in opposing the passage of resolutions and bills.

Special attention has been given by our committee to the Private and Consent Calendars.

Throughout the last session, a day or two before omnibus claim bills were passed, I briefed for the membership of the House the important measures to be voted upon. Many bills listed as unfair to the taxpayers were defeated and every bill the President vetoed, claims bills, had been opposed by me.

Take the so-called Russian shoe claim for $960,000 as an example. When the Congress sent that bill to the White House over my objection I sent a long letter to the Secretary of the Treasury and the Director of the Budget, calling their attention to the bill and proved beyond question by the reports of the State Department and the Comptroller General there was no moral or legal obligation to require the taxpayers to reimburse the claimant. Further, I was the one who advanced the argument that the same principle was involved as was involved in the suits against the Government growing out of the revaluation of the gold dollar.

I called at the Treasury and insisted an opinion be secured from the Attorney General. This was done and was included in the report when it was submitted to the President. The President vetoed the bill for that very reason and when the House sustained that veto only four members voted to override the veto. There is no reason why the Committee on Expenditures should be required to do this work, but someone must do it, and our committee felt it was a proper function for us to perform.

Every member of the committee of which I am chairman is entitled to just as much credit as I am in saving the Government hundreds of millions of dollars by stopping the passage of these bills, and they are likewise entitled to credit for the passage of the law which gave the Government the power to charge off gratuities and advances made to the Indians.

On scores of occasions, acting for the committee, I have called attention of executive officials of the various departments as well as to the President of the United States, to various cases where our committee felt the intent of Congress was not being lived up to in connection with the administration of various laws, especially appropriation laws. The committee's letters have resulted in action immediately and in almost every case proved beneficial to the Treasury and the taxpayers.

I am not going to take up any more time enumerating the work of the committee but in conclusion I want to take this opportunity to thank every member of the committee, Democrat and Republican, for their kindness to me as well as the whole-hearted cooperation which they have always given me, and I repeat that they are entitled to just as much credit as I have been given for protecting the Treasury and taxpayers of the country.

The membership of the Committee on Expenditures is as follows:

John J. Cochran, Missouri, chairman.
Allard H. Gasque, South Carolina.
Riley J. Wilson, Louisiana.
Will M. Whittington, Mississippi.
Glenn Griswold, Indiana.
Randolph Carpenter, Kansas.
Ben Cravens, Arkansas.
James L. Quinn, Pennsylvania.
John M. Houston, Kansas.
Simon M. Hamlin, Maine.
James A. O'Leary, New York.
Aubert C. Dunn, Mississippi.
Raymond S. McKeough, Illinois.
Don Gingery, Pennsylvania.
Merlin Hull (Progressive), Wisconsin.
Charles L. Gifford, Massachusetts.
Robert F. Rich, Pennsylvania.
John B. Hollister, Ohio.
Philip A. Goodwin, New York.
Clare E. Hoffman, Michigan.
B. W. Gearhart, California.
Frank M. Karsten, clerk.

LIBERALIZING THE DISCHARGE RULE

Mr. LUDLOW. Mr. Speaker, a movement of much more formidable character than it is generally believed to be is now under way looking toward a liberalization of the so-called discharge rule.

By "discharge rule" I refer to the parliamentary device under which a bill that is being smothered in committee may be retrieved from the committee pigeonhole and brought to the House for debate and a vote on its merits.

Under the discharge rule now in operation a discharge petition does not become effective unless, or until, it is

signed by 218 Members, or a majority of the Members of the House. Formerly the number of signers required was only 145, and it was much easier then to bring a bill out of an unfriendly committee and before the House for its judgment than it is under the terms of the existing rule.

During the last few days, just prior to the adjournment of Congress a liberal group has been organized in the House whose principal policy is to make it possible in the future for 145 Members to bring a bill or resolution out of Committee for the action of the House. The chairman of this group is Representative GERALD J. BOILEAU, the brilliant, able, aggressive, young Progressive from Wisconsin. The secretary of the group is Representative CHARLES G. BINDERUP, of Nebraska, a Democrat and a fine type of public servant. The organization began its existence with 68 Members, but the indications are that its membership will substantially increase about the time Congress reconvenes, when the fight will be on in earnest for amendment of the discharge rule.

Impartial students of legislative procedure are impressed by the arguments in favor of liberalizing the discharge rule. The necessity of doing this if popular government is to be exemplified in our lawmaking body is stressed and emphasized by reason of the fact that without the discharge rule there is now no provision whereby a bill or resolution shall be automatically reported to the House after it has lain in committee a certain length of time.

Many of our House committees are graveyards where worthy measures sleep the sleep of death simply because there is now no adequate machinery to bring these bills and resolutions out of committees for the judgment of the House. I, myself, have felt the injustice of the existing system. On February 14, 1935, I introduced a joint resolution proposing an amendment to the Constitution of the United States to provide a referendum vote on a declaration of war and to take the profit out of war.

Take the profit out of war and there will be few wars. The referendum part of my proposed constitutional amendment would give all of our people—women as well as men—a right to decide by their votes whether our boys shall be hurled into the hell pits of foreign wars. It is based on the philosophy that those who have to suffer and, if need be, to die, and to bear the crushing burdens and costs of war, shall have something to say as to whether war shall be declared.

I sincerely believe that my proposed constitutional amendment, if adopted, would keep America out of foreign wars, which it has no business to enter, and that it would keep America out of all wars except righteous wars of self-defense.

Millions of people all over America approved my peace amendment, believing it to be by all odds the best proposal that has been advanced to keep America at peace with the world and to protect our boys from being used as cannon fodder in foreign conflicts, and yet, although it had back of it the heart interest of millions of human beings, I did not succeed in getting it out of the committee. When Congress adjourns today it will have been in the committee 16 months and 6 days. Does not the history of that resolution vividly illustrate the necessity of some provision to bring bills out of committees that are determined to smother them?

If there had been some provision whereby a resolution must be reported adversely, if not favorably, after a certain length of time an opportunity would be afforded for the House to pass its judgment on my resolution, but there is no such provision. A committee is supposed to be but an instrumentality of the House, yet the existing system makes every committee a graveyard, where a small group may bury every bill and resolution that does not receive its approval.

Who is there in all America that will say that the righteous war referendum and anti-war-profits resolution I introduced was not entitled to receive the judgment of the House, whether that judgment be favorable or otherwise? I filed a discharge petition but Members became indifferent when they viewed the hopelessness of securing as many as 218 signatures and many frankly said to me:

If I thought there were any prospect of getting 218 signatures I would help you, but there is no such prospect.

Just one more instance showing how the existing discharge rule operates to kill worthy legislation. On February 5 last, Representative COCHRAN, of Missouri, introduced a bill to repeal the act creating the Federal Register.

That publication is absolutely worthless, but it costs the taxpayers $263,000 a year, or more than $1,000 every time it is issued. It is responsible for the creation of a bureau which increases our already top-heavy bureaucratic personnel and adds $38,000 a year to the Federal salary roll—and just that much additional distress to the taxpayers. Copies of the Federal Register are sent free to Members of Congress and other officials, and usually are dumped into wastebaskets without being removed from the wrappers.

The congressional committee to which Mr. COCHRAN'S repealing bill was referred had 5 months and 15 days to act on this meritorious measure before Congress adjourned, and when the session ends today it will take its place in the congressional graveyard. Meanwhile the taxpayers, groaning under their enormous burdens, are being soaked to the tune of $263,000 a year to pay for a worthless publication.

I am not one of those who believe in a discharge rule so wide open that small groups and blocs may continually harass the House leadership and unnecessarily consume the precious time of the House by dragging out of committee all sorts of freak measures and panaceas to be voted on, and possibly a rule giving that power to 145 Members is too lax.

Perhaps 165 Members would be nearer to the correct number. But one thing that is certain is that as long as committees can constitute themselves as censors to kill bills and resolutions that are sound in principle and supported by a great body of public opinion, just that long there will be an insistent demand that the discharge rule shall be liberalized.

I predict that when Congress reconvenes Mr. BOILEAU and his associates will make things exceedingly interesting for the Tories and Bourbons who believe that every committee should maintain a spacious graveyard and that all bills that are disapproved by the ruling powers should be killed in committee without benefit of clergy.

REGULATION OF MANUFACTURE, SALE, AND DISTRIBUTION OF INTOXICATING LIQUOR

Mr. COCHRAN. Mr. Speaker, for over a year there has been considerable agitation among the so-called professional drys of the United States for the return of prohibition, and, as one who advocated the repeal of the eighteenth amendment, I want to refer briefly to the situation that confronted us during the period of prohibition, as well as the situation that faces the country today.

While we have disposed of prohibition for the time being, I feel that anyone who has given serious thought to existing conditions cannot but agree with me when I say that it would be better for the Nation as a whole if we had stricter regulation of the liquor traffic.

It is my candid opinion, and I express it frankly, that unless there is stricter regulation we are going to see another battle waged in this country to reenact the eighteenth amendment.

We did progress, so far as this National Congress is concerned, during the session which has just closed, because we enacted legislation that will better protect the dry States of the Union. It is the duty of the Federal Government to see that the States that do not want liquor sold within their borders are fully protected. However, insofar as the traffic of alcoholic liquor in the States where it is permitted to be sold is concerned, the duty rests with the State and local officials to regulate and enforce the laws relative to the sale of intoxicants. The Federal Government has no control over the distribution of liquor in the so-called wet States. Its only power is the taxing power. That rests with the city and State officials, as well as the various State legislatures.

It seems to me it would be well for the various States to thoroughly investigate the enforcement of the liquor laws in all the States of the country with a view to enacting legislation that would be uniform after it had been disclosed what was the best method of sale and distribution.

Billions of dollars in taxes have accrued to the cities, States, and Federal Government since the repeal of the

eighteenth amendment. The loss in revenue to the Federal Government alone during the prohibition period was approximately $8,200,000,000. The records of investigating committees showed that over a period of years the drys spent $150,000,000 to bring about the enactment of the eighteenth amendment.

I am going to quote some official statistics to show just exactly what happened:

The complete statistical record of national prohibition enforcement, compiled from reports of the United States Treasury and the Department of Justice, covering nearly 14 years, shows:

Illicit stills and distilleries and liquor-making equipment seized	1,988,802
Number of persons arrested for violation of Federal prohibition laws	831,204
Number of persons permanently branded as criminals by conviction	761,320
Number of days of prison sentences imposed	65,673,520
Number of automobiles seized	86,573
Number of boats seized	1,615
Value of all property seized	$18,114,110.16
Gallons of distilled spirits seized	15,576,439.03
Gallons of malt liquor (beer) seized	70,261,665.35
Gallons of wine, cider, and pomace seized	50,103,896.72

In 1930 the United States Department of Justice officially estimated the quantity of unlawful liquor made in that year was:

Distilled spirits	gallons	73,386,718
Malt liquor (beer)	do	684,476,800
Wine	do	118,476,000

Thus, we see that in more than 13 years the Federal Government, at a direct cost of about $700,000,000 in appropriations for all enforcement activities, and a loss of $7,500,000,000 on the basis of present alcoholic beverage revenues, actually captured the equivalent—

Of one-fifth of the illicit distilled liquors made in the one prohibition year of 1930.

A little more than one-tenth of the illegal beer made in 1930.

And much less than one-half of the illegal wine—to say nothing of cider—made in 1930.

One Federal prohibition administrator had the honesty to admit to a Senate committee that prohibition agents captured not more than 1 illicit still in 10 in actual operation.

On the basis of his estimates then there must have been 20,000,000 illicit distilleries and other liquor-making equipment in operation during the prohibition era.

Result:

An increase in arrests for drunkenness in 502 cities and towns from 276,691 in 1920—the first prohibition year—to 705,544 in 1928, 711,526 in 1929, and 683,442 in 1930.

The crime, corruption, hypocrisy, and general demoralization wrought by prohibition cannot be reduced to statistics, because the enormous extent of it will never be known.

To achieve and perpetuate the constitutional amendment which produced these direful and amazing results, the professional prohibition organizations spent $150,000,000, and entailed upon the Government a combined direct and indirect expense of $8,200,000,000.

Mr. Speaker, we do not want this situation to return, but the beer and liquor industry should see the wisdom of enacting in the various wet States of the Union model laws for the sale and distribution of intoxicants. The sale and distribution of intoxicants should be taken out of politics; the youth of America should be protected as well as those who engage in overindulgence.

The fight to repeal the eighteenth amendment was based upon the desire for temperance and that can only be achieved by properly regulating the manufacture, sale, and distribution of intoxicating liquors. I cannot see how anyone can deny but that there is a great deal yet to be done before this objective is achieved.

BLOCK BOOKING AND BLIND SELLING—A REPORT

Mr. PETTENGILL. Mr. Speaker, because of the wide interest in the Pettengill-Neely block-booking and blind-selling bill and for the information of the many thousands of our citizens who have sponsored it, I wish to make a brief report on its legislative history in this Seventy-fourth Congress.

The Pettengill bill was referred to the Committee on Interstate and Foreign Commerce, and that committee ordered public hearings to be held by a subcommittee beginning March 9. The subcommittee was composed of myself as chairman, Mr. SADOWSKI, of Michigan; Mr. PEYSER, of New York; Mr. TERRY, of Arkansas; Mr. COOPER, of Ohio; and Mr. HOLMES, of Massachusetts.

The hearings continued up to March 26. Everybody was given full opportunity to be heard for and against, and a volume of 526 pages of testimony was the result.

Thereafter the subcommittee went into executive sessions on the bill and reported it favorably to the full committee, with the exception that the paragraph on blind selling was not recommended.

A majority of the subcommittee felt that with block booking prohibited, so that exhibitors would not be compelled to buy films in a block before they were produced, the paragraph on blind selling could be omitted on the theory that exhibitors would then have an opportunity, in many instances, to see a preview of films before becoming bound to produce them.

I did not favor the elimination of the blind-selling feature. I am simply reporting what the majority did.

This brought the bill before the full committee. I made an earnest effort to have them report it favorably. The opposition toward its consideration at this Congress was, however, too great.

A somewhat similar report can be made about the Neely bill in the Senate, which was identical with the Pettengill bill in the House. There also a subcommittee was named which considered hearings. The subcommittee reported it favorably to the full committee, and I am informed the full committee reported it favorably to the Senate. This gave us ground to hope the Senate would pass the bill and get it over to the House, but, in the rush of closing, it, with many other important bills—for example, the pure food and drugs bill—failed of enactment.

I wish a better report could be made. However, the resistance to the bill was formidable. It might be said also that important legislation seldom is enacted the first session it is introduced.

If I am returned to Congress, the bill will be reintroduced. The battle will go on. The matter of better movies and community freedom of choice is too important to be lost in the first engagement.

"We will fight it out on this line if it takes all summer."

Disappointing as is the situation to myself and the splendid men and women who gave their time, their effort, and their means to this struggle, we can, nevertheless, take comfort in two things: First, we did our duty by our country and our children as we saw it; and, second, the mere introduction of the bill and the battle that was made for it has unquestionably had a good effect on the motion-picture industry. That is apparent from common observation; and, second, it is testified to in private conversation by men prominent in the industry—even among those who fought the bill's passage. The proprieties forbid me to state names, but this is the fact.

The motion-picture industry is not unlike many others. There are men in it who may not wish any supervision or regulation by Government yet are fully aware of the men and practices which have given it a bad name and themselves wish to see improvement in the conditions under which films are produced and marketed.

The struggle for the enactment of the Pettengill-Neely bill has strengthened the hands of those in the industry as well as those outside it who recognize that it cannot defy public opinion and succeed.

"Say not the struggle naught availeth." It has already accomplished much good. The history of the movies, however, is that promises of self-regulation are a frail reed to rely upon.

I am happy to give credit to the fine support which the bill received. Among the 46 witnesses who personally appeared

before our subcommittee were Congressmen Connery, of Massachusetts; Culkin, of New York, and White, of Idaho; Mr. Fred Brenckman, of the National Grange; Stephen J. Cabot, Henry R. Atkinson, and Miss Katherine Lyford, of Boston, representing the Motion Picture Research Council; Miss Agnes G. Regan, executive secretary of the National Council of Catholic Women; Miss Jeannette Willensky, of Philadelphia, and P. J. Wood, of Columbus, representing independent groups of exhibitors; Mrs. Mary T. Bannerman and William H. Bristow, of Washington, representing the National Congress of Parents and Teachers; Miss Helen Atwater, of the American Home Economics Association; Miss Mary Winslow, of the National Women's Trade Union League; Canon W. C. Chase, of the International Reform Federation; Abram F. Myers, of Washington; H. A. Cole, of Texas; Sidney Samuelson, of New Jersey; and H. M. Richey, of Detroit, representing Allied States Association of Motion Picture Exhibitors, and many more. Mr. E. L. Kuykendall, president of the Motion Picture Theatre Owners of America, of Mississippi, did not defend block booking or the evils which have grown up under it, but felt that the remedy was a more liberal cancelation clause. In fact, while the bill was under consideration many conferences took place within the industry looking toward ways and means to meet the evils which the bill seeks to cure.

In addition, many thousands of letters and telegrams reached the members of the committee from all parts of the United States favoring the bill. Among the national organizations backing the bill are the following:

American Association of University Women.
American Federation of Teachers.
American Home Economics Association.
American Baptist Publication Society.
Board of Temperance and Social Welfare, Disciples of Christ.
Catholic Boys Brigade of the United States, Inc.
Catholic Central Verein of America.
Catholic Daughters of America.
Catholic Order of Foresters.
Committee on Moral and Social Welfare, Lutheran Church in America.
Council of Women for Home Missions.
United States Daughters of 1812.
Editorial Council of the Religious Press.
Federal Council of Churches of Christ in America.
Girls' Friendly Society of the United States of America.
Knights of Columbus.
Motion Picture Research Council.
National Board of Young Women's Christian Associations.
National Committee on Education by Radio.
National Congress of Parents and Teachers.
National Council of Catholic Women.
National Council of Protestant Episcopal Churches.
National Council of Young Men's Christian Associations.
National Education Association.
National Grange.
National Woman's Christian Temperance Union.
National Women's Trade Union League of America
The National Sentinels.

It is impossible to call the long roll of those fine citizens who have stood beside Senator NEELY and myself in this fight. Space simply does not permit.

But among the hundreds of communications which have come to me that I prize most highly are the following:

[National Council of Catholic Women, Department of Lay Organizations, N. C. W. C. Episcopal chairman, Most Rev. John F. Noll, D. D. National headquarters, 1312 Massachusetts Avenue NW., Washington, D. C. Agnes G. Regan, executive secretary; Margaret T. Lynch, assistant executive secretary]

JUNE 17, 1936.

The Honorable SAMUEL B. PETTENGILL, M. C.,
House Office Building, Delaware Avenue and B NE.,
Washington, D. C.

HONORABLE AND DEAR SIR: I had hoped before the adjournment of Congress to call and say a word of appreciation to you for the courtesy extended during the hearings on the Neely-Pettengill bill. I sincerely hope that the time is not far distant when this measure, which you have been instrumental in introducing, will come to a successful issue.

Very sincerely yours,

AGNES G. REGAN,
Executive Secretary.

NATIONAL CONGRESS OF PARENTS AND TEACHERS,
Washington, D. C., April 10, 1936.

Hon. SAMUEL B. PETTENGILL,
United States House of Representatives,
Washington, D. C.

DEAR MR. PETTENGILL: In behalf of the National Congress of Parents and Teachers, may I assure you of its appreciation of the invaluable service to the cause of child welfare which you are contributing in sponsoring legislation to abolish compulsory block booking and blind selling of motion pictures.

For the hearings recently held before the subcommittee of the House Committee on Interstate and Foreign Commerce, of which you are chairman, we are especially grateful. In many respects these hearings were by far the most satisfactory of any we have ever attended on the subject of motion pictures. The time given, the interest manifested by each of the members of the subcommittee, the revealing information elicited through adroit questioning and the complete fairness and courtesy to all witnesses were subjects of favorable comment, not alone by the representatives of our organization but by those of all of the civic, educational, and religious groups who testified in support of the Pettengill bill.

The effect of these hearings is already being manifested in deeper interest and wider endorsement of this measure which cannot but portend ultimate success of its passage.

With high regard, deep appreciation, and all good wishes, I am,

Very sincerely yours,

MARY T. BANNERMAN,
National Chairman, Committee on Legislation.

The struggle for better movies has just begun.

WILLIAM D. THOMAS

Mr. CROWTHER. Mr. Speaker, the passing of our estimable colleague, WILLIAM D. THOMAS, was a shock to us all, and again we realize that in the midst of life we are constantly faced with the probability of the long journey to that undiscovered country from whose bourne no traveler has returned.

During his brief life period BILLY THOMAS had earned the love and respect of that great multitude he had the honor to represent in the Congress of the United States. Though handicapped by a physical ailment, he performed his duties with a degree of care and thoughtfulness that assured his people they had chosen wisely and well in selecting their Representative.

Throughout the period of his illness he never lost courage, and his cheery greeting and pleasant smile were ever present. The host of boys and girls who paid their respect to his memory the day of his funeral service realized that they had lost a real friend, for one of his chief joys in life was to lend a helping hand to the young folks.

He had devoted a great portion of his life to fraternal work, and his brethren will regret the passing of one whose life had been dedicated to the service of stressing the fatherhood of God and the brotherhood of man. To the Members of Congress he had particularly endeared himself. He had fixed ideas as to governmental policies and held firmly to them. He had unbounded faith in the supremacy of principle over expediency, and when the choice had to be made he hewed to the line of his faith. In so doing he left us all a legacy of great worth if we but follow that policy.

To his immediate family and friends we extend our heartfelt sympathy, and we trust that the blessed hope of immortality may lighten the sorrow and assure them of joining him some day in that "house not made with hands, eternal in the heavens."

NEW W. P. A. REGULATIONS

Mr. BEITER. Mr. Speaker, the first deficiency appropriation bill recently approved by the Congress and the President of the United States carried an appropriation for continuing the Works Progress and Public Works programs and laid down certain regulations governing the wages and conditions of employment of relief workers.

As a result of these regulations, new instructions have been issued by the Works Progress Administrator relating to rates of pay, hours of labor, monthly earnings, and conditions of employment.

Under the new ruling preference in employment is given to all persons certified as being in need of relief by a public relief agency approved by the Works Progress Administration authorities, and this, therefore, removes the limitation previously imposed whereby only persons who had been receiving aid between the period from May 1 to November 1, 1935, were eligible for W. P. A. employment. This is, indeed, a great proclamation of emancipation for those who have long been denied work relief because of this restriction. I have had many cases where applicants had applied for aid the latter part of October 1935 and were ruled ineligible for work relief because actual welfare assistance was not rendered until after November 1. Only recently many persons have been suspended or dismissed altogether because a search of the records brought to light the fact that they missed out by a day or two in complying with the requirements in this connection. The new ruling will be of great assistance to the needy persons in my congressional district.

Another new ruling of the Administrator establishes hourly wage rates not less than the prevailing scale effective July 1. The regulation with regard to rates of pay reads as follows:

It shall be the responsibility of the several State Works Progress administrators to establish according to occupational titles hourly wage rates (which shall be not less than the prevailing hourly wage rates) for persons employed on projects, and to make such rates effective for all pay-roll periods beginning on or after July 1, 1936. Wage rates so established shall not be applicable to persons employed in supervisory and administrative positions and owner-operators of teams, trucks, and equipment.

Veterans who are employed on work relief projects under this new ruling will not be dismissed or suspended because of receipt of adjusted-service bonds or checks in payment of an adjusted-compensation certificate—bonus. Veterans who are eligible for work relief and have received their bonus bonds or check in payment of same will not be denied the privilege of employment under this regulation.

The new appropriation for work relief projects prohibits the Works Progress Administration from knowingly employing aliens who are in the United States illegally.

Other provisions limit the hours of work so that monthly earnings will conform to the schedule now in effect, and continues the maximum hours of work, limiting project workers to 8 hours a day, 40 hours a week, and 140 hours a month.

SUMMARY OF REPORTS ON WAR DEPARTMENT INVESTIGATION

Mr. McSWAIN. Mr. Speaker, it is appropriate and fitting that the Committee on Military Affairs summarize its extended activities under the authority of House Resolution 275 of the Seventy-third Congress and House Resolution 59 of the Seventy-fourth Congress. The investigation is not entirely complete, and during the fall season I will resume the investigation, with certain valuable assistants from the General Accounting Office and the Chief of Finance of the War Department. I cannot speak too highly of the services of the gentlemen who have heretofore been detailed to this committee to assist in carrying on this investigation.

The testimony taken in the course of this investigation during the two Congresses covers many thousands of pages of testimony and vast volumes of documentary evidence sufficient to fill many large boxes. At least two of these boxes, believed to contain valuable data, have not yet been opened.

The first preliminary report was filed on May 7, 1934, as House Report No. 1506, by the gentleman from New Hampshire, Mr. ROGERS, chairman of the subcommittee on aviation. The next report was filed on June 14, 1934, by myself, as chairman of the full committee, by House Report No. 2005, and related to the contract between the War Department and the Mercur Corporation for the operation of the Port Newark Army Supply Base. As a result of that investigation, suit has been instituted against the Mercur Corporation for an accounting, and the Congress has passed an act authorizing the sale of this Army base to the city of Newark, N. J.

The next report was filed on June 15, 1934, as House Report No. 2060, by the gentleman from New Hampshire [Mr. ROGERS], as chairman of the Subcommittee on Aviation, and related largely to facts concerning the purchase of aircraft by the War Department. The result of that particular phase of the investigation has been highly beneficial and has resulted in inducing the War Department to comply strictly with the provisions of section 10 of the act of July 2, 1926, as evidenced by the most informing letter from the Secretary of War to myself dated August 15, 1935. That letter was included in the report of the Secretary of War to the Congress for the year 1935 and has heretofore been printed in the CONGRESSIONAL RECORD.

Upon the coming in of the Seventy-fourth Congress, by authority of the committee I filed a report on January 3, 1935, as House Report No. 3, relating to the Port Newark Army supply base contract. That phase of the investigation and the two reports concerning same are epoch making and are sure to have a very great influence for a long time in the future upon any contracts that may be made by the War Department concerning real estate in its possession.

On January 3, 1935, as chairman of the committee, I also filed a report, being House Report No. 4, on behalf of Subcommittee No. 3, and reference to same is respectfully invited for information concerning a most important phase of the entire investigation.

On August 22, 1934, as chairman of the full committee, I filed House Report No. 1884, summarizing our activities to that time and forecasting the probable direction for the future investigation.

On February 25, 1936, by the authority of the committee, I filed House Report No. 2063, relating to the investigation of Breecot Co.

Again on March 31, 1936, I filed House Report No. 2289, upon another phase of the investigation, to wit, Newbury Manufacturing Co.

On May 19, 1936, I filed another report as House Report No. 2680, upon still another phase of the investigation, to wit, the cases of Lt. Col. Edward L. Hoffman and Lt. Col. William R. Gruber.

On June 17, 1936, by direction of the committee, I filed House Report No. 3010, relating to still another phase of the investigation, namely, the Brimley Corporation.

Mr. Speaker, it is no pleasure to recite the shortcomings of others. But we think that Army officers ought to be above suspicion as to corruption in financial matters, and we think that practically all of the Army officers are honorable, high-minded, and efficient gentlemen, and therefore they are vitally interested in having the dishonorable and corrupt officers exposed and expelled from the Army. We did not publish the testimony nor detailed report concerning our investigation into the conduct of Lt. Col. Edward L. Hoffman. However, we submitted that report, covering about 200 pages of typewritten matter, to the Secretary of War. It appears that an investigation was held by the War Department into the conduct of Lt. Col. Edward L. Hoffman in 1933 as a result of certain testimony introduced at the instance of the Honorable THOMAS L. BLANTON, of Texas, during the hearings before the subcommittee on the War Department appropriation bill. That investigation of the War Department concluded that there was no improper conduct on the part of Colonel Hoffman. However, as a result of our investigation and the submission of our report to the Secretary of War, another investigation was conducted by the War Department which in substance held that Colonel Hoffman was guilty of highly improper conduct and, but for the fact that the statute of limitations had run against the conduct complained of, he doubtless would have been court-martialed. The result was that he suffered a very severe reprimand. There is a way to eliminate such officers from the Army without court martial, and that is by classifying them in class B and ordering their discharge. Certainly the statute of limitations could not avail Colonel Hoffman as against class-B proceedings. The letter of the Secretary of War to me concerning the investigation and the letter of

The Adjutant General relating thereto are herewith published for the information of the country and as a warning example to all officers in the Army against the temptation to engage in business transactions, especially where the interests of the Government are so vitally concerned as buyer or contractor from the corporation in which the officer is a stockholder and for which he is an officer.

As compared with the average civilians, Army and Navy officers are well cared for economically, because they not only receive fairly good salaries, which increase with the increase of age and the increase of family responsibilities, but they also have the benefit of the best medical and hospital care, including medicine and nurses, for themselves and for the members of their families. There is no need to blink the fact that the economic situation of Army and Navy officers is relatively good. They themselves well know it, though they may not admit it. The highest proof is the fact that they wish their sons to become officers and their daughters to marry officers. Of course, the love of and pride in the service is a factor, but the economic situation and all the incidental benefits and pleasures connected with the service are the principal factors. I know the brothers and sisters of too many Army officers—and I know their economic situation, and how their fortunes rise and fall with the fluctuations of business and economic conditions—not to realize the contrast in favor of Army and Navy officers. All through the years of terrible depression, when the well-to-do suffered indescribale agony through losses of their life savings, Army and Navy officers continued to receive their monthly checks without interruption.

I call these facts to the attention of the Congress and the country because it demonstrates conclusively that there is no excuse for Army officers to try to be making money on the side out of business transactions, and especially where they seek to represent the Government as a buyer and also at the same time represent their corporations as a seller. This dual relation is bound to be corrupt. There is some legislation on the books against conduct of this kind, and more legislation will result from this investigation. I propose to go into the entire matter fully and frankly with my final report to be filed in December of this year. Army and Navy officers have lifetime offices and incomes if their conduct is such as not to bring on court martial and dishonorable discharge or discharge by the class B route. They occupy something of the status of Federal judges. As the Honorable HATTON W. SUMNERS said in his address to the United States Senate upon the trial of Judge Ritter, of Florida, "They have taken the veil." By that he means they have put the business world behind them. They have become the wards of the Government. They are insured of ample subsistence. They have no need to economize and save a considerable part of their incomes. For them there is to be no rainy day. They are a privileged and protected class. They do not suffer any economic anxieties such as afflict us civilians. In return for this protection Army and Navy officers should render most conscientious, undivided, and scrupulously honest service to the Government and the people.

Here follow the letters from the Secretary of War and The Adjutant General.

WAR DEPARTMENT,
Washington, June 8, 1936.

Hon. JOHN J. MCSWAIN,
Chairman, Committee on Military Affairs,
House of Representatives.

DEAR MR. MCSWAIN: Reference is made to letter from this office dated March 9, 1936, and your reply of March 11, concerning a reinvestigation the Inspector General had been directed to make of the alleged improper relationship between Lt. Col. Edward L. Hoffman, Air Corps, and the Triangle Parachute Co., of Cincinnati, Ohio.

This reinvestigation has been concluded and has received careful and thorough consideration by the War Department. The following conclusions and recommendations of the investigating officer, in which I concur, are quoted for your information and for the information of your committee:

"CONCLUSIONS

"a. That Lt. Col. Edward L. Hoffman, Air Corps, did, in 1927, materially assist in the promotion and organization of Safe Aircraft, Inc., of Cincinnati, Ohio, for his personal benefit financially.

"b. That during the period July 1927–July 1929, while acting in the capacity of aeronautical engineer, detailed with the Department of Commerce, and placed on duty with that Department with Safe Aircraft, Inc., he actively directed important business affairs of that company and participated in its operation.

"c. That he continued those activities with Safe Aircraft, Inc., and the Triangle Parachute Co. after his return to military duty at Wright Field, Ohio, in July 1929, at which time he was assigned as chief of the parachute unit of the matériel division of the Air Corps at Wright Field, Dayton, Ohio.

"d. That the connection of Lieutenant Colonel Hoffman with Safe Aircraft, Inc., and the Triangle Parachute Co., particularly during the period July 4, 1929, and February 7, 1930, with especial respect to the receipt of money by him from those companies during that period, was not only highly unethical and prejudicial to good order and military discipline but constituted an apparent violation of section 113 of the Criminal Code, as well as a probable violation of section 41 of that code.

"e. That in 1930 and 1933 he misled and deceived his superior officers by his replies in official communications to questions specifically asked him by his military superiors with the purpose of ascertaining his true relationship to the Triangle Parachute Co. and its predecessor, Safe Aircraft, Inc.

"f. That in 1931 he attempted to influence the award of a Government contract, but without success due to the vigilant supervision of the head of the engineer section of the matériel division of the Air Corps at Wright Field, Dayton, Ohio.

"The evidence in support of this conclusion is insufficient to warrant trial by court martial even were such trial not barred by the statute of limitations.

"g. That he gave deceptive and misleading testimony in 1933 to Maj. Gen. John F. Preston, who at that time, under orders from the War Department, made an investigation of Lieutenant Colonel Hoffman's connection with Safe Aircraft, Inc., and the Triangle Parachute Co., and thereby prevented the real situation from becoming known at that time.

"h. That Lieutenant Colonel Hoffman's concealment of his relations to Safe Aircraft, Inc., and the Triangle Parachute Co. was unethical and in derogation of the high moral standard which governs officers of the Army.

"i. That his actions and conduct in all these matters were below the standard to be expected and required of officers of the Army.

"j. That by reason of the lapse of time Lieutenant Colonel Hoffman's trial for these offenses is barred by the statute of limitations.

"RECOMMENDATIONS

"a. That Lt. Col. Edward L. Hoffman, Air Corps, be reprimanded by the Secretary of War for concealing from his military superiors his connection with Safe Aircraft, Inc., and the Triangle Parachute Co. by misleading and deceptive replies to the chief of the matériel division, Air Corps (Brig. Gen. H. C. Pratt, Air Corps), and to the inspector general (Maj. Gen. John F. Preston).

"b. That the provisions of section 24b of the National Defense Act, as amended, be invoked against Lt. Col. Edward L. Hoffman, Air Corps."

Lieutenant Colonel Hoffman has been advised of the foregoing conclusions only and has been reprimanded for his conduct in connection with this case. A copy of the reprimand is inclosed herewith.

Sincerely yours,

GEO. H. DERN, *Secretary of War.*

JUNE 2, 1936.

RESULT OF REINVESTIGATION

To: Lt. Col. Edward L. Hoffman, Air Corps.
Through: Commanding Officer, Maxwell Field, Montgomery, Ala.

1. On April 7, 1933, The Adjutant General transmitted to you a letter giving you the results of an investigation made by the Inspector General into allegations that you had had improper business relations with the Triangle Parachute Co., of Cincinnati, Ohio, in which investigation you testified in your own behalf.

The conclusions then reached were:

"That there is nothing in Major Hoffman's relationship with the Triangle Parachute Co. in violation of law, Army regulations, or announced policies of the War Department.

"That there has been no improper expenditure of Government funds in connection with parachute development, and that no funds have been expended for the benefit of the Triangle Parachute Co."

2. On March 9, 1936, new evidence was brought to the attention of the War Department clearly indicating the exoneration ensuing to you as the result of the investigation of 1933 had been wholly unwarranted. As a result a reinvestigation was at once made and you again testified in your own behalf.

3. As a result of that reinvestigation the following conclusions were reached:

"That Lt. Col. Edward L. Hoffman, Air Corps, did, in 1927, materially assist in the promotion and organization of Safe Aircraft, Inc., of Cincinnati, Ohio, for his personal benefit financially.

"That during the period July 1927–July 1929, while acting in the capacity of aeronautical engineer, detailed with the Department of Commerce, and placed on duty by that Department with Safe Aircraft, Inc., he actively directed important business affairs of that company and participated in its operations.

"That he continued these activities with Safe Aircraft, Inc., and the Triangle Parachute Co. after his return to military duty at Wright Field, in July 1929, at which time he was assigned as the

chief of the parachute unit of the matériel division of the Air Corps at Wright Field, Dayton, Ohio.

"That the connection of Lieutenant Colonel Hoffman with Safe Aircraft, Inc., and the Triangle Parachute Co., particularly during the period July 4, 1929, and February 7, 1930, with especial respect to the receipt of money by him from those companies during that period, was not only highly unethical and prejudicial to good order and military discipline but constituted an apparent violation of section 113 of the Criminal Code, as well as a probable violation of section 41 of that code.

"That in 1930 and 1933 he misled and deceived his superior officers by his replies in official communications to questions specifically asked him by his military superiors with the purpose of ascertaining his true relationship to the Triangle Parachute Co. and its predecessor, Safe Aircraft, Inc.

"That in 1931 he attempted to influence the award of a Government contract, but without success, due to the vigilant supervision of the head of the engineering section of the matériel division of the Air Corps at Wright Field, Dayton, Ohio.

"That evidence in support of this conclusion is insufficient to warrant trial by court martial even were such trial not barred by the statute of limitations.

"That he gave deceptive and misleading testimony in 1933 to Maj. Gen. John F. Preston, who at that time, under orders from the War Department, made an investigation of Lieutenant Colonel Hoffman's connection with Safe Aircraft, Inc., and the Triangle Parachute Co., and thereby prevented the real situation from becoming known at that time.

"That Lieutenant Colonel Hoffman's concealment of his relations to Safe Aircraft, Inc., and the Triangle Parachute Co. was unethical and in derogation of the high moral standard which governs officers of the Army.

"That his actions and conduct in all these matters were below the standard to be expected and required of officers of the Army.

"That by reason of the lapse of time Lieutenant Colonel Hoffman's trial for these offenses is barred by the statute of limitations."

4. The Secretary of War has approved these conclusions and has directed they be conveyed to you in this manner as an expression of his complete disapprobation of conduct on your part which seriously compromises your character and standing as an officer, the full and proper penalty for which you now escape solely because your trial is barred by the statute of limitations.

By order of the Secretary of War:

P. T. HAYNE,
Adjutant General.

OLD-AGE SECURITY

Mr. GWYNNE. Mr. Speaker, one result of the depression has been the focusing of attention on the question of old-age security. The problem is, of course, not a new one. Ever since civilization began man has asked himself, How can I be protected from want in my last days. The development of great life-insurance companies, of savings and investment institutions, has been a partial answer. However, the recent economic disaster throughout the world has swept away millions of savings. The machine age is constantly placing the older worker at a disadvantage in securing industrial employment.

Humanity demands that every possible effort be made to make old age happy and secure. An overwhelming majority of our people favor some reasonable and adequate pension. The fact that the two great parties are committed to this doctrine shows that the people have finally become old-age-pension conscious. Now is the opportune time to secure workable, forward-looking legislation on this subject. Cold reason, however, demands that the legislation be written in the atmosphere of calm debate rather than in that of wistful wishing. We must not be misled by extravagant promises. The experience of other countries, together with that of many corporations, churches, and fraternal organizations in our own country, points out many pitfalls to be avoided.

Considerable attention has been given to the Townsend old-age-pension plan. This program would pay $200 a month to each citizen not already possessed of such an income. The payments would be financed by a transaction tax, estimated at 2 percent. For example, when the farmer sold the wheat, 2 percent of the sale price would be paid to the Federal Government. On each transaction thereafter until the wheat finally reached the consumer in the form of a loaf of bread an additional 2 percent would be collected. The cost to the consumer of any given article would be the cost of production, transportation, and distribution of each ingredient making up that article plus an added and pyramided 2 percent on each transaction which figured in its production, transportation, or distribution. The plan further provides that each recipient must spend in the United States the $200 so received within 30 days after receiving it.

A careful analysis of this plan will show its disadvantages to many groups of people. In the first place, it would be very difficult and expensive to enforce. Every farmer, every businessman, every person who sold either goods or services would be required to make regular reports to the Government. It is admitted that the licensing and regulation of millions of people would be necessary.

Secondly, the plan would be unfair to millions of people now entitled to receive aid from the Government. The Townsend plan is offered as a substitute for the Economic Security Act passed in the first session of the Seventy-fourth Congress. It makes no provision for crippled and dependent children or for the blind, who are provided for by the act now in force.

We may well question the justice of any plan which would pay approximately 40 percent of the entire national income to 7 percent of the population and leave uncared for the crippled and the blind, who are equally entitled to the consideration of the Nation.

The Townsend plan would be very unfair to the working people of the country, because on them the burden of the payment would fall. A few figures will make this clear. According to the last census there are over 11,000,000 persons in America over 60 years of age. It is estimated that 8,000,000 would be eligible for a pension. This would require an annual payment of $19,200,000,000 to be paid by means of a transaction tax. Almost every transaction has to do with the production, transportation, or distribution of something the average person uses as food, clothing, shelter, or services. In other words, it is proposed to raise the cost of living by $19,200,000,000. According to the 1930 census the population is 122,775,046. The average to each person in increased cost of living would therefore be $156. An average family, consisting of father and mother and two children in school, having a total income of $1,200 per year, would pay $624 in increased cost of living. It is claimed, however, that the forced spending of $19,200,000,000 would create a great volume of new business, out of which this added cost could be paid. This might be true if the new business came entirely from some new source, as, for example, if money now being hoarded were put into circulation. However, such is not the plan. It would simply put an undue share of the money now being earned and spent in the hands of a relatively few people to spend.

The Townsend plan would also be detrimental to the independent merchant. By eliminating many of the transactions from producer to consumer, the mail-order house and the chain store—in many cases owning the sources of production and transportation—would have an advantage over the small merchant. Tardy efforts are now being made to eliminate monopoly and to encourage the small businessman. The transaction tax would have the effect of fostering monopoly and thus creating more unemployment.

The problem of old-age security is not to be solved simply by putting a pension law on the statute book. Whatever plan may be adopted, we must remember that all money paid for old-age pensions must be paid from one source—the earnings of the people. The necessary funds cannot be raised by any financial sleight of hand. We must, therefore, strive for a greatly increased national income, widely and fairly distributed among those whose efforts contribute to it. In the last analysis, adequate old-age security demands the following:

First. A policy in industry, agriculture, and finance which will insure profitable employment to the largest number of people.

Second. A policy of thrift on the part of the people which will insure the maximum amount of saving by the individual.

Third. A policy of economy on the part of the Government which will not take from the individual in taxes the money which he has saved.

It is difficult to see how any pension system can long endure which does not put upon each generation the duty to earn

and save collectively for its own old age. In other words, we should adopt a policy of "pay as you go."

In the adoption of any pension plan many problems of administration present themselves. We must have the active cooperation of the Federal Government, the State, and the citizen. Given the three, however, there is no reason to doubt our ultimate success.

STATES' RIGHTS AND FARMERS' RIGHTS

Mr. EICHER. Mr. Speaker and Members of the House, the West will be flooded this summer and fall with loud claims that a real regeneration occurred at Cleveland; that the Republican chrysalis sloughed off its drab coat of reactionary and special-privilege leadership and emerged as a beautiful butterfly of liberal and progressive convictions. To high finance has been given the knowing wink of assurance that the sun-flower scenery is for vote-getting purposes only, and that Republican success would promptly restore the "happy days" of deflationary concentration of more and more property in fewer and fewer hands. From behind the bucolic mask peeks the same old sour visage of monopoly, seared by the same old ugly lines of gouging and exploiting practices.

By purveying the conveniently meaningless slogan of the "American way", the Republican leadership apparently hopes that it will be swallowed by the voters as a promise of all ways to all men. But the American people will not forget the one way which the policies of our administration have definitely barred—namely, the path that has been so freely followed by the financial racketeer while despoiling our savings and robbing us of our equal opportunities. The closing of that road explains the animus of the Tory opposition to our legislative accomplishments. The pitiful cry of the special interests that our party has strayed from the teachings of Thomas Jefferson will deceive no one. All the red herring that Liberty League money can buy will not obliterate the Jefferson and Lincoln trail that we are successfully reblazing toward government of, for, and by the people and away from the Hamiltonian road of Hooverism that led to government of, for, and by the rich.

Straight political thinking requires that we check our mental bearings often enough to keep constantly in mind the vital cleavage between the fundamental philosophies of Hamilton and of Jefferson. Hamilton espoused government by the rich and well-born, as he called them, frankly contending that ordinary folks lacked sufficient intelligence to govern themselves. "The people; they are a beast", was his caustic comment. Jefferson, on the other hand, urged the greatest possible degree of popular participation in the processes of government, believing that the surest guaranty of a successful, self-governing society lay in the honest ascertainment and enforcement of the popular will. The rights to life, liberty, property, the pursuit of happiness, and to self-government he considered inherent in every individual, transcending every obligation to government itself, and subject only to the obligation that those rights be not abused in their exercise to the injury of the equal rights of one's neighbor. In the beginnings of our Nation it was considered by the Hamiltonians that they could best achieve their objectives by the maintenance of a strong central government, while the Jeffersonians strove to retain the reservoir of governmental power closer to the people and in the respective States, and delegating to the Nation little more authority than was essential to it in its capacity as a member of the family of nations.

In the light of this background, is it not more than passing strange that the critics of our administration, direct political descendants of Alexander Hamilton that they are, should now evince such a tender regard for the States' rights doctrine of Jefferson? Let us see if an analysis of objectives will not disclose the answer.

A truer Democrat than Jefferson never lived—nor than Lincoln. He who believes that Jefferson favored the dominance of State authority merely because it was a State does scant justice to the statesmanlike quality of his mind and heart. The most casual study of Jefferson's life and works convinces that his controlling passion was love for and faith in the common people—those ordinary folks whom Lincoln said the Lord must have loved because He made so many of them. Lincoln found no intellectual difficulty in hurdling the constitutional obstacle of States' rights when he decided to end physical slavery of human beings, even in the face of the Supreme Court's solemn pronouncement that the Constitution contained no warrant for such action. Is it thinkable that Jefferson, if living today, would fail to support with utmost energy the efforts of this administration to end the economic slavery of millions of our fellow human beings, for whom, without fault on their part, but solely thrcugh the operation of the Hamiltonian doctrines of special privilege, the primary guaranties of life, liberty, property, happiness, and self-government have become nothing but a hollow mockery? Jefferson's consummation of the Louisiana Purchase in the face of warning that the Constitution gave the National Government no such express power concretely demonstrates what he held to be the true interpretation of the doctrine of implied powers under the general-welfare clause of the Constitution.

History makes it clear that Jefferson's advocacy of minimum power in the Federal Government and the maximum in the States was inspired by the belief that local government would be more responsive to the needs and welfare of the plain man; that it would afford him greater protection against the continuing efforts of the wealthy few to use the powers of government for their own aggrandizement than would a powerful central government far removed geographically from many of the people. Under then prevalent conditions he was absolutely right. Commerce among the States was comparatively inconsequential. New York was farther from the National Capital than it now is from London. Interstate communication and commerce was small in volume. Except for their foreign trade, the producers and manufacturers of each State found their markets largely within its own borders.

Keeping in mind Jefferson's objective—the welfare of the rank and file of the people—who will be so bold as to contend that, if living in this day, he would still be fighting for so-called States' rights? There is certainly nothing sacrosanct or of popular benefit in States' rights considered merely as an end in itself. Jefferson never indulged in the quixotic and vain sport of fighting windmills. Our critics disregard the plain truth that our political struggle of today, like Jefferson's, is to restore equality of opportunity to the little man and to break down the governmental discrimination that has grown up in favor of the privileged few. Blind adherence to past methods that under present-day conditions are ineffective obviously would be futile.

Jefferson's ideal for America was a nation preponderantly composed of independent, home-owning agricultural and seafaring people. He warned repeatedly against the evils of an industrialized order, characterizing great cities as an economic pestilence. During recent generations in our national history, however, Hamilton's theories attained the ascendancy in our governmental counsels, determining those very trends in our development as a Nation that Jefferson decried. As a result we have become, in gross, the wealthiest Nation on earth, but how about the distribution of that wealth? Do the statistics of the Department of Agriculture declaring that 60 percent of our population are forced to live on an inadequate allotment of diet and clothing afford us any reason to point with pride?

Even in his day there existed the danger to a democracy of undue concentration of wealth and economic power, and Jefferson broke it down wherever it showed its ugly head. Wealth then was chiefly agricultural, and he succeeded in preventing entails in Virginia and in repealing the law of primogeniture, which theretofore had permitted concentrated ownership in practical perpetuity of great landed estates. When he died he thought he had destroyed for America the dragon of great wealth and concentrated economic power, especially of the kind that was exercised with other people's money. But he reckoned without the host of the modern corporation which came into full flower during the nineteenth century, aided and abetted by the power of the respective States to create these artificial perpetual entities, and by the

fifth and fourteenth amendments to the Constitution, which, as interpreted by the Supreme Court, have permitted some of them to become veritable Frankensteins whose antisocial activities neither the National Government nor the creating State governments can adequately regulate and control in the public interest.

The fifth amendment, among other things, provided that the National Government should not deprive persons of life, liberty, or property without due process of law, and the Supreme Court obligingly interpreted the word "persons" to include the purely artificial and impersonal corporation. The fourteenth amendment, adopted to freeze into organic law Lincoln's emancipation of the slaves, placed identical inhibition upon the States, and the Supreme Court gave the word "persons" in this amendment the same extended application to corporations. The result has been the untrammeled use of the corporate form to accomplish the amalgamation of business into larger and ever larger units, with increasingly expanded economic power concentrated in fewer and ever fewer hands, to the culmination of the widespread monopolistic strangle holds over producers and consumers that bring joy to the heart of the financial racketeer.

A recent manifestation of the twilight zone of nonexistent power to regulate that has been created by the Supreme Court's loose construction of the fifth and fourteenth amendments and strict construction of the interstate-commerce clause of the Constitution is contained in its decision overriding the New York State minimum-wage and maximum-hour law for women. In effect, the majority of the Supreme Court solemnly declare that a widow with hungry children who can feed them only by working inhumanly long hours for a pitifully low wage in a Bowery sweatshop enjoys a freedom of contract under the Federal Constitution which no State legislature may impair. Just as solemnly, and because the garment-making work of this widow constitutes production within a State, even though every garment she may make is sold and shipped to customers in other States, the same majority has held in the Guffey coal case that the interstate-commerce clause of the Constitution gives Congress no power to remedy the admitted evil for the reason that control over production is within the reserved powers of the States.

And yet the endeavors of our administration to lay down an effective national policy for the correction of evils that are clearly national in their influence, and to do so under the authority of and within the framework of the Constitution, are vociferously condemned by the mouthpieces of the gouging interests as a deliberate effort to change our form of government and to subvert our fundamental institutions.

The Republican Party platform adopted at Cleveland, as amplified by Governor Landon's gold-standard telegram, hints at favoring a constitutional amendment to enlarge the powers of the States "if necessary." This, obviously, is the idlest of gestures. Under the protection of the interstate-commerce clause every producer and manufacturer in every State in the Union has the entire Nation as a potential market for his goods. All business, therefore, is highly competitive among the States. All socially beneficial legislation, such as old-age and retirement pensions, and mandatory minimum wages and maximum hours, adds to costs of production. It follows that unless all States should set up exactly the same standards—which is beyond hope, as witness the failure to date by the requisite number of States to ratify even the child-labor amendment—the factories in the high-standard States would be compelled to remove to the backward, nonprogressive States as a matter of mere self-preservation.

I do not believe we should jump headlong toward such a change in our Federal Constitution as might unwittingly result in altering the basic character of our Government as a Federal Union of sovereign States. The dual sovereignty of the States and the Nation should by all means be preserved to the fullest extent that the States in their control over the purely local concerns of their citizens can adequately respond to the changing necessities for the public weal. But the alarming tendency of recent years toward centralized economic power with its resulting monopolies, wielded by the few lords of high finance and largely with other people's money, must be curbed in the public interest. It threatens to become more powerful than government itself. Experience is convincing that the States separately cannot cope with the problem. Some degree, therefore, of centralized governmental power and authority is indispensable if we hope to hold in check the antisocial excesses of centralized economic power. Until that war for the liberty and freedom of the little man is won we dare not demobilize the only effective force that is available to the people.

These purposes can be attained without any rephrasing of our governmental charter. Loose construction versus strict construction of the Constitution by both Congress and the courts was the fighting issue between Hamilton and Jefferson in the early days of the Republic. The objectives of those two schools of political thought were the same then as they are now, but today the contending forces have exchanged weapons. Adherence to the mere dogma of States' rights today means surrender to the forces of private greed and entrenched wealth. The corollary of States' rights is States' responsibility. Unfortunately, however, the States in this era are helpless to meet their reciprocal obligation to protect the individual citizen against the Nation-wide ravages of predatory interests who would destroy his birthright.

To be sure, Jefferson said: "That government is best which governs least", and his present-day enemies quote it with glee. But they always fail to include his appended statement that enough government is necessary to preserve the rights of the individual against the efforts of others to take them away from him.

A broader interpretation and application of the interstate commerce clause to comport with the actualities of the present day nationally knit social and commercial order will meet the call. It is not a legalistic necessity, but only an outmoded political and social philosophy entertained by one or two human minds that stands in the way. Curbing the power of the Supreme Court does not sound feasible, even if it could be made effective without constitutional amendment, which is, to say the least, doubtful. We need an umpire in our tripartite system of government—someone with the last word. The checks and balances wisely provided by our founding fathers should not be lightly discarded, even though recent performance would appear to have been all checks and no balances.

In attaining our hoped-for results we have yet to explore the full constitutional possibilities of the powers conferred upon Congress by the interstate-commerce clause. Among them is the device of requiring Federal incorporation of all corporations engaged in interstate commerce. Such a requirement, imposed as a condition to the transaction of interstate business, would give the Federal Government plenary regulatory power in the national public interest, and would make possible the effective control that the States, acting independently, are impotent to exercise over their own creatures. When these constructive efforts have been made—as they will be—and the remedy still proves disappointing to liberal and progressive public opinion, it will be time enough to insist upon the then necessary changes in our organic law.

FARMERS' RIGHTS

After years of lip service by the Republican Party to "equality for agriculture with industry", the Democratic Party when it came into power in 1933 brought about substantial performance of that sine qua non of national recovery. The memory of the zero-approaching levels to which agricultural prices were driven by the Hawley-Smoot tariff and the other deflationary policies of the Hoover administration is too fresh in the minds of all my listeners and readers to require restatement by me now. Under the A. A. A. the farmer's purchasing and debt-paying power was given a wonderful impetus toward normalcy, and the billions of dollars it added to his annual income have played no small part in priming the Nation-wide business recovery that we are now enjoying, and in reemploying the 5,000,000 more men than were at work in March 1933.

A development that has impressed me greatly is the better understanding that is permeating Congress and the country generally of the interdependence of farm and city. As a

way of life, it is true, the average farm home, with its debt burden reasonably amortized, would afford a self-contained subsistence level for the family that the average city dweller could never hope to maintain. But our industrialized order has brought higher living standards to the farm, and if we would keep and raise those standards the farmer must receive for his products a large enough cash return to meet his overhead and to leave an adequate surplus with which to buy those products and services of industry that furnish the comforts and satisfactions of life. In turn, it has become crystal clear that the industrial employee is utterly dependent upon the vast consuming capacity of our agricultural population. The farmer is in fact a double consumer, because, in addition to the personal needs of himself and family, his requirements in the way of machinery, equipment, and supplies in his farming operations are enormous in volume. If the gross agricultural income could be doubled within the next year, there can be not the least doubt that within the same interval our still distressing unemployment problem would "fold up its tents like the Arabs, and silently steal away." There is eternal truth in the words that are carved in the stone facade of the Union Station here in the Capital City:

The farm—best home of the family—main source of national wealth—foundation of civilized society—the natural providence.

And so it is no mere alliterative twist that I intend when I stress farmers' rights as being of far greater importance in the national economy than is the mere historical abstraction called States' rights. The majority of the Supreme Court in their decision outlawing the A. A. A. determined that national control of agricultural production was an invasion of a power that the Constitution reserved to the States. But without a nationally effective program of production control Congress must sooner or later inquire how else can the farmer hope to maintain himself on a basis of equality with industry in the open-market price that he shall receive for his products. His capital investment and constant overhead, and the vicissitudes of wind and weather, compel the farmer to operate his plant at farmerlike capacity. If crop failure comes, he has to grin and bear it. If a world-wide good crop comes, the immediate surplus places him at the mercy of a glutted market. What to do? The industrialist, on the other hand, can and does accommodate the volume of his production to the fluctuations in his market and, by and large, thus saves himself from loss. The farmer, therefore, is the only businessman of consequence who is utterly without control over his income.

The Soil Conservation Act of 1936 is a sincere effort legally to fill the gap that the invalidation of production control under Federal authority has left in the administration's farm relief plans. The degree of success as a market stabilizer that may attend its operation will remain undetermined pending a crop year or two of experience. The subsidy encouragement for crop rotation in soil-rebuilding legumes will, of course, be a welcome addition to the individual farmer's income from his open-market sales. But it has long been my earnest conviction that subsidies out of the Federal Treasury and limitations upon the production of any necessity of life are at best merely temporary remedies, unnatural in their effects, and resembling more an attempt to treat symptoms than to get at the root cause of the economic inequality that constitutes the disease. Given a fair start in an open field, the farmer would ask no odds of any man in the race of life. But with so many barriers set up against him in the way of tariff preferences and various social costs that are added to the price of the things he has to buy, and of speculators' profits and manipulated markets for the things he has to sell, small wonder it is indeed that patience has not sooner ceased to be a virtue.

Equality for agriculture with industry! With the possibility of production control as a market stabilizer lost to him, how, then, can Government help attain for the farmer that legitimate goal of equality which is likewise so essential if we would promote the general welfare? A correspondent from Colorado recently wrote propounding the following questions:

In the belief that the uncertainty surrounding the ultimate, permanent solution of the agricultural problem in the United States is still the greatest obstacle to the complete restoration of employment and economic recovery, the writer submits the following inquiries and would appreciate your comments:

1. Is it not possible to restore parity between agriculture and industry by a much less complicated plan than either party has proposed or put into effect up to this time?
2. Is it necessary for a proper solution of this problem that the farmer should submit to collectivism, regimentation, or the surrender of the individualism so highly prized by him?
3. What are the objections to a Federal corporation with power to handle the exports and imports of all agricultural commodities and the products thereof?
4. Could not such a corporation fix the domestic price of all agricultural commodities, of which a surplus is produced, at the price such commodities will bring in the foreign market, with the tariff on such commodities added thereto?
5. Would this not make the tariff effective for the producer to the extent of the domestic market for such commodities?
6. Could not an impost on all primary transactions in such commodities, to be paid by the producers thereof, be devised to produce sufficient revenues to reimburse the corporation for losses sustained by it on exports of surplus commodities to the end that such losses would be equitably distributed among the producers growing such surplus commodities?
7. Could not such a corporation so regulate imports of such commodities as are not produced in sufficient quantities to meet domestic requirements as to insure the domestic producer a profitable return for such product?
8. Would this plan not have a tendency to stimulate the production of non-surplus crops and to contract the production of burdensome surpluses in the other?
9. Would not such a plan promote free competition in agricultural products?

When my correspondent wrote the foregoing letter he had not seen my bill, which I first introduced in the House of Representatives in January 1935. Even a casual reading of his intelligent questions shows that he has been doing some constructive thinking. My bill, which I shall incorporate herein at the close of my remarks, makes favorable answer to all of his questions except 4, 5, and 6. To supply the factors contemplated in those three questions my bill sets up much less complicated machinery that will automatically and progressively attain and maintain agricultural and industrial equality. I again commend this bill to the careful consideration of my colleagues, especially those on the Democratic side. I do this for two important reasons: First, it puts into simple and workable legislative form the promise that was made to the country in the farm plank of our 1932 party platform—that we would effectively control agricultural surpluses and would assure the farmer prices in excess of cost; and, second, it operates clearly within the limitations upon the constitutional powers of Congress to regulate interstate and foreign commerce that are laid down by the majority of the Supreme Court as now constituted.

Let me summarize its provisions:

First. The Secretary of Agriculture shall each year estimate the probable production of each surplus-producing crop.

Second. He shall estimate the amount thereof required for domestic consumption.

Third. He shall ascertain and proclaim what was its average cost of production over the preceding 5-year period on the average-sized farm reckoned as a business unit.

Fourth. This average cost as a minimum shall be paid by all dealers and handlers for the domestic-consumption percentage of each delivery presented for shipment in interstate commerce.

Fifth. The remaining or export percentage of each delivery shall be receipted for to the producer and turned over to a Government export agency, which shall dispose of same to the best advantage in the world market and then account to the receipt holder for the proceeds pro rata.

Sixth. Pending world market disposition, the producer may borrow on his receipt at any post office up to 90 percent of the world market value.

Seventh. To encourage the recovery of lost world markets for American-processed agricultural products, such as tex-

tiles, livestock products, and so forth, the export agency shall supply raw materials to manufacturing exporters at debenture prices.

Eighth. Local committees shall be maintained to advise with the Secretary of Agriculture in the ascertainment of costs of production.

Ninth. Even in the remaining narrow field of solely intrastate movement from producer to consumer, the minimum pegged price would be legally effective under the exercise by Congress of the power to regulate the value of money in commodities.

Tenth. Compliance by purchasers with the minimum pegged price is made mandatory under penalty.

It will be observed that no control over production is involved and that the only impingement of Federal power is when the products of the farm enter commerce. Five of the present members of the Supreme Court upheld the New York law fixing prices for milk, Justice Roberts writing the opinion. Four of the members recently upheld the price-fixing provisions of the Guffey Coal Act, but Justice Roberts was able to avoid participation in that holding through the elimination of that issue in the majority opinion, which was made to rest on the alleged inseparability of the price-fixing from the labor provisions. That Justice Roberts by his precedents is bound to uphold congressional power to fix prices of such necessities of life as agricultural products that move in interstate commerce is as certain as it is that night follows day. Therefore the Supreme Court, through five of its members, is definitely committed to the validity of my suggested bill.

The consumer will benefit through the resulting stabilization of his costs and the elimination of the now too frequent series of speculative profits that are added to the price of the commodity on the way from the producer to the consumer's table and wardrobe.

By reckoning costs each year on the basis of the past 5 years' experience, a fair and just ratio will continuously be maintained between the farmer's income and the cost of the things he must buy. As to all surplus crops except cotton, the farmer could well afford to donate his surplus, if he had to, as a selling commission for the fair price he receives for the domestic-consumption percentage, for by this bill the American market would be effectively preserved for the American farmer. The cotton surplus, handled as it will be by a Government agency in conjunction with the administration of our reciprocal-trade agreements, will enjoy constantly enlarging foreign markets that individual negotiation is finding it extremely difficult to restore.

The simplicity and noncomplexity of the program is one of its most appealing features. It will require a much smaller Government personnel than did the individual-contract system of the A. A. A. or than does the subsidy provision of the Soil Conservation Act. It can be demonstated to the satisfaction of any open mind that, by reckoning costs of production of any crop on the average-sized farm taken as a business unit, the variation in costs in different sections of the country is very slight. For example, by giving weight to all factors of investment, taxes, and overhead costs, it will be found that the average cost of producing a bushel of corn on the average Iowa farm varies less than a cent per bushel from the cost of producing a bushel of corn on the average North Dakota farm.

The encouragement we are giving to soil conservation is fine and should be continued as a national policy. But farmers must not permit themselves to be deluded and satisfied by the sop of compensating tariff benefits. Suppose the Hope-Landon bill were in effect, under which the farmer is offered tariff-equivalent certificates of 25 percent to supplement his open-market return on the domestic consumption percentage of his production. Then suppose that the open-market price of hogs sinks again to 2 cents per pound—as it might any year without production control. The farmer would then be assured under that munificent plan the tremendous total return of 2½ cents per pound.

Following is the text of my bill, and I invite your careful study of its provisions, to the end that it may be given intelligent and sympathetic consideration by the Seventy-fifth Congress:

A bill to restore and stabilize agricultural buying power by regulating interstate and foreign commerce and the value of money in agricultural commodities, of which there is an exportable surplus, by establishing a minimum cost of production price for the domestic consumption percentages thereof and by providing for the orderly marketing of the export percentages thereof, debentures for processed and manufactured agricultural products for export, and for other purposes

Be it enacted, etc., That for the purpose of assisting him in carrying out the provisions of this act, the Secretary of Agriculture shall organize committees of farmers residing in the respective governmental subdivisions for which they are selected. There shall be a committee for each State, and for each county or parish, and for each township, to be known as State, county, or parish, and township advisory committees, respectively, and the membership of each committee shall be not less than three nor more than five. The members of the State committees shall be appointed by the Secretary of Agriculture, and the members of the county or parish and township committees shall be elected by the bona-fide farmers residing within such county or parish and township, under such rules and regulations as may be promulgated by the Secretary of Agriculture. The Secretary of Agriculture shall, from time to time, obtain reports from said committees on conditions in their respective jurisdictions that are pertinent to the decisions he is required to make under this act and shall arrive at such decisions after he has the benefit of the statistical and other informative matter contained in such reports and after conference with national officers of the national and representative farm organizations.

SEC. 2. The Secretary of Agriculture shall annually ascertain the average cost to farmers, considering average yields and production during the preceding 5-year period, of the production of each agricultural commodity produced in the United States having an exportable surplus. All items of cost shall be considered and calculated in accordance with the formula and method commonly used in the manufacturing industry. He shall consider the individual farm as a business unit and shall include compensation to farm operators for management and for labor of themselves and their families and hired help equal to the compensation paid for like services in industry, together with adequate allowance for depreciation of soil, improvements, equipment, stock-breeding animals, work animals, and buildings, and also for taxes and other overhead charges. He shall also determine the investment value of the property devoted to the production of such commodities, using the official census data so far as pertinent, such determination to be at the normal level of values between inflations and depressions reckoned over such period of time as will make possible the accurate ascertainment of such normal value, and upon the property investment value as so determined there shall be calculated and allowed a capital return of 4 percent. He may also ascertain and allow an equitable differential against variations in (1) transportation costs to different markets, (2) actual costs for hired labor, and (3) all other conditions affecting the cost of production, and may establish such zones or classifications as are appropriate and necessary therefor.

SEC. 3. The Secretary of Agriculture shall annually determine and designate the beginning and ending of the appropriate marketing period for each of said agricultural commodities, and shall also annually estimate the volume of production of each commodity for the current calendar year of each such commodity that will be marketed. Prior to the marketing period for each such commodity he shall also estimate (1) the percentage thereof required for domestic consumption and (2) the percentages thereof remaining for export.

SEC. 4. The Secretary of Agriculture shall thereupon make public proclamation and announcement of the cost of production figures and the domestic consumption and export percentages aforesaid and of the date when and the period for which the same shall be controlling as provided herein upon the sale and purchase of each such commodity, and upon request he shall furnish detailed information to all dealers, manufacturers, millers, elevators, processors, packers, butchers, ginners, compressors, and other agencies dealing in or handling the same. After such effective date all said dealers, manufacturers, millers, elevators, processors, packers, butchers, ginners, compressors, and other agencies shall pay to the farmers not less than the cost of production price determined and proclaimed as aforesaid for such percentage of each delivery of such commodity in interstate commerce or otherwise as is not estimated for export. If in the judgment of the Secretary of Agriculture the objectives of this act, including the furtherance of orderly marketing, require such action, the Secretary shall proclaim such reasonable variations in the allowable minimum as may be necessary to attain such objectives, and also to govern such marketings by producers as may not have been completed during the designated marketing year. For the percentage, if any, of each such delivery thereof as has been estimated for export as aforesaid there shall be issued and delivered to the farmers a receipt, countersigned by such agency as the President of the United States may designate, which receipt shall show the grade of the commodity. Sales from one farmer to another for feeding,

breeding, or seeding purposes shall not be subject to the provisions of this act. For the purpose of this act a transaction in respect to any commodity shall be considered to be in interstate commerce if such commodity is part of that current of commerce that is usual in the industry or industries engaged in the handling of such commodity whereby such commodity (and its products) are sent from one State with the expectation that they will end their transit, after purchase, in another, including, in addition to cases within the above general description, all cases where purchase or sale is either for shipment to another State, or for manufacturing, milling, processing, packing, slaughtering, ginning, compressing, or in any manner handling such commodity or any part thereof within the State and the shipment outside the State of the products resulting therefrom. Articles normally in such current of commerce shall not be considered out of such current through resort being had to any means or device intended to remove transactions in respect thereto from the provisions of this act.

SEC. 5. At such reasonable time as the Secretary of Agriculture may direct, the said dealers, manufacturers, millers, elevators, processors, packers, butchers, ginners, compressors, and other agencies dealing in or handling such farm products shall deliver to such agency as the President may designate all of the percentage of said commodities estimated for export in the kind and grade as receipted or in processed form as hereinafter provided. If and when authorized by the Secretary of Agriculture, bills of sale evidencing storage of such exportable percentages on farms under seal will be accepted by such agency in lieu of the physical delivery of the property. In the case of livestock and poultry, the packers and also the butchers, after processing the same subject to Government inspection, shall make delivery of the percentage estimated for export in the form of livestock and poultry products: *Provided*, That the butchers may deliver their percentages through packers, and the said agency shall pay the reasonable cost of processing; and the same provision shall apply to milk and the processors thereof. If unable to make reasonable and satisfactory arrangements for such processing, then such agency shall purchase or acquire by condemnation or construct the proper equipment and facilities. Such agency shall provide by rental, purchase, or construction, or by condemnation in State or Federal courts, the necessary storage and terminal facilities for handling the export percentages, and shall remove same entirely from the domestic market, except for emergency purposes, and shall hold and dispose of the same to the best advantage in any world market, and through the Postal Service shall redeem the receipts in the net amount realized for each product after deducting all costs and expenses of handling and disposing of the same. On the direction of the President such agency shall hold in storage such portion of the said exportable percentages as it may deem advisable as a reserve against emergencies, droughts, and crop failures, and any portion thereof that is undisposed of on settlement date shall be held for such purpose. Settlement shall be made in full not later than the end of each designated marketing period and each farmer shall have the option to accept in full the net world price at the time of settlement for the percentage withheld for emergencies, or he may accept a credit of 90 percent thereof upon his receipt and await the final disposal for any balance that may be realized, or, if he has received a 90-percent loan as hereinafter authorized, he may continue the same without interest until such final disposal. The said agency is directed to estimate the cost and expense of handling each of said commodities and to estimate the probable world price and through the Postal Service to make loans to any farmers upon the security of their receipts up to 90-percent of the net value thus estimated.

If in any State the demand for domestic consumption is greater than the national estimated percentage, the said agency is authorized to supply the deficiency out of the exportable surplus from any other convenient State at the cost-of-production price plus transportation, storage, and handling charges, and it shall maintain a national balance by purchasing upon the same terms, like amounts from the percentage estimated for domestic consumption in States where the demand for domestic consumption is less than the national estimated percentage.

If any farmer at any time is unable to sell his products in the regular markets, the said agency is directed to accept and receipt for the exportable percentage of his production as herein provided for, and to purchase from him the percentage of his production for domestic consumption at the cost-of-production price and is authorized to resell such domestic consumption percentage in the domestic market at the same or higher price.

If the percentage estimated for domestic consumption should be insufficient to supply the domestic demand, the said agency is authorized to supply such shortage out of the exportable percentage at the cost-of-production price, plus storage and expenses.

SEC. 6. The Secretary of Agriculture is authorized to advance, from time to time, to the Postmaster General such sums as are shown to be required for the handling and redemption of the receipts as provided herein, and for the making of loans thereon, and for the expenses of the Post Office Department in connection therewith. At the request of the Secretary of Agriculture, the Postmaster General under such regulations as he may prescribe shall require the employees of the Post Office to perform, without extra compensation, such fiscal-agency services as may be desirable and practicable in connection with the handling, safekeeping, and redemption of said receipts, and the making of loans thereon.

SEC. 7. The said agency is authorized to use the resources and facilities of the Export-Import Bank and the Reconstruction Finance Corporation.

SEC. 8. By the enactment hereof the Congress declares and invokes its constitutional power to regulate interstate and foreign commerce, and to regulate the value, in agricultural commodities, of all authorized money.

SEC. 9. Any person, dealer, manufacturer, miller, elevator operator, processor, packer, butcher, ginner, compressor, or other agent dealing in or handling such farm products, who violates the provisions of this act by paying less than the cost-of-production price provided for herein shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 2 years, or both.

SEC. 10. The said agency is directed to protect all foreign markets for the exportable surplus of agricultural products now being held or hereafter acquired by cooperative organizations, and for that purpose is directed to furnish the necessary products, when available, at the net price to farmers as herein provided; and said agency is further directed to furnish to processors and manufacturers, under bond or other adequate guaranty of performance, from the exportable surpluses coming into its possession, any raw materials to be processed or manufactured and exported, and to do so at debenture prices that will permit such processors and manufacturers to meet competition with their products in foreign markets upon fair and reasonable terms, which products shall include textiles, wheat products, corn products, oat products, livestock products, dairy products, compressed cotton, canned fruits, and canned vegetables.

SEC. 11. The President of the United States, the Secretary of Agriculture, the Secretary of the Treasury, the Secretary of State, and the Secretary of Commerce are directed to cooperate in exercising their lawful powers, through the medium of foreign-trade agreements, and through other appropriate measures for restriction or expansion of imports of competing agricultural commodities, their byproducts, and/or competing substitutes, to maintain the prices to farmers for the domestically consumed percentages of all agricultural commodities as nearly as may be within a range not exceeding 10 percent above the proclaimed cost-of-production price level.

SEC. 12. If any provision of this act is declared unconstitutional, or the applicability thereof to any person, circumstance, or commodity is held invalid, the validity of the remainder of this act and the applicability thereof to other persons, circumstances, or commodities shall not be affected thereby.

FEDERAL HIGHWAY AID ACT

Mr. GWYNNE. Mr. Speaker, the passage of the Federal Highway Aid Act is particularly gratifying to me as a representative of an agricultural section of the country because of a new feature which it inaugurates in providing for the construction of farm-to-market roads with the assistance of Federal appropriations. As a member of the Committee on Roads I have been especially anxious to secure favorable consideration of this item, and judging from the support given this feature of the law, it would appear that this marks the beginning of a new era in practical road building.

The law, as finally passed, authorizes a total of $338,000,000 for the fiscal year ending June 30, 1938, and a similar sum for the fiscal year ending June 30, 1939. It is necessary to authorize these sums considerably in advance so that the legislatures of the various States may make the necessary arrangements for matching these funds as required by law. For general road-building purposes there was authorized $125,000,000 for each year. Of this amount, Iowa will receive approximately $3,230,000 per year. Section 8 of the law authorizes $50,000,000 per year for the elimination of railway grade crossings, which amount need not be matched by the States. The apportionment is based one-half on population, as shown by the latest decennial census, one-fourth on the mileage of the Federal-aid highway system, as determined by the Secretary of Agriculture, and one-fourth on the railroad mileage, as determined by the Interstate Commerce Commission. On this basis Iowa will receive approximately $1,400,000 each year. This is in addition to the 113 highway grade separation projects which it is estimated will be financed from the $200,000,000 allocated by the President under the Emergency Relief Appropriation Act of 1935.

Section 7 of the law provides:

> In addition to any other authorizations which have been made, there is hereby authorized to be appropriated to the several States to be apportioned and expended under the provisions of the Federal Highway Act of 1921, as amended and supplemented, the sum of $25,000,000 for the fiscal year ending June 30, 1938; the sum of $25,000,000 for the fiscal year ending June 30, 1939: *Provided*, That the sums herein authorized shall be applied to secondary or feeder roads, including farm-to-market roads, rural free delivery mail roads, and public-school bus routes.

Under this section it is estimated Iowa will receive approximately $650,000 per year.

The first Federal Aid Highway Act, passed in July 1916, provided for authorizations for 5 years ranging from $5,000,000 the first year to $25,000,000 the fifth year. Since that time, through the combined efforts of the Federal Bureau of Public Roads and the various State highway commissions, a coordinated system of roads has been built. The total mileage in the United States is estimated at 3,068,919 miles. There are 226,000 miles in the Federal-aid program, most of which are now fairly well improved. The mileage of county roads is 1,071,530 and local or township roads aggregate 879,630 miles. A very small percentage of these roads are adequately improved.

While Congress has appropriated large sums for road building, it is interesting to note that during that same period the Federal Government has collected an ever larger amount in taxes traceable directly to motor-vehicle traffic. Between the date of June 30, 1917, the beginning of Federal aid, and January 31, 1936, the Federal Government has collected in excise taxes on motor vehicles and in gasoline taxes $2,033,922,673. During that time the Government spent in road contributions $1,986,655,477.

Practically every State now finances its road-building program in part at least from a gasoline tax and a tax on the registration of motor vehicles. The gasoline tax in the various States ranges from 2 to 7 cents per gallon. The average registration fee per motor vehicle ranges from $3.17 in Georgia to $22.21 in Connecticut. The average in Iowa is $15.05. The average of both gasoline tax and registration fee per vehicle for all the States in 1934 was $34.89. Iowa was among the 20 States below this average, with an average payment of $31.93.

The Federal Government first began appropriating money for primary road building on the theory that a network of interstate highways was in the national interest. In this connection some consideration was given to the value of highways from a military standpoint. There are also sufficient reasons for the use of Federal money in the development of a farm-to-market program. In the first place, a large part of the gasoline tax collected by the Federal Government is paid by users of farm-to-market roads. The desire on the part of most States to match the Federal funds available for primary roads has resulted in a substantial reduction in the State funds available for local roads, In some instances money has been diverted to paving parallel roads and to the building of expensive cut-offs and diagonal roads, which might better have been used to get the farmer out of the mud. A passable road for the many should have consideration over a perfect road for the few. Many miles of local roads are used by the Post Office Department in the delivery of rural mail. The improvement of these roads will save the Government millions of dollars each year and will give the farmer the delivery service to which he is entitled.

In the development of our present Federal-aid system the Federal Bureau of Public Roads and the State highway commissions of the various States have rendered a splendid service. In the development of the farm-to-market road program the local road authorities should play an important part. No one knows what local roads should be improved and the specifications adapted to the local needs as well as the county supervisors and the county engineer. The actual building of the farm-to-market roads should be largely in their hands.

WILLIAM D. THOMAS—TRIBUTE TO A FRIEND BY A FRIEND

Mr. GOODWIN. Mr. Speaker, in announcing to the House the death of WILLIAM D. THOMAS, the minority leader, Mr. SNELL, said:

> His genial personality and his friendly manner won for him a warm spot in the affections of his colleagues on both sides of the aisle.

Those who knew Mr. THOMAS realize the absolute accuracy of this statement. This was no perfunctory tribute. It was not only sincere but true. Although a comparatively new Member in this body, his courteous and kindly deportment attracted men to him, and underlying his innate modesty was a reserve that denoted forcefulness and strength of character. Also, in him was recognized a man of convictions, of principles, which he would not compromise at any price. Yet, withal, he respected others whose viewpoints differed from his own. This was an attribute of tolerance and forbearance. He was singularly calm and unperturbed in spirit, not given to ostentation nor to disputation, believing that mediation solves more problems than agitation. Therefore—

> His life was gentle, and the elements
> So mix'd in him that Nature might stand up,
> And say to all the world, "This was a man!"

The House of Representatives with uncanny precision and accuracy appraises its own Members and finds the proper niche for each of them. This body, sooner than usual, appraised WILLIAM D. THOMAS as a self-contained, self-controlled, quiet, dependable, and industrious legislator, one whose counsel was wise and just, and whose example of wholesome, clean living and thinking was worthy of emulation.

But, Mr. Speaker, as one who was perhaps closer to him in bonds of true affection than any other Member of this House, I need not the testimony of others, however faithful to this man's character it may be, to enable me to mirror the innermost recesses of the guileless soul of my beloved colleague and friend, for I was yoked to him by those hooks of steel that cement friend to friend in indestructible bonds which even death cannot rend asunder. I knew him so well. We were neighbors and neighborly. We lived in adjoining counties. We had much in common and in mutual confidence. We understood each other, our faults as well as our virtues. We were confidants, mutually forbearing and helpful. We could enjoy each other's company in silence and shed a sympathizing tear one for the other in sorrow. Such friendship is rare. But it existed between BILL THOMAS and me, and his passing has left an aching void in my heart. He was my dear pal, my buddy in this life, and I have faith to believe that this beautiful relationship is unbroken in death. I shall look forward expectantly to the great adventure of a reunion with him beyond the rim of the world.

Mr. Speaker, I am grateful that it was vouchsafed to me to know and to have the loyal and faithful friendship of BILL THOMAS. It is my most precious heritage. To me it is as a sweet benediction and a fragrant memory.

Solomon was indubitably right when he said:

> There is a friend that sticketh closer than a brother.

Such to me was my friend BILL THOMAS—closer than a brother. We were as willing vicarious sacrifices for each other on the altar of friendship as were those mythical characters Damon and Pythias. But still a better parallel may be found in the actual lives of those two young men of ancient Biblical times, of whom it was written:

> The soul of Jonathan was knit with the soul of David, and Jonathan loved him as his own soul.

And with the passing of my friend, my pal, BILL THOMAS, I can say, with David, from the ground of a heart filled with poignant anguish, when he learned of the death of his friend Jonathan:

> I am distressed with thee, my brother; very pleasant hast thou been unto me; thy love to me was wonderful, passing the love of women.

Mr. Speaker, I deem it most appropriate to insert in the RECORD as a further tribute to my friend BILL THOMAS, who exemplified the definition of a friend as set forth therein, the following monograph written by former Senator Harry B. Hawes, of Missouri, entitled:

IN THE MATTER OF FRIENDSHIP

All that can be expected of any man is to make the best use of the things that are within his power. Only the contented man is rich; so we must look for the things that bring contentment. And first of these is to find a friend; and if you find two friends, you are indeed a lucky man; and if you find three friends—real friends—then you are a rich and a powerful man. In prosperity it is easy to find a friend, but in adversity it is most difficult of all things. No matter how small a man's means may be, if he gives of what he has to his friend, it is the same as if it was a great amount. A man's pleasures are insured by sharing them with a friend, and his griefs are reduced by securing the sympathy of a friend. The

counsel of a friend is the best counsel, because it will be true advice; for, when received from a mere acquaintance, it may be so filled with flattery that its value will be destroyed; and faithful and true counsel rarely comes excepting from the true friend. It is said that in youth we have visions and in old age dreams, and the vision and the dream may give us an ideal of perfection; but experience and large contact with men compel us to accept the man who measures in his virtues only to the substantial average. If we view a man as a whole and find him good as a friend, we must not be diverted from the happy average—the everyday, human average—by using a magnifying glass upon his faults or frailties. We must, in order to have and hold a friend, accept him as he is, demanding but one thing in return for our affection—his fidelity.

A RESOLUTION IN SUPPORT OF A BETTER DEAL FOR THE MINING INDUSTRY

Mr. WHITE. Mr. Speaker and Members of the House, under permission to extend my remarks, I include a copy of a resolution prepared by myself and submitted to the platform committee of the Democratic national convention at Philadelphia on mining and my statement to the committee in support of the resolution:

To the Democratic Committee on Resolutions, for inclusion in the Democratic national platform:

MINING

"We recognize the importance of the mining industry, which is second only to agriculture in supporting the Nation's general business prosperity.

"We advocate a Government policy and a legislative program to foster and assist the development of our mining resources and insist on a policy of administration of our national forests which will promote the development and utilization of our mineral deposits located within national-forest boundaries."

Proposed by Congressman COMPTON I. WHITE.

ADDRESS OF THE HONORABLE COMPTON I. WHITE, FIRST DISTRICT OF IDAHO, IN SUPPORT OF THE MINING RESOLUTION FOR INCLUSION IN THE NATIONAL DEMOCRATIC PLATFORM ON JUNE 25, 1936

Mr. Chairman, ladies and gentlemen of the Democratic convention, in presenting this resolution for your approval, let me bring to your attention the importance of the mining industry to the Nation's business and its contrbution to the general prosperity. It is one of our great basic industries, second only to agriculture. Today, as in the golden era of our country's development, when nature so generously rewarded the pioneers who penetrated the mountain fastnesses and opened her storehouse of mineral deposits, the western mining States still offer unlimited opportunities and rich rewards for those who will develop our still untouched mineral deposits. If there ever was a time in the Nation's history when an active and prosperous mining industry is needed to energize and support general business prosperity, it is now. When we consider what the mining industry is contributing to business recovery and general prosperity of other nations, it is apparent that we are overlooking and neglecting the most important industry which can do more for business recovery than any other basic industry.

Mining has brought such a degree of prosperity to the Union of South Africa that the surplus in the treasury of that country has increased from $3,000,000 to $14,000,000 in the last year. With tax money received from this mining income the Government is using the proceeds to pay old-age pensions and reduce the customs duties on many of its imports so that its people may more easily secure articles of foreign manufacture such as radios, typewriters, and automobiles.

Coming closer to home, we find that Canada, by its liberal and constructive policy, in assisting those engaged in developing mining resources, is rapidly leaving us behind in restoring prosperous business conditions.

We learn the Canadian metal-mining industry is producing $1,000,000 in new wealth each working day and is providing an annual pay roll of more than $88,000,000 to some 73,000 workers, who receive $51,000,000 annually in wages, or an average of $1,500 per year. It is stated that still greater progress is expected and that the Government and industrial leaders are confident that mining will do more for Canada in defeating the depression than any other industry.

Members of the Democratic convention, let me say to you that with the rich and immense mineral deposits still awaiting development in this country it is vitally necessary to our national prosperity that our Government do what Canada, our neighbor on the North, is doing to assist the development of its mining industry by adopting a liberal and helpful policy to assist those engaged in the work of opening up new mineral deposits, and by a legislative program modify and liberalize the rigid rules now in force which prevent the investment of capital needed to finance the development of this industry.

We have it on the authority of the Federal Government that many mining districts of our Western States contain numerous and extensive mineral deposits awaiting development. In the district that I have the honor to represent, which has produced $300,000,000 in placer gold since the advent of the early pioneers, there is, according to the head of the Bureau of Mines, one of the greatest undeveloped gold fields in the United States containing gold-bearing lodes and veins from which erosion washed down the rich placer deposits mined by the pioneers.

Now, with the price of gold increased by legislative enactment from $20.67 to $35 an ounce, the day is at hand when these rich deposits are ready for development.

Money must be invested and machinery brought in to put these mining properties into production. Unfortunately, most of these deposits are miles from transportation, located in rugged mountain fastness of the national forest, entirely dependent on the Federal Government for the construction of the necessary road to have access to smelters and market. The time has come when necessity requires that we open up and utilize our store of precious metal contained in these deposits, and with all seriousness, and with all the earnestness at my command, I urge that you, the members of the convention, support the resolution with your vote.

This resolution had the approval of many of the Democratic leaders, including Chairman Farley. However, in conforming to a plan for a short platform limited to general issues, this and a number of important but special subjects were omitted by the committee in drafting the national platform.

ARE YOU INTERESTED IN THE NEW RURAL ELECTRIFICATION PROGRAM?—IF NOT, WHY NOT?

Mr. OLIVER. Mr. Speaker, a year ago the President, at the request of the Congress, launched an effort to foster extension of electric service into unserved rural areas, and set up a temporary Rural Electrification Administration (R. E. A.) to administer the program. So successful was the undertaking during the first year, and so thoroughly did the emergency R. E. A. demonstrate the feasibility of electrifying a much larger percentage of American farms, that the Congress this spring passed legislation making rural electrification a permanent function of the Federal Government.

Under this new program the Federal Government will lend money, under certain conditions, both to build facilities to provide electric service in rural areas and to finance the purchase and installation of wiring, electrical equipment, and plumbing.

This program is particularly applicable in the Sixth District of Alabama, where only 2.3 percent of the farms—less than 1 in 40—have electricity, according to the 1930 census. I urge my constituents to investigate the possibility of joining in this program, and pledge my own efforts to help you realize its benefits.

While in many sections rural electrification has been undertaken successfully and adequately by private utility companies with or without R. E. A. loans, the Federal program gives preference to applications from municipal plants, farmers' cooperatives, and similar public or nonprofit agencies. In many cases it will be found that the farmers' cooperative offers the best means of bringing electricity to a rural area.

The formation of a farmers' cooperative is neither difficult nor expensive. It requires only a little intensive effort on the part of a few public-spirited leaders in calling meetings, canvassing the neighbors, and carrying on correspondence. Until the preliminary organization work has been completed, there is no need to employ any legal or engineering assistance. R. E. A. will help you get started.

Briefly the procedure in organizing a cooperative to bring electric service is this:

First. Hold a mass meeting or a series of mass meetings to familiarize the people in the territory with the R. E. A. program and the opportunities it offers.

Second. Select a committee to canvass the neighborhood to find out how many people want electric service and what they will use it for. It is not necessary to sign anything nor to pay any money to join the cooperative.

Third. Prepare a map showing the proposed lines and prospective customers and submit the information so collected to R. E. A. As soon as R. E. A. specialists have examined the application, it will be necessary to organize a more formal association and then employ legal counsel and engineering assistance, but only after the preliminary work has been done.

As your Congressman let me strongly urge my farmer friends to avail themselves of the opportunity above mentioned. Hold a mass meeting, canvass your neighborhood,

prepare map, and write me so that I may help you secure the benefits promised.

If any of my constituents wish assistance in forming an electric cooperative, I will be glad to see that they get the full benefits of the R. E. A. facilities. Just a line to me or a letter of inquiry to R. E. A. at Washington will bring an immediate response and complete information about the program.

PRINCIPLES OF THE NATIONAL UNION FOR SOCIAL JUSTICE

Mr. BEITER. Mr. Speaker, I am receiving numerous inquiries from members of the National Union for Social Justice in my congressional district concerning my views on the 16 principles of the National Union for Social Justice.

In order that the beliefs advocated by the National Union and my views on them may be set forth for the edification of those interested, I am giving herewith a summary of my opinion on the individual principles:

Principle 1: I believe in liberty of conscience and liberty of education, not permitting the State to dictate either my worship to my God or my chosen avocation in life.

This country was founded on religious freedom and I am very much in favor of continuing this happy condition. I shall always do my utmost to uphold this essential right. The principle has my support.

Principle 2: I believe that every citizen willing to work and capable of working shall receive a just, living, annual wage which will enable him both to maintain and educate his family according to the standards of American decency.

The laboring man has come into his own and his demands are heard with great respect by both major political parties. Two important labor bills were passed by the second session of the Seventy-fourth Congress, just closed—the Government contracts and investigation of interference with collective bargaining acts. Certainly this is not a country of millionaires. The Du Ponts and the Morgans make up a very small percentage of our population and an Al Smith cannot climb from poverty to riches every day. The great majority of Americans are middle class and proud of it—work for a living and glory in it—and these are the ones who will control the political destiny of 1936. Certainly principle 2 has my approval and support.

Principle 3: I believe in nationalizing those public resources which by their very nature are too important to be held in the control of private individuals.

Although the "public resources" mentioned in the principle above are not defined and the language of the pledge is rather vague, I can safely say that I am not adverse to public control in those spheres where private regulation has shown to be blatantly unsuccessful and injurious to the public interest.

Principle 4: I believe in private ownership of all other property.

Of course, I am in accord with this belief, since it follows closely the statements set forth in an explanation of my views on principle 3.

Principle 5: I believe in upholding the right to private property, but in controlling it for the public good.

Any governmental regulation of private enterprise, when necessary, must, of course, be reasonable. I heartily endorse the principle of upholding the right to private property.

Principle 6: I believe in the abolition of the privately owned Federal Reserve Banking System and in the establishment of a Government-owned central bank.

I am in favor of this provision.

Principle 7: I believe in rescuing from the hands of private owners the right to coin and regulate the value of money, which right must be restored to Congress, where it belongs.

I agree with this belief.

Principle 8: I believe that one of the chief duties of this Government-owned central bank is to maintain the cost of living on an even keel and arrange for the repayment of dollar debts with equal-value dollars.

If such a condition could be brought about, then I am very much in favor of it, since it would go far to eliminate the inflation calamities which brought many depressions.

Principle 9: I believe in the cost of production plus a fair profit for the farmer.

It is very true that we cannot expect prosperity until the farmer has found economic equality. He is entitled to a living wage that will permit him to support his family in comfort and according to the standards of American workers. This administration has done much to help the farmers secure restoration of their purchasing power, and I believe that reestablishing foreign markets for agricultural products will help the production problem to a very large extent.

Principle 10: I believe not only in the right of the laboring man to organize in unions but also in the duty of the Government, which that laboring man supports, to protect these organizations against the vested interests of wealth and of intellect.

Of course, I believe in the right of the laboring man to organize in unions and am very much in favor of the Government protecting these organizations against the vested interests of wealth. As evidence of this I call attention to my vote on the Wagner labor disputes bill. The movement to establish the National Labor Relations Board had my wholehearted endorsement, since I believe that labor controversies should be settled by established methods of arbitration. I am very much in favor of this principle and have always supported the provisions set forth therein.

Principle 11: I believe in the recall of all nonproductive bonds and therefore in the alleviation of taxation.

I favor this proposal.

Principle 12: I believe in the abolition of tax-exempt bonds.

I agree, since the abolition of tax-exempt bonds would help the financial situation of the country.

Principle 13: I believe in broadening the base of taxation according to the principles of ownership and the capacity to pay.

I am opposed to oppressive taxation of lands and personal property and favor a just and equitable taxation for all. Certainly the capacity to pay should be taken into consideration in all matters of taxation.

Principle 14: I believe in the simplification of Government and the further lifting of crushing taxation from the slender revenues of the laboring class.

Reorganization of Government activities would doubtless lead to increased efficiency. Governmental bureaus are of necessity composite and involved. However, any consolidation of operations that could be arranged should be adopted.

As stated in the foregoing principle, I believe the capacity to pay should be taken into consideration in taxation matters and the laboring classes should not be called upon to carry any undue burden.

Principle 15: I believe that, in the event of a war for the defense of our Nation and its liberties, there shall be a conscription of wealth as well as a conscription of men.

I firmly approve of this proposal.

Principle 16: I believe in preferring the sanctity of human rights to the sanctity of property rights; for the chief concern of Government shall be for the poor, because, as it is witnessed, the rich have ample means of their own to care for themselves.

I am very much in favor of protecting both human rights and property rights. Sometimes it is extremely difficult to discriminate between them.

I was one of the 218 signers of the petition to discharge the Agriculture Committee from further consideration of the Frazier-Lemke bill, since I believe in the right of every piece of legislation to be given the privilege of fair and impartial debate in the Congress. I voted for the discharge of the committee in this connection.

I give you herewith my views on the proposals set forth by the National Union and my interpretation of those proposals. It may be that my interpretations are at variance with others. However, I shall be glad to have the comments of any of the members of the National Union if my representations are not clear or do not rightly cover the meaning of the principles which they are pledged to support.

MY LEGISLATIVE RECORD FOR THE SEVENTY-FOURTH CONGRESS

Mr. MORITZ. Mr. Speaker, we are nearing the time when the people of all congressional districts will be confronted with the opportunity of selecting and voting for candidates to represent them in the Seventy-fifth Congress.

Entrusted with responsibilities and duties as your Representative in the Seventy-fourth Congress, I am submitting

for your approval a record of my stewardship of the trust you placed with me. Disregarding party affiliations, I have always supported and voted for legislation that would eliminate the distress of those who were dispossessed of their resources, jobs, and in many cases their homes by a depression created and brought about by political maneuvers of the former administrations by their utter disregard of enacting legislation for the benefit of the masses and their untiring efforts of enacting legislation for the interest and privileges of the sinister financial wizards who were permitted to play the game of "Heads I win, tails you lose" until they had the resources of the American public absorbed in worthless and unsound securities, resulting in bank failures, stock market crashes, foreclosures, and a loss of confidence in their Government, realizing that my duty was to assist in enacting legislation to protect the public instead of measures for the exploitation of their resources.

I strenuously opposed legislation setting forth high rates of interest on loans and actively supported and worked for legislation to refinance mortgages on the homes and farms of the Nation through Government agencies at a rate of interest not to exceed the cost of negotiations for such a loan. I refer specifically to the Frazier-Lemke bill, and offer the following letter I received from the Honorable WILLIAM LEMKE commending me for my active cooperation on this measure:

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 20, 1936.

Hon. THEODORE L. MORITZ,
House of Representatives, Washington, D. C.

DEAR COLLEAGUE: I wish to congratulate you on your legislative record in the Seventy-fourth Congress.

Your active support and vote on measures that were beneficial to the masses rewards the trust that they imposed with you in 1934.

Your cooperation with me on liberal legislation enacted during the Seventy-fourth Congress, namely, soldiers' bonus, Frazier-Lemke bill, social-security bill, all labor legislation, and many bills too numerous to mention, obliges me to appeal to your constituency and request of them your reelection in November.

Trusting that I may have the privilege of working and cooperating with you in the next Congress, I remain,

Very truly yours,

WM. LEMKE.

I supported and voted for legislation to adequately provide for the aged, the blind, mothers' and widows' pensions, unemployment insurance, whose comfort and happiness are issues confronting the present Government for solution. I offer a letter from the Honorable ERNEST LUNDEEN, one of the foremost Congressmen in the House of Representatives for the promotion of security legislation.

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 24, 1936.

Hon. T. L. MORITZ,
House of Representatives, Washington, D. C.

MY DEAR COLLEAGUE: The record you made as a Member of Congress shows that you were a most consistent and valuable supporter of legislative measures beneficial to aged, farmers, and particularly legislation benefiting the laboring class of people.

I commend you to labor and the friends of labor in your congressional district. I sincerely hope that they will rally to your support and that you will be reelected to Congress.

With best wishes for success, I am,

Sincerely yours,

ERNEST LUNDEEN.

I actively supported and voted for legislation for the protection of labor, mindful of the fact that the recovery of this Nation from the depression is predicated upon the protection, as well as the production, of labor. I received the following endorsement from the Honorable WILLIAM CONNERY, chairman of the Labor Committee, in recognition of my support on labor legislation:

HOUSE OF REPRESENTATIVES,
Washington, D. C.

Hon. THEODORE L. MORITZ,
1622 House Office Building, Washington, D. C.

DEAR CONGRESSMAN MORITZ: I congratulate you on your legislative accomplishments as a new Member of the Seventy-fourth Congress.

I, as chairman of the Labor Committee, especially commend you for your untiring effort in cooperating, in promoting, and in voting for legislation that will benefit labor. Most particularly I commend you for your support of the Guffey-Snyder coal bill, of the Wagner Labor Relations Act, of the Unemployment, Old Age, and Social Security Act, of the railroad retirement pension bill, and many other bills too numerous to mention.

Judging by your reaction to these bills is an indication to me that you will always be 100 percent for organized labor, and that you have the interests of the masses foremost in your heart when confronted by an issue. You have been branded as a liberal, and I agree that if fighting for those who are in need and for those who are being exploited by unscrupulous employers is liberalism, then you came by your title honestly.

I assure you that it has been a pleasure to work and cooperate with one who is always ready to fight for the interest of his constituency, even to the extent of jeopardizing his political future.

I trust it will be my privilege to continue with you in this fight for the common people.

Sincerely yours,

WILLIAM P. CONNERY, Jr.

I supported and voted for the immediate cash payment of the soldiers' bonus, the regulation of the public-utility holding companies, the vocational education bill, and many other bills too numerous to mention that would eliminate our present distress and provide direct relief for those in need. I opposed legislation that would retard the progress of the Nation, namely, the "gag" rule, unheard-of appropriations in peacetime for the Army and Navy. I am submitting herein some of the many letters I received from my colleagues commending me on my liberal legislative accomplishments during the Seventy-fourth Congress:

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 24, 1936.

THEODORE L. MORITZ,
Member of Congress, Washington, D. C.

DEAR CONGRESSMAN: Now that we have completed our first term together in the House of Representatives, I desire to express to you my profound admiration for your work in this Congress. You have stood with the progressives always, and no doubt you now appreciate what I said on the floor in the very beginning of the session: That on fundamental issues there was no difference between the Republicans and the Democrats. The following major issues prove this assertion:

1. Unheard-of appropriations in peacetimes for the Army and Navy.
2. Opposition to a decent plan of refinancing of the farm debt.
3. Opposition to an old-age-pension system that shall make the aged of this country other than abject objects of charity.
4. Opposition to taking the power to issue and regulate money away from private interests and restoring that power to the Congress, where it belongs.

I am pleased to know that you are willing to go down the line for the people of this country and are willing to sever the ties of the two-party system that is responsible alone for the situation the distressed millions are in today. In your independent candidacy for reelection you have my every sympathy and whatever of influence I can offer in your battle for reelection.

Sincerely yours,

USHER L. BURDICK.

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 24, 1936.

Hon. THEODORE L. MORITZ,
House of Representatives, Washington, D. C.

MY DEAR COLLEAGUE: Before we separate and go our ways I want to express my appreciation of the support you have given the McGroarty bill, H. R. 7154, embodying the Townsend plan, in the Seventy-fourth Congress, and your cooperation in all efforts to promote this legislation.

I can recall no instance in which you have failed to help our cause during this Congress. If your record should ever be called in question, you may feel free to call on me at any time.

With all good wishes and kindest personal regards, believe me to be, always,

Faithfully yours,

JOHN STEVEN MCGROARTY.

THE TEACHERS CARRY ON

Mr. PETTENGILL. Mr. Speaker, now that the depression is definitely passing, notice should be given to the fine service of the public-school teachers of the Nation during these difficult years.

Children from millions of homes have had their hope and morale, if not, in fact, their physical health and energies, sustained by the cheer and courage of their teachers. For the latter it has been a period of added work, more pupils, and less pay, but they have carried on.

When the history of the depression is written I hope the writer will be able to adequately appraise the service rendered. Certainly it has meant much to the Republic that 26,000,000 children enrolled in our schools, a quarter of our total population, have had these daily contacts with their 870,000 teachers.

The Federal Government has helped to carry the load for municipalities which had reached the end of their credit and tax reserves. Thirty-two national organizations joined forces to form the national committee for Federal emergency aid for education, with James H. Richmond, chairman.

This committee, with the aid of the Congress and the executive departments, has worked unceasingly to provide ways and means to carry on. Schools have been kept open, teachers' pay rolls have been provided to close the gap of shrinking revenues, and under P. W. A. appropriations hundreds of new buildings and improvements and extensions to existing buildings have been constructed. These will stand as a lasting credit against the increase of the national debt.

Not only the teachers but also the school nurses, playground directors, and the medical and dental professions have helped to maintain a remarkable degree of health among these 26,000,000 children. The children's health is the Nation's wealth.

When we are told that the American system has broken down it is worth while to recall that with only 7 percent of the world's population and its children, we in America, during the worst year of our worst depression, spent more money on our public schools than all the rest of the world together spent on its public schools. I am for making necessary improvements in the American system to keep pace with the advance of science, invention, and technology, but am unwilling to scrap that system for any other on earth—none of which, on the testing grounds of actual experience, have ever proved as good.

One of the new and added responsibilities of our teachers in this modern age is to safeguard their pupils from traffic hazards, and to teach them habits of carefulness of lasting value when they no longer go to school.

Last year 36,000 of our people went to their graves as a result of traffic accidents. That is one every 15 minutes. In addition, countless thousands more were permanently maimed. If these were the casualties of war and not of peace the Nation would be up in arms. Any foreign foe which took 36,000 American lives would be repulsed without thought of cost.

Here, again, the teachers are our first line of defense. They are probably more important than any other force in preventing these casualties from being larger than they are.

The Federal Government is taking a sincere interest in the war against accidents and for uniform traffic regulations. The Bureau of Public Roads has printed a very useful pamphlet on accident prevention which deserves better publicity and a wider reading.

THE PROBLEM OF OLD AGE

Mr. PETTENGILL. Mr. Speaker, for many years I have spoken in favor of legislation to provide security for old age. I have stated that the objective must be a sum necessary to provide reasonable comfort on the one hand and one that will not impose a crushing burden of taxation on the other.

The problem has been too long neglected, but the depression and the loss of lifetime savings in closed banks, building and loan associations, failure of income, unemployment, and the shrinkage of real estate and security values has made it acute.

How to do justice between the old who receive and the young and middle aged who must pay is where differences arise. But we must give it our earnest attention. It is of great importance now and is going to become of more importance in the future.

The average life span has been moving up and the industrial deadline has been moving down. Both tendencies are almost certain to continue. That creates the problem and the necessity to solve it.

Let us look at the cold statistics. They come from the actuaries of great life-insurance companies whose business it is to record the past and read the future as accurately as is humanly possible. Per 100 of population they are:

	1880	1930	1980
Persons 50 and over	16	23	38
Children 0 to 20	48	39	30
Middle aged, 20 to 50	36	38	32

From the above you will note the increasing number of persons over 50 and the decreasing number of persons under 20. You will note further that in 1980 it is estimated that there will be more over 50 than those under 20.

In other words, in the not distant future those in the working period of life will find that their heaviest burden will be to provide for their parents rather than their children.

This is probably the most astonishing change of population trends since the world began.

It is due to two things in the main—a declining birth rate and an increasing life span. Fewer babies are born, but of those who are born an increasingly larger proportion survive the diseases of childhood and youth and live into middle and old age.

First, the declining birth rate: Of 1,000 women of childbearing age, we have, for the years noted, the following number of children under 5 years of age:

1810	1,006
1840	835
1870	638
1900	531
1930	246

In 120 years—1810–1930—the number of children under 5 years of age for each potential mother has declined from 1,006 to 246, or nearly 76 percent.

Second, the conquest of the diseases of childhood and youth, which permits more and more people to live into the upper age levels. Medical science has won its greatest victories for childhood and youth. In the few short years from 1900 to 1934 the death rate from summer complaint per 100,000 of population has been reduced from 133 to 18, or 86 percent; in diphtheria the reduction has been 92 percent; in scarlet fever, 80 percent; in typhoid, 91 percent; and in tuberculosis, 72 percent.

The result is that in 1870, 150 in every 1,000 were past 45; in 1930, 230 in every 1,000 were past 45 years of age, or 80 more than in 1870.

For the age 65 the figures show that in 1860, only 27 in 1,000 were past 65; in 1930, 54 were past 65; and in 1970, it is anticipated that 100, or one-tenth of our population, will be past 65.

So we have more and more of our people living to be older than 45, 50, 60, and 65, and at the same time the industrial dead line or age when people can no longer find employment is moving into the lower age levels. The age level moves up, the dead line moves down. Even in prosperous times there are many industries—steel mills, railroading, and others—where a man past 45, and in some cases 40, cannot hope to find a job, especially if he has never engaged in the particular occupation before. This is a byproduct of the machine age and not a happy one.

Another trend is the shift from rural to urban life. In 1880, 71 percent of our population was rural; today it is about 43 percent; that is, living on farms or in small towns and villages of not more than 2,500 people. This adds to the problem, because in the old days there were chores, gardening, home crafts, and other useful work that could be done by elderly men and women on farms or in small villages. But in the cities where is there work for them to do?

These figures may seem dull and uninteresting to some, but to me they are vital and significant. In them is wrapped up the future of our country. They must demonstrate to all fair-minded men and women, whether rich or poor, urban or rural, that America has a tremendous problem on its hands which must be approached with sympathy and understanding.

The old virtues of thrift and saving and self-help are perhaps more necessary than ever because the "night cometh" now much earlier than formerly when self-sustaining work becomes harder to find. Moreover, any tendency to become wards of society is full of danger.

Nevertheless it is apparent that the problem in countless cases is beyond individual or family solution alone. When a breadwinner 45 or 50 years of age is displaced from the pay rolls of industry by a new labor-saving device and his special skill, acquired by a lifetime of work, can no longer be sold at the employment window despite every effort, and the free

land of the West is no longer there to move to, his problem and that of his wife and small children becomes, in part, at least, the problem of society.

The march of science and invention knits us closer and closer together and makes us more and more "our brother's keeper."

I do not think there is only one panacea for the problem. There are many partial remedial measures which, added together, as one builds a house brick by brick, approach a complete solution. There is the movement for a shorter working day and working week. There is the effort to strike a new balance between profits and wages—a more equitable distribution of the wealth created by men and machines. There is adult vocational education to fit men and women for new occupations. There is the greater interest in life insurance, another word for thrift. There is the dismissal wage. There are private and public pension plans such as we have been learning to build up for persons in the civil service—such as postmen, firemen, policemen, school teachers, and so forth, as well as workers on railroads, and many industries.

There is, too, the great necessity of making savings safe when once acquired, to guard more and more against bank failures, building and loan failures, losses from the sale of worthless securities, losses from the fluctuating value of the dollar with inflation and deflation wiping out the savings of a lifetime. There is work to be provided by the States and the Nation—useful, dividend-paying work—reforestation, flood control, soil conservation, fish and game preserves, National, State, and municipal parks and playgrounds, road building, and so forth, to remove some of the pressure of young men on older men for jobs.

Others could be named. To them we must devote our energies, our sympathies, and our resources. The House of Have, by taxation or otherwise, must share with the House of Have Not, more especially when it is not the fault of shiftlessness or dissolute habits.

But over and above these I have named, to supplement them but not to supplant them, must be added some plan of national scope, the central government coordinating the work of the 48 States.

In the same way as provision is made for depreciation of machinery and the amortization of buildings, industry must provide for its "human obsolescence." By workmen's compensation acts we have provided against the hazards of accident and occupational disease. We must extend these principles to the hazards of growing old. As Chief Justice Charles Evans Hughes said in the railway pension case:

> What sound distinction, from a constitutional standpoint, is there between compelling reasonable compensation for those injured without any fault of the employer, and requiring a fair allowance for those who practically give their lives to the service and are incapacitated by the wear and tear of time, the attrition of the years?

We have made an approach to this in the Social Security Act. I will not discuss it at length. I do not regard it as perfect. But it is a beginning—the first Nation-wide approach to our problem since the beginning of the Republic. Thirty-six States out of forty-eight are already sharing in its benefits. Twenty-six million wage earners will be brought under its provisions. Imperfect as it is, the administration which brought it into being will be recognized for all time as the pioneer in a movement as significant to our future as the conquest of the West by our fathers has been to us. I am glad to have helped lay the foundation stones.

As conditions improve I do not doubt that the benefits under it will be extended and a just and fair balance struck between the necessities of those beyond the working years and those whose toil alone supports both age and youth.

JUSTICE TO THE VETERANS

Mr. HILDEBRANDT. Mr. Speaker, over $2,000,000,000 has been paid just lately by the American Government to the surviving veterans of the World War—a so-called bonus—which was and is no bonus at all, but reimbursement that should have been placed in the hands of the ex-soldiers years ago.

One of my proudest accomplishments is my work to obtain the enactment of the adjusted-compensation law. So bitter were our opponents, so reluctant were some Congressmen, so fearful and hesitant were others, and so misinformed were many in Congress and out, that it required a hard and bitter struggle to get this law written on our statute books. The curious part of it was that several men in high office who had been against America's participation in the World War and who regretted to see life, blood, and tears sacrificed without necessity or rightfulness were the strongest champions of the bonus. We wanted no war. We wanted peace, reason, and neutrality. But after the Nation entered that ghastly orgy we considered it an inescapable obligation to pay the boys who went "over there" something more than a cheap and tawdry dollar a day. We remembered the profiteers who pocketed thousands and millions. We thought that the lads who waded in trenches and were tormented and tortured in the most barbarous brutality of the ages ought to get as much money as the men who fought on parlor carpets and in swivel chairs, clipping coupons from dividends, and living lives of ease and selfishness. We finally won; and the bonus is today a reality—insufficient as it is.

Not very long ago registered packages were given to veterans containing bonus payments of $1 for every day they served in the Army in this country and $1.25 for every day served overseas—except for the first 60 days in each category, for which no payment was made. The average veteran received about $550. In some cases payments were as low as a few dollars. In others they were as high as $1,500. The amount depended on how long the former service man had been under the colors; also on whether he had borrowed on his adjusted-service certificate. About 38,000,000, $50 bonds were distributed to the 3,500,000 veterans on the bonus pay day. And that day will go down in history as a red-letter day of social justice.

While our Government was providing this belated compensation to the ex-soldiers, Dean Carl W. Ackerman, of the Columbia University Graduate School of Journalism, was flinging abuse at the recipients of the bonus. No meaner and no more unjust language was ever used than that of Ackerman when he called the veterans "privilege-hungry groups" threatening America's democracy and peace.

If I recall correctly, Ackerman was ardently in favor of the war. At that time he was urging another type of privilege—the privilege of going to Europe to be shot, gassed, blinded, gnawed by rats in the mud and mire, or imprisoned in the jails of another country. He thought that the soldier boys should consent to such a privilege without objection. He believed that it was "theirs not to reason why, theirs to do and die." Now, after they did their bit so bravely and uncomplainingly, he begrudges them the insufficient compensation they are getting far too late—and that some, who have gone to the Great Beyond, do not get at all. I have no patience with such reasoning. It is not reason. It is unreason. It is the stupidity of a man who does not know what he is talking about, or the selfishness of a man who vilifies the boys of 1917–18 by stigmatizing them as "privilege-hungry groups."

Can you imagine a more absurd statement or a more abominable misstatement of the truth than the assertion that "the payment of a three-billion bonus to those who served in the World War is a great national wrong"?

As a friend of the veterans, a friend of peace, and a foe of unnecessary wars, I brand such a remark as an insult to every American who served in that terrible conflict. The boys of nearly two decades ago did not seek purchase and they did not ask it. They went, for the most part, because they had implicit faith in the demand of their Government—except for a few who, equally honestly, believed that the World War was a tragic mistake and that they could be better citizens by suffering the penalties of resistance. The lords of money, the captains of industry, the barons of finance, stayed back here in America and accumulated mountains of dollars. It was they who wanted to be purchased. They were not purchased after all. By the legal trickery possible in such a period, they stole their profits—

to the everlasting sorrow of our America and to the everlasting disgrace of the profiteers.

Adjusted compensation should have been authorized and paid the day after the armistice. It took us who pioneered in the fighting for it nearly 18 years to have it paid in any form and at any time. We are glad that we succeeded eventually. And again, let me say, we have had enough of wars, grafters, the heroes of Hog Island, and the kaisers of all lands. If we ever participate in a war again, we shall try to be very certain that it is not a case of having the youth of America hurled into a hideous hell of butchery for the greed and gain of alien imperialists.

JOSEPH W. BYRNS

Mr. SABATH. Mr. Speaker, JOSEPH WELLINGTON BYRNS, to whom we pay tribute today, was one of the truly remarkable men of his time, which time was, perhaps, the most epochal of our history—a singular, striking, and marvelously gifted man. Language is inadequate to portray him. Those of us who were fortunate enough to know him through years of strenuous service in this hallowed Hall can recall him in memory only. His boundless energy, his unremitting industry, his unresting spirit, the breadth and depth of his sympathies and tolerance, the scope and the power of his intellect may be recounted; but there was something more—that inimitable, indefinable personality, JOE BYRNS—which neither language nor the brush can adequately reveal. It is difficult to recognize that he has passed beyond the reach of human help or harm.

His life from youth to manhood and from manhood to a premature grave was one long incessant battle for his deep convictions and for his high ideals. He lived in a great epoch, as I have suggested, and his name is blended with its glories and achievements, its reverses, and its disappointments. Men have differed and will differ as to the soundness of his policies and the worth of his views, as is natural in a bipartisan government, but nobody who knew him could doubt his sincerity or challenge his purity of purpose. To inferior intellects many of his combinations appeared impossible, his plans quite impracticable, but in his hands simplicity marked their development and success vindicated their adoption.

Our departed friend was not born to a life of ease. He was born and reared on a farm in his native State, and by much self-abnegation, as we are told, he was graduated from the law department of Vanderbilt University. Thus he is another outstanding example of how unfavorable environment may not subjugate one with the stature of character of sufficient magnitude to single him out from the masses. He extended the area of his influence not only by gaining a place in circles of civic distinction and political achievement and by his close association with others most prominent in other worthy undertakings but also by a familiarity with the present-day needs and conditions of the humbler masses of our people and by keen and accurate observation of the trend of their movements and impulses. In the din of political strife he taught by precept and example that the country, as well as his district, had an imperative claim upon superior American activity, and that accumulation of wisdom was charged with an inexorable trust. He taught that frivolity and extravagance tend to the undermining of patriotic sentiment; he taught the equality of American citizenship, the independence of American enterprise, the honor of labor, and the wickedness of neglecting or in any way degrading free and intelligent suffrage.

Such teaching and influence have not been ineffective; but death has made them more solemnly impressive and has added a kind of consecration to the lofty example which we have too listlessly seen builded in our midst. If we may hope that this teaching and example have been endued by death with new potency, as forces creating better and purer citizenship, and with graver import as instrumentalities in the development and stimulation of patriotic ideals, and if we may hope that our countrymen will with sincerity heed the way of duty they point out, we may not only be doubly assured that our dead is not lost to us but may confidently renew our faith in the American people as custodians of their scheme of free government.

Mr. BYRNS was well grounded in the fundamental principles of government; groomed in the traditions of the fathers and inspired by the teachings of Washington and Jefferson, he was an aggressive advocate and a dangerous antagonist. A clear and forceful speaker, he never approached a subject but that, given adequate time, he exhausted it. He was well equipped for his important task by temperament, studies, and political experience. Cool, cautious, deliberative, he was capable of prolonged concentration in intellectual work, which resulted in convictions securely based in profound study and adequate reflection. His mental equilibrium was not upset by gusts of passion, and he had no aptitude for attempts to sway others by tempestuous eloquence. He sought to convince, and he became formidable in debate because he was thorough in preparation and precise in statement. With his regard for the processes of reason, there was no acerbity in his disposition, and there was a notable absence of any assumption of undue superiority. Exceptionally modest, he was tolerant in spirit, temperate in speech, and conciliatory in action.

He was a devout Christian but hated religious intolerance. There was no duplicity in his make-up. He detested hypocrisy and loathed deception. Demagogy to him was despicable. He spurned pretense and despised sham. Candor, courage, and conviction were the dominating qualities of his matchless character. Truly may it be said of him also:

> If treachery had come near him, it would have stood abashed in the presence of his truthfulness, his manliness, and his confiding simplicity.

In all the reaches of the earth there is no place just like this Hall. Those who rise to the headship of this House are few in number, and those who climb the heights to reach that headship compose a galaxy of jeweled characters, unsurpassed in any other assembled group in all the world. Students of history and lovers of country who are yet to be will visit here or read of these illustrious characters who have played such mighty roles in molding American history and shaped her course in every epoch of her journey. What a galaxy of stars to brighten the firmament of the past and light the Nation's future.

In the passing of the kindly soul of JOSEPH WELLINGTON BYRNS the Nation and this House have lost one of the most brilliant and beloved Speakers who ever occupied that transcendent office.

There is fresh in my memory that day many years ago when he first came here to represent his district. "Stovepipe" John W. Gaines had preceded him, and, therefore, the House as a whole was eager to meet the newcomer who had defeated that powerful Member.

Mr. Gaines was perhaps one of the greatest parliamentarians the House had ever known, although the charge was frequently made, and it was on this point that the election in his district hinged, that he took up too much of the time of the House by prolix discourses on procedure, precedents, and parallels between our Congress and the English Parliament.

The attention JOSEPH W. BYRNS attracted from the rest of the House because of his defeat of "Stovepipe" John stood him in good stead from that time. He came to know more Members than is generally the good fortune of a new Representative.

In the Sixty-first Congress he evoked the admiration of a great many of us when, in the fight against Uncle Joe Cannon, then Speaker, he remained steadfast and loyal to the small Democratic majority in the struggle to liberalize the rules of the House. Some, unfortunately, deserted the ranks of their fellow Democrats. Little did he sense at that time that a future day would herald his own advance to the exalted office of Speaker, with its unimaginable responsibilities.

His unflagging, assiduous, and intelligent activities were rewarded by membership on the powerful Committee on Appropriations, and later he became its able chairman. In that capacity he rendered services so outstanding as to elicit

the praise of all the members, and under his wise leadership the committee assumed a distinction it had never previously enjoyed.

When Speaker Garner became Vice President of the United States Mr. BYRNS' many friends thought he should be a candidate for the Speakership. As his lifelong friend and admirer, it caused me deep personal regret that I could not support him. Together with other Members I was anxious to retain him as chairman of the Committee on Appropriations, where he had made his services so invaluable. But a few years previously the House had entrusted to that supercommittee the task of passing on all appropriations, and the splendid manner in which the difficult work was handled by Mr. BYRNS brought him the merited commendation of the entire House, regardless of political affiliations.

It so happened that at that time a truly distinguished Member from my own State, Illinois, was a candidate for the Speakership, and I, with others, felt that his long and honorable record unmistakably gave him first call upon our support. Moreover, the claim of the Middle West to that office was generally recognized as a fair one. I therefore supported this Member, the late Henry T. Rainey.

After consulting some of my colleagues, I approached WILLIAM BANKHEAD and urged that he become a candidate for the majority leadership.

At that time one of the most able and affable Members, the Honorable John McDuffie, was a candidate for the Speakership. I later learned that he had been campaigning for months and had the pledges of nearly a majority of the Democratic Members and the support of some of the leaders of the incoming administration. Mr. BANKHEAD, honor and duty bound to support Mr. McDuffie, came to me and frankly stated his position. This caused a complete change in strategy, and it was finally decided that we would, in the interest of Mr. Rainey's candidacy, have to abandon our hope of keeping Mr. BYRNS at the head of the Committee on Appropriations. With that end in view, we urged Mr. BYRNS to become a candidate for the majority leadership, to which he ultimately agreed. Thereafter the elections of Mr. Rainey as Speaker and Mr. BYRNS as majority leader were assured.

After the untimely death of Speaker Rainey, although many able Members were mentioned to succeed him, there was never any thought in my mind but that the commendable record of Mr. BYRNS, his exceptionally successful party and committee leadership, and merited popularity should attract the exalted honor.

On that sad day when Speaker Rainey was laid to rest at Carrollton, Ill., there being those who felt that the representation accorded to the great Midwest should not be lost, I was urged to become a candidate for the office which to my mind is second to the Presidency of the United States only. Nevertheless I strongly felt that JOSEPH W. BYRNS was the one man who should have that office; and in a conference that was called later that evening in St. Louis I urged him to yield to the widespread demands of his party that he become a candidate for the Speakership.

For 28 years I had known JOE BYRNS, but never was I more impressed with the sterling character of the good man than on that day. Even then, in the face of persistent urging, he modestly shrank from accepting the honor, arguing that others, too, were entitled to careful consideration in that connection. At length, however, he yielded, and, although some opposition naturally arose, long before the vote was taken it was conceded that he would be elected by unanimous vote of the Democratic Members, as he was.

I need not remind you how strenuous these last few years have been for him. You have seen him day in and day out, carrying a tremendous burden, helping the administration and the party to effect their great program for the amelioration and betterment of the conditions of our people.

JOE BYRNS always took the side of progress. Others might see obstacles in the path, might laboriously weigh the chance of defeat; this son of Tennessee pioneers saw always the promised land. "Forward" was ever the word. This was much more than a hopeful attitude; it was a happy instinct for underlying realities, a recognition that progress is the law. He accurately sensed the predominance of good, of intelligence, and of kindness in the world.

Of course, our departed friend had a genius for friendship. The ability to see the best in men gave him a key to hearts. His happy, modest informality knew no barriers.

His long service for the public weal, beginning with membership in the lower house of the Legislature of Tennessee and going on to the second office within the gift of a free and enlightened electorate, seemed to him chiefly a record of warm, animating friendships. His work as Speaker meant much to him as an opportunity for wider, warmer contacts, and for effective, quickening strokes on the side of genuine progress. Such qualities, such purposes must march on.

In conclusion, let us realize our obligation to make safe and secure the government by the people which has been entrusted to our keeping. Let us remember that it can thrive and grow only in the atmosphere of popular devotion and unselfish attachment, and, above all things, let us open our hearts to such influences and teachings as emanate from the life and death which we today memorialize.

WHAT THE DEMOCRATS HAVE DONE FOR THE VETERANS

Mr. RANKIN. Mr. Speaker, as chairman of the Committee on World War Veterans' Legislation, I wish to call attention to some of the things that have been done for the ex-service men during this administration.

I presume no one who is familiar with my record or who has served with me in this House will question my devotion to the veterans' cause. If there be any who have such doubts, I refer them to the veterans themselves, and especially to those disabled men who are entitled to our first consideration, as well as to the widows and orphans of the ones who have passed away.

Conscious of the responsibility that rests upon me in the position I occupy, I do not hesitate to say that our veterans and their dependents are better cared for, better satisfied, and more contented today than they have been at any time since the close of the World War.

Those carping critics who attempt to stir up prejudice among the veterans by trying to create the impression that the Democrats are unfriendly to them are so overwhelmingly answered by the crushing facts of the records as to render them not only ridiculous but pathetic.

The veterans of the World War are now receiving pay for their adjusted-service certificates. On January 27 of this year a Democratic Congress voted overwhelmingly to pay this 18-year-old debt to the veterans and passed a law to pay the face value of their adjusted-service certificates and to cancel the interest after October 1, 1931.

Approximately 4,000,000 veterans are now enjoying the proceeds of this legislation, which finally passed the House by a vote of 325 to 61. Voting for it in the House were 250 Democrats, 65 Republicans, 3 Farmer-Laborites, and 7 Progressives.

The measure finally passed the Senate by a vote of 76 to 19. Voting for it were 57 Democrats, 16 Republicans, 2 Farmer-Laborites, and 1 Progressive.

The last Congress, which was also overwhelmingly Democratic in both Houses, restored all benefits to Spanish-American War veterans that had been taken away by the so-called Economy Act. This measure to restore these benefits is known as Public, No. 269, and was approved by President Roosevelt on August 13, 1936.

Certain Spanish-American War veterans who had directly service-connected disabilities were also given increases in pensions under the World War rate, which they still enjoy. Therefore, the Spanish-American War veterans are receiving more benefits than they enjoyed prior to the passage of the Economy Act.

The World War veterans suffering from service-connected disabilities have also been restored to their former rates enjoyed prior to the Economy Act, and the presumptively service-connected World War veterans have been restored to 75 percent of their former rates.

I think I ought to point out here that when what was called the Rankin bill to advance the presumptive period for World War veterans to January 1, 1930, was passed by Congress it was vetoed by President Hoover. Then the disability allowance bill was passed, leaving out the widows and orphans of the disabled men. In other words, it provided a certain amount of pay for the presumptively service-connected veteran as long as he lived, but when he died his widow and orphans were turned away without a penny, so far as compensation was concerned. That bill was rushed through under suspension of the rules, and we were denied any opportunity whatsoever to amend it. It not only cut to the minimum the compensation of the men we were trying to take care of but it invariably hastened his demise and added additional pangs to his death, in the consciousness that when he passed away his compensation would entirely cease and leave those dependent upon him unprovided for.

Besides, there was no provision in any veterans' law prior to the last Congress to take care of the widows and orphans of service-connected veterans who died from causes other than the ones for which they were drawing compensation. For instance, we had the case of a blind veteran who was groping his way across the street and was run down by an automobile. Although his eyes had been shot out on the western front, under the law his widow and orphans were denied compensation because he did not die of the disability for which he was drawing compensation. If a veteran who had his arm or leg shot off, or who was shell-shocked, or otherwise disabled, died of pneumonia or some other disability or cause other than the one for which he was drawing compensation, his unfortunate dependents were turned away without a penny of compensation at the hands of the Government he served.

During the Seventy-third Congress I introduced a bill to take care of the widows and orphans of the disabled World War veterans who die from causes other than the ones for which they were drawing compensation. It passed both Houses and was signed by President Roosevelt. This legislation brought to those unfortunate dependents a measure of justice they had been denied ever since the war closed.

During the session of Congress that has just closed our committee reported a bill, which I introduced, extending the provisions of this law to the widows and orphans of those veterans who had presumptively service-connected disabilities, but who died of other causes, and wiped out the vicious misconduct clause insofar as it applied to these dependents. That bill passed both Houses of Congress and was approved by the President.

I think I ought also to call your attention to the fact that during the previous Congress President Roosevelt, by Executive order, gave us one of the most complete programs for the construction and improvement of veterans' hospitals that has ever been put into effect at any time, setting aside more than $20,000,000 for that purpose.

We also passed a measure to safeguard the estates of incompetent veterans and to protect them against the misuses of their funds by dishonest or incompetent guardians.

Hospitalization was restored to veterans of all wars and even to peacetime veterans, who were receiving compensation as result of disabilities incurred in the service.

We also provided compensation for World War veterans, Spanish War veterans, peacetime veterans, and nonveterans who were injured in the Florida hurricane, and for the dependents of the ones who lost their lives in that disaster, in accordance with the Federal Employees' Compensation Act.

I give you these facts to let you know that we have not been derelict in the care of our veterans who fought the Nation's battles in times of war, or in the discharge of our obligations to the dependents of the ones who were killed, wounded, or otherwise disabled as result of their services to their country.

It has been said that prosperity is a state of mind. Shakespeare once said that it is better to be with the dead "than on the torture of the mind to lie in restless ecstasy." What the disabled veteran wants is peace of mind, so that he may enjoy the years that are left to him without suffering those agonies of uncertainty and disappointment to which I have referred.

I have devoted my time and efforts to try to prevent their unnecessary disturbance, to try to see to it that they are permitted to enjoy that peace and contentment to which their services entitle them, and that their dependents are reasonably cared for. Typical of the flood of letters I am receiving is the following one from a little woman in Miami, Fla., who writes as follows:

DEAR MR. RANKIN: In a cozy little home in this city two children slept while the widow of a veteran listened to your comments on the Democratic platform.

For the first time I learned how I might reach the originator of the Rankin bill.

I do not know if you ever hear from anyone who is benefiting by your bill, but I do want you to know that you are directly responsible for the family of a peacetime veteran who was not able to prove his wartime illness living like human beings for the first time since their provider lost his health.

He left us a short time ago for the long journey, and without the pension which your bill makes possible I shudder to think how I would raise and educate my children.

I also want you to know that a fervent prayer went up last night for success in your every venture.

Therefore it is a source of gratification to me at the end of 4 years of service as chairman of the Veterans Committee in the House under a Democratic administration to be able to say to the world that our veterans of all wars and their dependents are better cared for and more contented today than they have ever been at any time within the last 18 years.

TRIBUTE TO REPRESENTATIVE WILLIAM D. THOMAS

Mr. HILDEBRANDT. Mr. Speaker, warm hearts and human sympathies know no party lines, no credal distinctions, no sectional separations.

Every Representative who knew WILLIAM D. THOMAS, of New York State, from the Twenty-ninth District of that great Commonwealth, felt honest affection for him. His death grieved us all.

Congressman THOMAS belonged to the Republican faith and I was not in accord with his position on many points. But I came to know him as generous, sympathetic, sincere, and earnest. With me he was a member of the House Committee on the Post Office and Post Roads. In our sessions I found no trace of partisanship or pettiness in him. He joined hands with the rest of us in trying to do the best possible for the employees of the postal system. As a resident of a farming section, he knew, as I know, the burdens and sacrifices of the rural mail carrier. BILL THOMAS cooperated unselfishly and freely at all times in our efforts to raise the standards of living for carriers and for star-route contractors.

While adhering to the conservative program of the Republican Party, Mr. THOMAS had none of the jingoism and militarism so often found in G. O. P. ranks. He preferred peace and he deprecated bloodshed—as all humane citizens must.

We deeply miss this genial, kindly, lovable colleague in the House of Representatives.

I am more than glad to have the opportunity to pay a tribute to a Republican who was so democratic and so helpful as the late Representative WILLIAM D. THOMAS.

THE UNITED STATES SOLDIERS' HOME

Mr. SNYDER of Pennsylvania. Mr. Speaker, as a member of the Subcommittee on Appropriations that has to do with the United States Soldiers' Home, located in the northeast boundary of Washington, I have looked into the operation of this institution during the last few years.

I want to take this opportunity to commend all who have anything to do with this home. I feel sure if all Members of Congress would visit this home several times, they would be as enthusiastic about its splendid services to our disabled soldiers and its economic management as I am.

Some weeks ago Congressman JOHN H. HOEPPEL, of California, inserted an extension of remarks in the RECORD and embodied some figures and statements that were not in keeping with the real basal facts relative to the operation of this institution.

Being a member of the Committee, I know that certain statements in Mr. HOEPPEL's extension of remarks were in error, and, therefore, I have gone into the details of the set-up of the United States Soldiers' Home, and at this time I am giving a compilation of some of the outstanding features of this wonderful institution.

JUNE 18, 1936.

(Memorandum for the Honorable JOHN B. SNYDER, M. C.)

The United States Soldiers' Home Reservation consists of approximately 500 acres, utilized as follows:

Two hundred acres occupied by buildings, grounds maintained as park, etc.

One hundred and seventy-five acres maintained as farm land for the benefit of the members of the home.

The remaining acres are left in their natural state of woodland as an attractive natural feature for the pleasure and benefit of the members.

The dairy herd of Holstein cattle, rated as the first accredited herd of the United States by the Department of Agriculture, produces approximately 300 gallons of milk per day, all of which is consumed for the needs and uses of the home. The cost of milk per gallon is approximately 33½ cents for the highest type of grade A milk, classified in the same grade as certified milk for invalids and children. Milk of equal quality is valued wholesale at from 65 to 75 cents per gallon. It has always been considered that the members of the home should receive the highest grade of milk obtainable, provided the cost was reasonable; and, while it is true that milk of a quality considered suitable for hospitals and other institutions can be purchased perhaps at about 2 cents less per gallon, the superiority of the product produced at the Soldiers' Home has always been considered well worth the slight increase in cost, as it adds to the health and contentment of the members.

The golf course maintained at the Soldiers' Home, at no cost whatsoever to the members of the home and maintained entirely by voluntary subscription, is open and available to any and all members of the home who desire to avail themselves of its advantages. No member of the home has ever been denied, criticized, or discriminated against for availing himself of the facilities of the course, and no member of the Soldiers' Home has ever been discharged, disciplined, or criticized for utilizing the course.

Attention is invited to the attached enclosure of an article which has just appeared in the Army and Navy Journal, setting forth a brief history and record of the origin and manner of conducting the United States Soldiers' Home.

Civilian employees of the home are hired for positions to which members of the home are not suitable, but employment with compensation is offered to approximately all members of the home who desire work within their physical capacity to perform skilled or manual labor.

[Enclosure]

THE UNITED STATES SOLDIERS' HOME

HISTORY

The United States Soldiers' Home is the outgrowth of the dream of a great soldier, Gen. Winfield Scott, a dream in which he visioned an institution that would live and, while it would perpetuate the gratitude of a nation for faithful service, it would be a self-sustaining institution, thereby removing any burden of taxation from the people for its maintenance.

In February 1848 General Scott transmitted to the Secretary of War a draft for $100,000 as part of the tribute levied by him on the City of Mexico for the benefit of the Army, and he expressed the hope that it might be allowed to go to the credit of an Army asylum. Again, in November 1849, in another letter he says, referring to the same matter:

"The draft was made payable to me, and in order to place the deposit beyond the control of any individual functionary whatever, I endorsed it 'The Bank of America will place the within amount to the credit of the Army Asylum subject to the order of Congress.'"

This $100,000, with $18,791.19 remaining from the same levy, together with an unexpended balance of some $54,000 which remained in the Treasury from an appropriation made by Congress in 1847 for returning wounded and invalid soldiers of the War with Mexico to their homes, was appropriated in the organic act entitled "An act to found a military asylum for the relief and support of invalid and disabled soldiers of the Army of the United States", an act which was passed on March 3, 1851. Thus, through the untiring efforts of Gen. Winfield Scott, was founded an institution for the benefit of Regular Army soldiers that for the past 85 years has been a living memorial to the wisdom and foresight of this great and beloved soldier.

More than 99 percent of the operation and maintenance costs of the home since 1851 have been derived from the pay of the enlisted men of the Regular Army; further, with the one exception of the $54,000 mentioned above, the funds disbursed for the support and maintenance of the home have never been taxpayers' money.

MANAGEMENT

In the organic act mentioned above the management of the home was vested in a board of commissioners composed of the principal officers of the United States Army. Though the composition of the board has been changed from time to time by legislative enactment, the basic idea of having the home administered by officers of the Regular Army has not changed in the least.

Today the board of commissioners is composed of high-ranking officers who have had long service.

Functioning under the board of commissioners is the governor of the home, who is assisted in the everyday running of the home by a deputy governor, secretary and treasurer, a chief surgeon, and a quartermaster. The governor and his assistants are retired officers of the Army.

INCOME

The act of March 3, 1851, provided funds for the initial establishment of the home and for its maintenance, as follows:

(a) Any unexpended balance of the appropriation of March 2, 1847, for the benefit of discharged soldiers disabled by wounds. Under this clause the sum of $54,136.03 was provided for the initial fund.

(b) The sum of $118,791.19 levied by the commanding general of the United States forces in Mexico.

(c) All stoppages of fines adjudged against soldiers by sentence of courts martial.

(d) All moneys, not exceeding two-thirds of the balance on hand, of the hospital and post funds of each military station. (This has been inoperative for many years.)

(e) All moneys belonging to the estates of deceased soldiers and unclaimed for 3 years.

(f) Twenty-five cents per month deducted from the pay of all soldiers of the Regular Army. This amount was reduced to 12½ cents per month in 1859 and in 1908 is was discontinued altogether.

(g) The income of the home today is derived from interest (3 percent) on money known as the Soldier's Home permanent fund (trust fund) deposited in the Treasury of the United States; stoppages and fines noted in (c) above; and the unclaimed estates of deceased soldiers of the Regular Army, noted in (e) above.

Other than the amounts noted in (a) and (b) above, there has never been a dollar appropriated by Congress for the Soldiers' Home. The soldiers of the Regular Army have provided the funds for the development and maintenance of the home, as indicated herein, i. e., contributions, fines and forfeitures, and unclaimed estates.

BENEFITS

The enlisted man of today may wonder why he is being required to contribute 25 cents a month to the trust fund of the home. The reason dates back to the soundness of General Scott's idea in establishing the home. General Scott loved his profession. Deeply implanted in his affection was the steadfast loyalty of the soldiers who shared with him the hardships of campaign and battle. He realized, as do the Regular officers of today, that all too often is the Regular soldier viewed by the man in the street as one paid to fight (which he is) in the defense of his country, and so, having fought a good fight, he is soon forgotten. The policy of the United States has ever been to depend on a small, highly trained Regular Army, augmented in times of national emergency by the National Guard, Reserves, volunteers, draftees, etc.

Those who become veterans of a national emergency become a political factor of such power that their services are remembered. Volunteer homes, veterans' facilities, pensions, etc., are established for their care. In the eyes of the people these things are but their due. After a long era of profound peace the expense to the taxpayer of these benefits will fade from the picture. But during this long period of peace the Regular Army is still in existence and in order that those who serve therein during this era of peace may be assured of care and comfort when disease, accident, or old age has rendered them unable to earn a livelihood, they have maintained, by their contributions a home to which they can go. It is their home in which they have bought an equity at little expense to themselves. They are not beholden to the taxpayers of the country. They themselves have insured their future comfort and security.

What will the enlisted man who has contributed to the home find there when, for one cause or another, he wishes to enter the home?

He will find awaiting him:

The handsomest home of its kind in the world located right in the heart of the National Capital, a dignified residence in which every good soldier may well swell his chest and be proud to call his home.

Clean, sanitary quarters with every convenience.

The best of food, excellently prepared and served in a spotless mess hall.

Neat, well-fitting clothing.

A cleaning and pressing establishment and laundry at his service.

Such amusements as the movies, radio, band concerts, a large well-equipped billiard and pool hall.

A fine library.

Beautiful grounds with well-kept roads and paths.

Hospitalization under a staff, expert and understanding. If tubercular, he will be sent to Fitzsimons General Hospital for care and treatment. If insane, he will be sent to St. Elizabeths for care and treatment. If he dies while in the home, he will be buried with full military honors.

There is no restriction on individual activities other than that necessary for the welfare of all.

Above all, he will be under the care of officers who have served long in the Regular Army and who know and understand the soldier.

The insignificant premium for such insured security must appear more than reasonable. Even though the enlisted man pays this for 30 years, he has but invested $90 for future comfort and independence that today costs the home $1.50 per day per member.

More than this, should the enlisted man the day after enlistment in the Regular Army be kicked by a mule or be otherwise so injured as to be incapable of earning his own livelihood, he has the right to enter the home because he has contributed to it, be it

only a fraction of the 25 cents. He will be cared for there until he is able to earn a livelihood. If the injury is such as to make him permanently incapable of earning a livelihood, the home is his so long as he desires to remain there, provided he conducts himself in a seemly manner.

As a prominent patriot often says, "Let us now take a look at the record." The original fund, as you have seen, consisted of $118,000 that General Scott had levied on the City of Mexico for the benefit of the Army, plus $54,000 of an appropriation for the benefit of disabled soldiers of the Mexican War. This sum, together with the income provided for in the organic act of 1851, was set up as a trust fund, known as the United States Soldiers' Home Permanent Fund, Trust Fund.

In the first 30 years there went into this fund, from all sources of income, the sum of $4,969,367.89. In the same period there was expended for the purchase of land, equipment, and maintenance of members the sum of $4,957,644.90, leaving a balance to the credit of the home of $11,722.99. The peak of the permanent fund was reached in 1923 when it was, in round numbers, $4,220,000. Since then the fund, due to the repeal of the 12 cents per month, has gradually decreased. From 1931 to March 31, 1936, receipts for the permanent fund amounted to $2,133,511. Withdrawals from the trust fund for the maintenance of the home during the same period amounted to $3,455,432, so that the average yearly decrease in the fund has been $264,384. The permanent fund on March 31, 1936, was $2,394,474.82. It is, therefore, easy to see how short a time this fine institution could continue to function with such adverse conditions prevailing. With the 25 cents a month now contributed by the enlisted personnel of the Regular Army to the permanent fund, and the possibility of some increase in one or more of the other sources of income, the permanent fund will again be on a sound basis and able to take care of increasing costs of maintenance due to the gradual increase in membership.

Can anyone conceive of a finer security insurance at such a low cost to the one benefited? There is probably no other such institution in existence, with the possible exception of the United States Naval Home in Philadelphia, Pa., which is maintained by the naval personnel.

The United States Soldiers' Home has been built and supported by money derived from the pay of enlisted men of the Regular Army. Congress makes no specific appropriation for its support out of public funds. The members of the home, feeling that it belongs to them, take pride in keeping it for themselves.

The management of the United States Soldiers' Home cordially invites the enlisted personnel of the Regular Army in and near Washington and any who may come to Washington to visit the home, that they may see what the home will mean to them personally, should they ever, through accident, disease, or old age, become incapable of earning a livelihood. They will never have to depend on the charity of relatives.

JUNE 9, 1936.

The EDITOR, THE ARMY AND NAVY JOURNAL,
1701 Connecticut Avenue NW., Washington, D. C.

SIR: The board of commissioners and the officers of the United States Soldiers' Home, who are entrusted by law with the management of the home, believing that the enlisted personnel of the Regular Army, your constant readers, would be much interested in learning through the medium of your valuable paper just what their monthly contributions to the fund of the home may mean to them personally, have had the enclosed article prepared.

The article has been carefully prepared from the records of the home, which date back to its establishment in 1851. In its 85 years of existence it has grown from an extremely modest beginning into an institution of which the enlisted personnel of the Regular Army may well be proud. This was made possible by General Scott's untiring efforts and by the steadfast adherence to his principle of having the Regular Army own and manage the home. For 85 years the basic principle in the management of the home has been "what is for the best interest of the soldier of the Regular Army."

You are at liberty to make such use of the article as you may deem best.

Sincerely,

J. P. WADE,
Colonel, United States Army, retired,
Secretary.

SPEAKER JOSEPH W. BYRNS

Mr. PARSONS. Mr. Speaker, no death in recent years, unless it be that of ex-President Coolidge, has caused such profound grief and sorrow as that of the sudden and unexpected death of the late Speaker of the House, the Honorable JOSEPH WELLINGTON BYRNS, of Tennessee.

Seemingly in good health, active in the performance of his duties, racing forward toward adjournment of the Seventy-fourth Congress, which he so successfully led, he laid down his gavel on the Speaker's stand at 5 o'clock, June 3, 1936, only to fall asleep into the arms of death at 12:15 the same night.

There is no necessity for me to try to recite the educational and legislative achievements of JOSEPH W. BYRNS. That splendid record is written for all time in the annals of the Congress of the United States.

When I was first a candidate for Congress he was chairman of the congressional committee and as such contributed much to my election. When I first came to Congress he was among the first to greet me, and he gave me the aid, advice, and assistance, which is so greatly appreciated by new Members. Perhaps no Member of this or any other Congress ever gave more time to counseling and training new Members than Speaker BYRNS. That is why he was so universally loved by his colleagues and associates.

I had the delightful pleasure and privilege in the Seventy-third Congress of trying in part to repay him for his services by aiding in his election as majority leader; and again in the Seventy-fourth Congress in pledging my support to him as Speaker of the House of Representatives.

Occupying the third highest position in the Government, JOSEPH W. BYRNS led a gallant and successful fight for the principles of his chief, the noble President of the United States, Franklin Delano Roosevelt. As majority leader in the Seventy-third Congress under his predecessor, the late Speaker Henry T. Rainey, he bore mutually with Speaker Rainey the great responsibilities of putting through Congress the largest collection of laws for social justice ever recorded in two Congresses in the history of the American Nation.

It is not too much to say that his labors in the Seventy-third and Seventy-fourth Congresses, together with the burdens he bore, are indirectly, if not directly, the cause of his sudden demise. Virtually he gave his life for his country as much as any soldier on the field of battle, because the scene of his last 4 years was a battlefield for human rights and liberty for the great masses of the common people. No greater love hath any man than that he lay down his life for his friends and country.

He left us when he had perhaps reached the peak of his ambition and the zenith of his power and glory. He had satisfied what Arnold has called "the highest earthly desire of the ripened mind, the desire of taking an active part in the great work of government." He had achieved standing, influence, and power not only from his colleagues in the House but from the whole American people. He had won what men call success because of the fine character and arduous labor placed into his work. Yet the joy of the race ends with the goal. Although we may get little consolation from reflecting upon the thousands of mortals who have paid the debt of nature, yet if we realize that death is as normal as nightly sleep, then perchance our own fears may be allayed and our grief softened for one who has been called before us. But if death be sleep, shall we awake? That is the tragic question of the ages? No orator, no scholar, no philosopher, no statesman has ever answered that question with logic supported by the cold facts, which we group under the name of science. Yet, all through the ages man has relied upon something within himself; call it instinct, intuition, soul, or whatever you will; it confirms his faith in a supreme power. From faith, the substance of things hoped for, the evidence of things not seen, springs the eternal confidence that if a man die he shall live again. Certainly there must be change, but into what shape we know not; but unbounded shall be our hope, supreme our faith, that somehow, somewhere, we shall live again. That was the faith and the hope and the courage of JOSEPH W. BYRNS.

He was the center of a happy family circle to whom we can only give sympathy and condolence. The bitter anguish of kindred, who loved the dead, cannot be assuaged by another's pity. Yet, if the burden of their sorrow can be lightened, even in small degree, by the knowledge that others, too, are grieving, my sincere hope is that these words may help toward that end. More confident, however, is our hope that when time, the healer, has dulled the agony of loss, and when memory becomes a solace and a pride, that these eulogies pronounced for our late Speaker will encourage the bereaved to let gratitude for a life outweigh grief for a death.

Though he has left us, may we with the poet say:

There is no death! What seems so is transition;
This life of mortal breath
Is but a suburb of the life elysian,
Whose portal we call death.

He has joined the ranks of other great Tennesseans; the intrepid soldier and statesman, Andrew Jackson; the leader during the Mexican War, James K. Polk; the conqueror, Samuel Houston; and the courageous Andrew Johnson. In his day and generation JOSEPH W. BYRNS contributed as much as they to American life and government. Honor and peace to his memory.

DEMOCRATS OPPOSE AND REPUBLICANS FAVOR ANTILYNCHING LAW

Mr. WOLVERTON. Mr. Speaker, with the closing of this session of Congress tonight there will be recorded a failure to enact an antilynching law.

It is deplorable that all the earnest and sincere effort that has been made to procure the passage of such legislation at this session of Congress is now doomed for failure. Indeed, it seems almost unbelievable that this legislation, which seeks to protect our colored citizenship from the outrages of mob violence and provide to them that measure of justice guaranteed to all citizens by the Constitution, should not even be permitted to come before Congress for consideration and a vote. To some it might seem that such a thing could not happen in America, with its boasted representative form of government, yet that is what has happened during the present session of Congress, and for this unfair and un-American treatment of our colored citizens the Democratic Party is solely responsible.

DEMOCRATIC CONTROL OF CONGRESS

Since March 4, 1933, there has been a Democratic President in the White House, and both Houses of Congress have been under the complete control of the Democratic Party. The overwhelming majority of Democrats in both Senate and House made it possible for the Democratic Party to do anything and everything it wished to do. It could have passed antilynching legislation if it had desired to do so.

The power of the Democratic Party to pass such legislation is clearly evidenced by the fact that in the present House of Representatives there are 315 Democrats and only 103 Republicans.

In the Senate there are 70 Democrats and only 23 Republicans. The Judiciary Committee of the House, to which was referred the proposed antilynching laws, consists of 18 Democrats and only 7 Republicans. These Democratic majorities in Senate, House, and committee leave no doubt that there could have been enacted antilynching legislation, if the Democratic Party had desired to do so. They had the votes and the strength to pass it, but they refused to do so. They turned a deaf ear to the thousands of appeals addressed to Congress by individuals, groups, and organizations, both white and colored, who were interested in the passage of antilynching legislation.

DEMOCRATS PREVENT CONSIDERATION OF ANTILYNCHING BILL

Furthermore, the determination of the Democratic Party to prevent not only the passage but even the consideration of such legislation on the floor of the House is clearly demonstrated by the refusal of Democratic leaders to recognize, by any action upon their part, the petition signed by 218 Members, more than a majority of the entire House, that the committee be discharged from further consideration of the proposed bill and the House thereby be permitted to vote upon its enactment.

If the Democratic Party is such a good friend of the colored people as it is now striving to have them believe, why has it buried all antilynching legislation in committee? Why has it not permitted the bill to come before Congress? Why has it not been willing to let the Members of Congress vote for its adoption? The answer is plain. The Democratic Party is not now and never has been in favor of the adoption of antilynching legislation.

REPUBLICANS SUPPORT ANTILYNCHING BILL

The antagonistic attitude of the Democratic Party as well as the friendly attitude of the Republican Party toward such legislation was demonstrated the last time such a bill was before Congress. At that time, on recommendation of a Republican President, it passed the House. There were 221 Republicans who voted for it and only 8 out of the 115 Democrats did so. The legislation was killed by the Democratic Members of the Senate. And when the Costigan-Wagner antilynching bill came up in the Senate at the last session of Congress, it was defeated by a filibuster conducted by Democratic Members.

In face of facts that demonstrate the need for antilynching legislation, it is difficult to understand how any political party can feel justified in refusing to give full-hearted support to its enactment or treat it with such evident disrespect as characterized the action of the Democratic administration during this session of Congress.

NEED FOR ANTILYNCHING LEGISLATION

Testimony and records submitted in committee hearings showed that from 1889 to 1935 there were over 3,000 lynchings in 13 Democratic States, as follows:

Georgia	458
Mississippi	455
Texas	373
Alabama	340
Louisiana	249
Florida	242
Arkansas	242
Tennessee	209
Kentucky	174
South Carolina	140
Oklahoma	107
Missouri	92
North Carolina	90

And from 1882 to the present there have been 582 lynchings in the State of Mississippi alone. It is stated that more than 100 of those lynched were women. And, according to statistics submitted, less than one out of every six lynched was charged with rape or attempted rape. Hundreds were charged with only trivial offenses and many cases innocent of any offense at all. Justice is but a mockery when it is realized that although there were more than 3,000 lynched between 1889 and 1935, only in about 12 cases were there any apprehension and conviction of the perpetrators, and they were given only slight sentences.

In view of this unpleasant record of atrocious treatment of helpless colored citizens and the failure of justice in such cases to be either adequate or effective in granting them protection or providing compensation to their families, it is not strange that the Judiciary Committee of the Senate, in making its report on the Wagner-Costigan antilynching bill, stated:

> A continuation of the practice of lynching, coupled with a complete failure of the government of those States involved to apprehend and punish the participators of these crimes, supports the need for Federal legislation.

NATIONAL ASSOCIATION FOR ADVANCEMENT OF COLORED PEOPLE APPEAL TO PRESIDENT

The National Association for the Advancement of Colored People, in strong, clear, and forceful language, on May 7, 1936, made its appeal to President Roosevelt in the following message:

> At Colbert, Ga., on April 28, and at Lepanto, Ark., April 29, occurred the seventy-first and seventy-second authenticated lynchings since you took office on March 4, 1933. These killings by mobs have occurred at an average of one every 15½ days since you have been the Chief Executive of this Nation. * * * Since January 1934 the Government has had it within its power to pass a Federal antilynching law, but thus far the Costigan-Wagner bill has been sidetracked while unchecked mobs stage grisly parades every fortnight.
>
> The National Association for the Advancement of Colored People, together with more than 40,000,000 persons who have endorsed this legislation, urgently request your administration to bring this legislation to the floor of both Houses so that it may be considered upon its merits.

Notwithstanding the fact that the records show that about every 15½ days since President Roosevelt and the Democratic Party have been in complete control of our Government, there has been a lynching, and that in more than 95 percent of these cases the lynchings have occurred in Democratic-controlled States, yet no action has been taken either by the President or Democratic leaders in Congress to bring before Congress any one of the numerous antilynching bills that have been introduced to provide protection and relief to our colored citizens in States where justice fails.

PRESIDENT TAKES NO ACTION TO FORCE PASSAGE OF ANTILYNCHING LAW

Since March 4, 1933, the President has held such complete domination of the Democratic Congress that he could obtain passage of any and all legislation in which he was interested. He had merely to make known his wishes to Democratic leaders and they in turn would start the legislative wheels and grind out the desired legislation. So complete was the Presidential control of Congress that from time to time the President felt free to issue lists of what he termed "must" legislation. These lists were just what the name indicates—legislation that the President said "must" be passed. The Democratic Congress has never failed to respond. Every such demand has been complied with.

I have mentioned these conditions and made reference to legislative "must" lists prepared by the President in order to make plain that if antilynching legislation had been placed upon such "must" lists it likewise would have been passed. The failure of the President and Democratic leaders in Congress to place it upon any such "must" list indicates a complete lack of interest in or desire to have any antilynching legislation passed by Congress, and the statements made concerning it by Democratic leaders leave no doubt of an actual opposition upon their part to the passage of any such legislation. Under Democratic leadership this just and fair legislation seeking to right a great wrong to our colored citizens was placed upon a "must not" list instead of a "must" list, where it should have been.

The President had no difficulty in having a subservient Democratic Congress pass "must" legislation to control the growing of potatoes, peanuts, and rice, and to plow up wheat, corn, cotton, and tobacco, and to kill pigs. All of this was done, notwithstanding the violation of constitutional principles. Yet when antilynching legislation was sought to control mobs, protect the rights of colored citizens, and stop unlawful killings, the same Democratic leadership claimed the existence of constitutional provisions against such legislation. Their action indicates they are more interested in peanuts, potatoes, tobacco, cotton, rice, wheat, corn, and pigs than they are in human beings who suffer from the ravages of mob violence.

And, notwithstanding this record of unfaithfulness to our colored citizens, the Democratic Party by numerous methods of propaganda, publicity, and through the oratory of its speakers is seeking to impress them with its solicitude for their welfare. To make its appeal more effective it is making every endeavor to withhold from sight the true facts of Democratic opposition to antilynching legislation.

REPUBLICANS FIGHT FOR PASSAGE OF ANTILYNCHING BILL

In the face of this Democratic opposition the Republican Party in Congress has sought by every conceivable means to procure favorable consideration of the Wagner-Costigan antilynching bill or any other measure that would accomplish the same purpose. Republican members of the House Judiciary Committee have tirelessly striven to get the measure reported to the floor of the House for action, but the overwhelming Democratic majority of the committee has prevented. With other Republican Members of the House I have signed the petition to discharge the committee from further consideration of the bill so that the membership of the House might act upon the same, but without success. The truth is that the Democratic Party is opposed to the adoption of any such legislation and will not let it come before the House for consideration.

In conclusion, I wish to give assurance that the discouragements of the past will not preclude my continuing interest in the enactment of adequate and effective antilynching legislation, and I shall continue my endeavors until full justice has been done and protection provided for our colored citizenship in their constitutional right of life, liberty, and the pursuit of happiness.

DEADLOCKING A PRESIDENTIAL ELECTION

Mr. LEA of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a radio address I will deliver June 29, 1936, as follows:

Mr. Farley declares President Roosevelt will be returned to office by the same overwhelming vote as in 1932. Mr. Hamilton, chairman of the Republican committee, declares Mr. Landon will carry 42 of the 48 States. According to Mr. LEMKE, the candidate of the newly born Union Party, he will have so many votes that neither of the old parties will have a majority, there will be a deadlock in the electoral college, and the election of the President will be thrown into the House of Representatives.

As we cannot believe all these predictions, we are left to our own judgment.

The electoral-college system provides a crude method of counting votes, where only two candidates are in the field. Even then it is capable of tricky results.

With two strong parties in the field, a third party of sizeable strength cannot appear without creating a doubt as to whether or not the election will be by the votes of the people, or result in a deadlock to be settled by election of the President in the House of Representatives.

So far, the American field of politics has never developed a congenial climate for the endurance of third parties. They have flourished for their brief hour and declined as rapidly as they ascended.

In 1800, 1824, and 1876 the Presidential electors were, under the Constitution, unable to decide the election. In the first two instances the election was in the House of Representatives; in the latter instance a specially appointed electoral commission determined the result.

The provisions for the election of the President are among the most important sections of the Constitution. They are generally known, but little understood.

Why an electoral college? How does it provide for breaking deadlocks?

With difficulty the constitutional fathers decided upon the method of selecting the President. At that time there were no political parties as we now know them. The electoral college was designed for a nonpartisan government. It had two main purposes. One was to place the selection of the President in a small group of wise, experienced men, each of whom was to use his own discretion in voting for the best man possible for President.

When it was suggested the people should elect the President one of the delegates in the Constitutional Convention declared the people were no better qualified for that serious duty than a committee of blind men would be to select colors. That did not fully represent, however, the viewpoint of the constitutional fathers.

The other important reason for selecting the President through Presidential electors instead of by direct vote was to preserve to each State its relative strength in exercising the powers of the Federal Government. Each Colony was jealous of surrendering its individual powers to be swallowed up in the greater organization of the Federal Government. To assure each State a permanent part in the Federal Government according to its importance it was provided that each State should be represented in the lower House of Congress by Representatives in proportion to its population. To placate the distrust of the small States it was provided that in the upper House of Congress each State should have equal representation with every other State, each State to have two Senators.

This same distribution of power to the States was provided in selecting Presidential electors.

Opposition was made to electing the President by direct vote, because such a system of election would furnish no guaranty to the States of the preservation of their relative strength. The qualification of voters was left to each State. It was recognized that the proportionate number of people who would vote would greatly vary in the different States. In elections in recent years the number of people per hundred who vote in different States has varied from 10 or 15 up to 43.

Thus, the relative strength of the States in proportion to population could not be preserved by a Nation-wide vote regardless of State lines. The vote of the individual voter was not a common unit to measure the rights of the States in a national election. The electoral votes, granted uniformly to the States and mainly in proportion to population, furnished the common voting unit the States accepted as a means of preserving their just proportion of power in the Federal Government.

After the Federal Government started to function under the leadership of Hamilton on one side and Jefferson on the other, political parties rapidly developed. Those parties had defined purposes and knew what kind of a President they wanted. The people no longer wanted Presidential electors to use an independent judgment in selecting a President. The people wanted to use their own judgment. So beginning with the third Presidential election, and completing the change in the fourth Presidential election of 1800, delegates were selected to vote for party candidates, and pledged to that purpose in advance.

The discretionary power of the electors was taken away. Thus, one of the two original purposes of the electoral-college system ceased to exist.

Another important transformation of the system began and was completely consummated about 1832, except for unimportant exceptions. Many electors were originally selected by districts. This method frequently resulted in a division of the State electoral votes among different party candidates.

For years there was a struggle for and against minority representation in the State vote for President. Suppression of minority representation finally prevailed. Party interest was placed above public interest. Votes cast for minority party candidates are not only not counted for the minority, so far as electoral votes are concerned, but are actually counted for their opponents. The State unit vote still stands as a monument to the suppression of minority representation in the election of Presidents.

Presidential electors are selected on a plurality vote; that is, the set of candidates receiving the highest vote in the State is elected regardless of whether or not that vote be a majority.

Novel results frequently happen from this rule. In 1912 Mr. Wilson, with only 42 percent of the popular vote, received 82 percent of the electoral votes.

Suppose two candidates are running for President. The electors representing one candidate receive a majority of 5,000 in the State of New York, with its 4,500,000 voters, and the electors representing the opposing candidate receive a 5,000 majority in the State of Nevada, with its 3 electoral votes. Thus the total vote for the two candidates would be exactly equal in those two States, but in the electoral college the man who carried New York would have 47 electoral votes and the other candidate who carried Nevada would have 3. Although over 2,000,000 voters in New York voted for the minority candidate, he would receive no electoral votes whatever from New York.

In each of the last two Presidential elections over 38 percent of all the popular votes for President, representing probably 15,000,000 people, had no representation whatever in the electoral college.

Though no majority is required to elect an elector, the Constitution requires a majority of the electors to elect the President. If no candidate receives a majority, the election is thrown into the House of Representatives.

If Mr. LEMKE receives a sufficient number of electoral votes to prevent either Mr. Roosevelt or Mr. Landon from receiving a majority of all the electoral votes, the election will be decided in the House of Representatives.

The House is thus selected as a means of breaking a deadlock in the electoral college. The method of selection in the House is crude and archaic. Each State has but one vote. A majority is necessary to elect. New York, with 13,000,000 people, has no more votes than a State with 400,000. The majority of the Representatives from each State determine how the vote of that State shall be cast. If there is a tie vote, the State has no vote. Thus it might easily happen that the party which carried the country by a very substantial plurality would have only a minority of the votes in the House of Representatives and be unable to elect its candidate.

Under the "lame duck" amendment, the newly elected Congress would select the President. Where there are three candidates for President, all of whom have carried some States, it may well follow that the same division that made it impossible for any one party to get a majority in the electoral college will make such majority impossible in the House.

Then, in all probability, at least three parties will be represented in the membership of the House and no party may have a clear majority. Members from one party must vote for the candidate of another party if a President is to be selected. The practical results that follow from such a situation have been established by former elections in the House. Patriotic fidelity may prevail. The contest may resolve itself into a political auction, with each party bidding for sufficient votes from one of the other two parties to secure the election of its President. That means wire pulling, underground trafficking, and scandal, with the resulting reflection upon the title of the succeeding President, who becomes a beneficiary of the questionable method by which his selection was secured.

The whole electoral-college system, with its method of settling deadlocks is crude, antiquated, and unworthy of an intelligent, progressive people.

When the discretionary power to select the President was taken away from the Presidential elector there was no longer any reason for his existence. His position should have been abolished. The other great purpose of the electoral-college system, to preserve the relative strength of the State, could be preserved by retaining electoral votes without Presidential electors. Those votes should be divided between the candidates in direct proportion to their popular vote in the State. Thus we would still preserve the electoral vote as the common voting unit for all the States. Popular will would be justly reflected in electing a President.

The plurality vote should determine the election. A method that requires the settlement of a deadlock, through political trading and trafficking and scandal, in order to secure a majority vote, is far less desirable than a clean-cut plurality selection of the President. Thus we could abolish elections in the House of Representatives. We could assure the election of a President by a method that is just and certain in its results.

For 8 years I have been advocating this reform in our electoral system. Twice a committee of the House has reported unanimously in favor of this method.

At times in the past, when these deadlocks have occurred, the country was aflame with partisan feeling to such an extent that reform of our electoral system was impossible. Then when the bitterness had ceased there was a lack of general interest necessary to accomplish such reform. Ordinarily we get by under the present system. We see no immediate alarm. We have proceeded much like the man who could not build his roof when it was raining, and who did not need it when it was not raining. In the next few years, while our country is free from these bitter controversies of the past, we should consider, debate, and supplant our archaic system of electing a President by one that is just, honest, and certain in its operation.

THE STATE OF THE COUNTRY

Mr. MITCHELL of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an address to be delivered by me before the Democratic national convention, in Philadelphia, Pa., June 25, 1936, on the state of the country:

Mr. Chairman and fellow Americans, it is my conception that the party which we represent here today was not founded for a single mission, which accomplished left it drifting with no fixed star or principle to guide it. It was born and has lived to uphold great fundamental truths of government that need always to be lifted and enforced.

This administration came into power with the distinct understanding that the forgotten man should be remembered, and that the Government should function not only for the rich and powerful but for the hungry and helpless. It was dedicated to the task of helping the underprivileged, in which group millions of American citizens find themselves today.

No thinking American was surprised a few years ago when a former Republican Vice President went to a Republican President and from the coffers of our Treasury received a so-called loan of $90,000,000 for what was said to have been a defunct bank. This is the way the Republican Party does things. That party always lends a listening, attentive, and sympathetic ear to the cries and requests of the rich and the privileged. Not so with the Democratic Party. It is the party of the common people and stands for a square deal for all the people.

One of the most startling events in the recent political life of this Nation was a humble happening in the Delta of the Mississippi shortly after this administration came into power. Sylvester Harris, a Negro farmer living near Columbus, Miss., in some way heard that this was a humanitarian administration which had as a part of its program the lending of money to distressed home owners. This poor Negro, unlettered, dressed in overalls, sold a cow from his farm, and with the price of the cow called President Franklin Roosevelt at the White House, and said to him: "I am about to lose my farm through the foreclosure of a mortgage. I have no money with which to pay the mortgage. I understand that this Government through you will help people in my condition. Will you not help me?" Within less than 30 days money with which to pay this mortgage had been provided through the activities of this party and this man was once more a happy farmer, a happy and contented husband and father—a satisfied and progressive American citizen, realizing in his heart that under the Democratic Party this is a Government that reaches down and helps the forgotten man, the underprivileged citizens, be they white or black.

This is but one of millions of incidents where the Government, through the Democratic Party, has reached out a helping hand and saved deserving but helpless families. When has this Government been so close to the common people as it is at this very hour? You will be interested to know that while Harris has kept faith with the Government and met his payments, Mr. Dawes has defaulted and suit has been filed against him by the Government.

There is no doubt in my mind but that under this administration my group has been given the largest opportunity to share in the benefits and protection of the Government that has come to it for four decades. The Democratic Party as constituted today has said to the Negro, through the conduct of its program and through the action of our great President, "That any American, whether white, black, yellow, or brown, who is good enough to fight and die for his country should be given the largest and fullest opportunity to work and live for his country, and no privilege or opportunity vouchsafed to American citizens by the Constitution should be denied him."

There was a time when the late Frederick Douglas said: "That insofar as the Negro was concerned the Republican Party was the ship and all else the sea." That might have been true in his day, but certainly it is not true today. The Republican Party may be the ship, but I say to you the ship is on fire and, like the *Morro Castle*, is burning to the water's edge. The safety of my people consists in taking a life belt and plunging into the sea. By so doing, there is hope through the rescue agencies of the Democratic Party.

The so-called generous attitude of the Republican Party toward the Negro ended 30 years ago. The Grand Old Party long since deviated from its ancient doctrine of human rights in quest of material prosperity. It grew cold and indifferent toward its black ward and beneficiary and insisted upon weaning him. In the meantime the Democratic Party has been gradually growing not only less hostile but more friendly and considerate toward my group.

Mr. Chairman and fellow citizens, these 12,000,000 of struggling Negroes in this country have not forgotten the economic conditions in which the Democratic Party found them in 1933 after having witnessed the Hoover prosperity in which we had neither chicken nor pot. For 3 long tragic years we heard the voice of a Republican President reflecting the sentiment of his party, telling us that prosperity was just around the corner. We discovered to our everlasting disappointment that prosperity was around the corner, but was going the other way. We know who saved the day. We know how our great President threw himself and the Government between the American people and actual starvation. At his inauguration he said that he would see that no American citizen starved; that promise has been kept, and instead of being a nation of starving, disgruntled, and dissatisfied people, ready to get at each other's throats, we are fast becoming a nation of contented and employed people, working for the advancement of our country. You ask me, now that the crisis is virtually past, what will be the attitude of my people in the coming election? I answer in

these words: "The Negro of America is a grateful people. We never have and we never will bite the hand that helps us."

Out of the turmoil of deliberate misrepresentation and vicious, cruel, and unwarranted attacks, will more than 30,000,000 grateful Americans march on the 3d day of November to say to the greatest President who has lived, that "We are with you, and by the grace of God, you shall serve us another term." Among these millions of grateful voters, you will see more than 3,000,000 of colored American voters marching breast to breast with you to the great victory that awaits the faithful and the true.

We shall stand with you in this matter as Crispus Attucks stood with the little group on State Street in Boston in pre-Revolutionary days. We shall stand as that valiant group of Negro soldiers stood with General Jackson in the Battle of New Orleans. We shall stand as the Negro soldiers stood with Theodore Roosevelt in his famous charge on San Juan Hill. We shall stand as the Negro soldiers stood side by side with you in the World War and faced the German cannon in Argonne Forest. History shows that we have always stood by our friends. We will not fail them now.

The name of Franklin Delano Roosevelt is indelibly stamped upon the mind and heart of every Negro in this country. We look upon him as our greatest friend and benefactor. Our final word: "Mr. President, we are with you all the way."

WASTED WATERS

Mr. O'MALLEY. Mr. Speaker, it is my desire at this time to very briefly discuss H. R. 12678, a bill to provide for the control of flood waters in the Wisconsin Valley and for the irrigation of arid and semirarid lands, to create a Wisconsin Valley Authority. This bill also provides for the sale of surplus power on the aforementioned projects.

Keeping in mind the decision of the Supreme Court of the United States in relation to the Tennessee Valley Authority in drafting this bill, it has been my purpose by the introduction of this legislation to make a beginning in the direction of utilization of the vast water-power resources of Wisconsin so as to bring to the people of my State and my city the benefits and advantages of cheap electrical rates. These great benefits are now being enjoyed, and will be enjoyed in the future, by the populace of other sections of the country where the development of natural resources has begun so auspiciously under the Democratic administration.

The power question and the development of natural resources for power purposes is unquestionably one of the greatest issues with which the American people have to deal during the next 25 or 50 years. It is a question that touches every business, every home, and every walk of life. From the beginning of the discovery of the principle of electricity, selfish and greedy groups of men have attempted to sequester and control the great natural resources of water used to develop hydroelectric power. In many States these great natural resources have been lost to the people for perhaps all time to come. In Wisconsin we have been fortunate in that we have not frittered away our inheritance as lavishly as have the people of other States, yet we constantly face the danger of losing all control of the vast water power available for the public benefit.

It has been ascertained that there is enough hydroelectric power now being wasted in the navigable streams of the Nation that, if properly harnessed, could be used to turn all the wheels of industry, light all the homes and halls, factories and mills, wash all the clothes, heat all the water used in America. In Wisconsin one of our greatest sources of wealth, with the exception of the soil, which gives sustenance to our fine herds of dairy cattle, and the factories, which produce a myriad selection of products for sale to all the world, is a vast supply of flowing water which can be turned to the generation of power.

Those who are familiar with the tremendous development at Muscle Shoals can realize, without the need of any descriptive powers of mine, the inherent power possibilities of the great Wisconsin Valley. The amount of hydroelectric power that can be produced at Muscle Shoals now is equal to the combined strength of all the slaves freed by the Civil War. It is safe to say that untold amounts of power can be generated along the lengthy reaches of the fast-flowing Wisconsin.

While some still hold to the theory that our streams should be private property, used only by private interests for private gain, I have maintained always that natural resources, made profitable only by the nearness of consumers to purchase the output, make these resources primarily public property. These great resources constitute a national wealth which should and must be developed solely for the benefit of our citizens.

As instances of what the development of Wisconsin's vast water power would mean to the people and to the industry of our State, I quote here some comparisons between what is now being paid by people in various cities of America for power consumption and what is possible through the development of natural resources as exemplified by the Tennessee Valley Authority.

When the Muscle Shoals bill was passed, the first 100 kilowatt-hours in Columbia, S. C., had been costing consumers $8. Under the Tennessee Valley Authority contract the same number of hours will now cost $2.50. The average annual consumption of electric power for domestic use in the Dominion of Canada, where power is supplied by publicly owned plants, is 4,321 kilowatt-hours, in comparison to only 603 kilowatt-hours in the United States. If we use 4,000 kilowatt-hours per month of electrical energy for domestic use in Quebec or Ontario as a basis for our comparisons, we would find this energy cost approximately $30 to the citizens of Canada. These 4,000 kilowatt-hours per month in the United States, costing so little in Canada but so much here, cost the consumers of Bisbee, Ariz., $164.40. In Fort Smith, Ark., $290; in Denver, Colo., $260; in Wilmington, Del., $249.63; in Miami, Fla., $281.90; in Boise, Idaho, $162.30; in Quincy, Ill., $240.85; in Winona, Minn., $124.20; in Scottsbluff, Nebr., $244.38. These figures were compiled by the National Electric Light Association in 1931.

To give the citizen of the rural districts an opportunity of comparing what his costs to operate his farm would be under the development of public power in Wisconsin, I include herewith a table of estimated monthly cost to farmers for certain items of electrical service in the Tennessee Valley area. Most people who live in country districts know the drudgery of country life. Rural electrification promises to be the greatest blessing that the women of the country have ever known. Not only will it give them lights and bring to them the marvels of the radio, but it supplies power for the iron and the churn, the washing machine, cream separator, the vacuum cleaner, and all the other conveniences that too few farm women in our State have known. The following schedule briefly shows what the use of the various equipment adds to the farmer's light and power bill under the yardstick for power costs established by the Tennessee Valley Authority:

Estimated monthly cost to farmers of following items of electrical service (Tennessee Valley Authority)

Item no.	Monthly bill	Service and appliance used
1	$0.75	Lights.
2	1.00	Lights and radio.
3	1.50	Lights, radio, and water pump.
4	2.00	Lights, radio, water pump, electric iron, and percolator.
5	2.50	Lights, radio, water pump, electric iron, percolator, and washing machine.
6	3.00	Lights, radio, water pump, electric iron, percolator, washing machine, toaster, waffle iron, vacuum cleaner, food mixer, and fans.
7	3.50	Lights, radio, water pump, electric iron, percolator, washing machine, toaster, waffle iron, vacuum cleaner, food mixer, fans, and refrigerator.
8	5.00	Lights, radio, water pump, electric iron, percolator, washing machine, toaster, waffle iron, vacuum cleaner, food mixer, fans, refrigerator, and electric range.
9	6.50	Lights, radio, water pump, electric iron, percolator, washing machine, toaster, waffle iron, vacuum cleaner, food mixer, fans, refrigerator, electric range, and electric water heater.
10	8.00	Lights, radio, water pump, electric iron, percolator, washing machine, toaster, waffle iron, vacuum cleaner, food mixer, fans, refrigerator, electric range, electric water heater and operation of small farm motor for sawing wood, running feed mill, ensilage cutter, and miscellaneous small power requirements.
11	10.00	Lights, radio, water pump, electric iron, percolator, washing machine, toaster, waffle iron, vacuum cleaner, food mixer, fans, refrigerator, electric range, electric water heater, operation of small farm motor for sawing wood, running feed mill, ensilage cutter, and miscellaneous small power requirements, and light and power for 30-cow dairy.

For those in the city, and particularly in the great metropolitan areas which could easily and most economically be served by the surplus power that could be generated from the wasted waters of Wisconsin, I submit a table showing the domestic rates of the net monthly bills for typical residential

consumers. In the city of Milwaukee alone the savings possible in the use of 40 kilowatt-hours of energy, as compared with Toronto, show a saving of more than 100 percent for lighting and simple appliances and on 100 hours for refrigeration a saving of over 200 percent. These tables indicate the tremendous possibilities for comfort, convenience, and happiness made available by lower electric rates through the development of public power.

TABLE 2.—*Domestic rates—Net monthly bills for typical residential customer*

City and State	Population	Company	(1) Lighting and small appliances			(2) No. 1 plus refrigeration		(3) No. 2 plus cooking	(4) No. 3 plus water heating	(5) No. 4 plus extra use		Average monthly domestic consumption
			15 kilowatt-hours	25 kilowatt-hours	40 kilowatt-hours	100 kilowatt-hours	150 kilowatt-hours	250 kilowatt-hours	500 kilowatt-hours	750 kilowatt-hours	1,000 kilowatt-hours	
Atlanta, Ga	270,000	Georgia Power Co	$1.00	$1.45	$2.12	$3.95	$4.95	$6.57	$8.57	$11.36	$13.92	73
Boston, Mass	781,000	Edison Electric Illuminating Co	1.05	1.65	2.40	5.20	6.70	9.70	12.70	18.70	23.70	52
Brooklyn, N. Y	2,560,000	Brooklyn Edison Co	1.30	1.80	2.55	5.55	8.05	13.05	25.55	38.05	50.55	38
Buffalo, N. Y	573,000	Buffalo General Electric Co	.75	1.13	1.70	3.06	3.81	5.31	9.06	12.81	16.56	66
Birmingham, Ala	259,000	Birmingham Electric Co	.98	1.55	2.30	4.05	5.30	7.80	12.55	16.30	20.05	40
Baltimore, Md	804,000	Consolidated Gas Electric Light & Power Co.	.75	1.25	2.00	4.18	5.86	8.98	12.22	15.22	18.22	60
Chicago, Ill	3,376,000	Commonwealth Edison Co	1.03	1.51	2.04	3.75	5.17	8.02	15.15	22.28	29.40	61
Cincinnati, Ohio	451,000	Union Gas & Electric Co	.75	1.25	1.70	3.00	4.00	6.00	10.63	15.06	19.13	55
Detroit, Mich	1,568,000	Detroit Edison Co	1.03	1.39	1.93	3.53	4.65	6.90	9.96	13.90	16.72	58
Denver, Colo	287,000	Public Service Co. of Colorado	.90	1.50	2.40	4.80	6.30	9.30	16.80	24.30	31.80	40
Dallas, Tex	260,000	Dallas Power & Light Co	.83	1.38	2.20	4.60	6.45	8.40	13.40	18.40	23.40	54
Indianapolis, Ind	364,000	Indianapolis Power & Light Co	.86	1.44	2.30	4.80	6.72	8.53	11.53	16.65	21.03	44
Jackson, Miss	48,242	Mississippi Power & Light Co	1.30	1.90	2.80	5.40	6.40	8.40	12.40	16.15	19.90	47
Milwaukee, Wis	578,000	Milwaukee Electric Railway & Light Co	.93	1.55	2.04	3.75	5.18	7.08	8.60	12.78	16.34	47
New Orleans, La	458,000	New Orleans Public Service Co	1.38	2.13	3.25	6.00	7.25	10.75	14.50	18.25	22.00	40
Portland, Oreg	301,000	Portland General Electric Co	1.00	1.38	1.95	3.39	4.29	6.09	8.09	15.14	18.27	87
St. Louis, Mo	821,000	Laclede Power & Light Co	.69	1.07	1.43	2.85	4.04	5.70	9.26	12.82	16.39	56
San Francisco, Calif	634,000	Pacific Gas & Electric Co	1.00	1.53	2.10	4.20	5.95	7.85	9.95	12.45	14.95	53
Salt Lake City, Utah	140,000	Utah Power & Light Co	1.18	1.88	2.93	4.82	7.07	7.70	10.45	15.58	19.95	73
Philadelphia, Pa	1,950,000	Philadelphia Electric Co	1.03	1.58	2.40	4.45	5.95	8.70	11.70	16.83	20.70	48
Washington, D. C	486,000	Potomac Electric Power Co	.75	.98	1.56	3.60	3.95	5.67	10.10	13.85	17.60	68
Mean average			.98	1.49	2.20	4.23	5.62	7.93	12.06	16.99	21.46	55
Median average			1.00	1.50	2.12	4.18	5.86	7.85	11.53	15.58	19.90	54
Toronto	626,674	Ontario Hydro Commission	.75	.75	.90	1.44	1.89	2.79	5.04	7.29	9.54	138
Port Arthur	19,749	do	.68	.68	.84	1.32	1.73	2.80	4.83	6.85	8.88	186
St. Catharines	26,192	do	.75	.75	.93	1.47	1.92	3.38	5.63	7.88	10.13	142
Ottawa	130,672	do	.75	.75	1.02	1.74	2.05	2.88	3.92	5.05	6.17	311
Brantford	30,724	do	.75	.75	1.02	1.74	2.19	3.38	5.63	7.88	10.13	142
Guelph	20,754	do	.75	.75	1.02	1.74	2.19	3.38	5.63	7.88	10.13	99
Hamilton	154,701	do	.75	.75	1.02	1.74	2.19	3.38	5.63	7.88	10.13	140
Kingston	23,260	do	.75	.75	1.02	1.65	2.10	3.29	5.54	7.79	10.04	92
London	73,173	do	.75	.75	1.02	1.74	2.19	3.38	5.63	7.88	10.13	196
Niagara Falls	18,507	do	.75	.75	.92	1.51	1.97	3.04	5.07	7.09	9.12	205
St. Thomas	16,275	do	.75	.75	1.02	1.74	2.19	3.38	5.63	7.88	10.13	155
Woodstock	10,956	do	.75	.75	1.02	1.74	2.19	3.38	5.63	7.88	10.13	137
Fort Williams	25,188	do	.75	.86	1.20	1.87	2.32	3.52	5.77	8.02	10.27	416
Owen Sound	12,803	do	.75	.86	1.20	2.01	2.46	3.65	5.90	8.15	10.40	83
Welland	10,668	do	.75	.79	1.09	1.88	2.38	3.66	6.14	8.61	11.09	104
Sarnia	17,801	do	.75	.79	1.26	2.29	2.78	3.77	6.25	8.72	11.20	97
Chatham	16,223	do	.75	.86	1.20	1.97	2.54	3.82	6.30	8.77	11.25	88
Windsor	65,565	do	.75	.81	1.30	2.38	2.92	4.00	6.70	9.40	12.10	165
Kitchener	31,443	do	.75	.75	1.02	1.81	2.35	3.73	7.14	9.13	11.83	141
East Windsor	14,333	do	.75	.81	1.30	2.38	2.92	4.00	6.70	9.40	12.10	108
Peterborough	22,809	do	.75	.75	1.20	1.99	2.55	3.97	6.79	9.59	12.41	107
Mean average			.75	.77	1.07	1.82	2.29	3.45	5.79	8.05	10.35	155
Median average			.75	.75	1.02	1.74	2.19	3.38	5.63	7.88	10.13	141
Tacoma, Wash	106,837	City of Tacoma, department of public utilities, light division.	.68	1.13	1.80	2.40	2.90	3.90	6.40	8.90	10.60	117
Tupelo, Miss		Tennessee Valley Authority rates	.75	.75	1.20	2.50	3.50	5.00	6.90	7.90	8.90	103
Little Rock, Ark	81,679	Arkansas Power & Light Co	1.50	2.10	2.90	5.10	6.60	9.60	14.60	19.60	24.60	49

Business and the manufacturers are as interested and as much in need of efficient public power development as any other group; and to indicate the possibilities of savings which a planned and careful development of the water-power resources of our State would make possible, I include herewith a table recently compiled on commercial rates, showing net bill costs and monthly commercial consumption for various cities both in the United States and Canada. The Canadian figures indicate the lower cost of public power development.

TABLE 3.—*Table of monthly commercial rates—Net bills for billing demands and monthly commercial consumptions*

City and State	0.75 kilowatt			3 kilowatts		6 kilowatts	12 kilowatts
	25 kilowatt-hours per month	50 kilowatt-hours per month	75 kilowatt-hours per month	150 kilowatt-hours per month	375 kilowatt-hours per month	750 kilowatt-hours per month	1,500 kilowatt-hours per month
Atlanta, Ga	$1.63	$3.15	$4.65	$9.14	$20.88	$39.61	$72.08
Boston, Mass	1.88	3.75	5.63	11.25	28.13	53.75	102.50
Brooklyn, N. Y	1.90	3.40	4.65	11.40	22.65	44.40	87.90
Buffalo, N. Y	1.25	2.45	3.45	7.50	16.80	33.60	41.00
Birmingham, Ala	1.88	3.25	4.75	12.00	18.75	37.50	70.00
Baltimore, Md	1.25	2.50	3.34	7.01	14.57	29.14	51.55
Chicago, Ill	2.29	2.93	3.56	10.43	16.16	32.33	64.65
Cincinnati, Ohio	1.25	2.50	3.45	7.50	14.72	29.43	58.86
Detroit, Mich	2.12	3.02	3.92	10.26	18.36	36.72	73.44
Denver, Colo	2.25	3.50	4.75	10.50	21.75	43.50	78.05
Dallas, Tex	1.44	2.88	4.32	8.64	21.60	35.34	63.48
Indianapolis, Ind	1.50	3.00	4.18	7.70	16.79	31.21	55.79
Jackson, Miss	3.25	5.00	6.75	15.50	30.50	59.00	116.00
Milwaukee, Wis	2.03	3.32	4.60	8.45	19.99	39.88	73.04
New Orleans, La	2.13	4.00	5.50	10.00	22.75	41.50	69.00

TABLE 3.—*Table of monthly commercial rates—Net bills for billing demands and monthly commercial consumptions*—Continued

City and State	0.75 kilowatt			3 kilowatts		6 kilowatts	12 kilowatts
	25 kilowatt-hours per month	50 kilowatt-hours per month	75 kilowatt-hours per month	150 kilowatt-hours per month	375 kilowatt-hours per month	750 kilowatt-hours per month	1,500 kilowatt-hours per month
Portland, Oreg.	$1.31	$2.61	$3.92	$7.84	$17.34	$32.30	$60.80
St. Louis, Mo.	2.01	2.73	3.44	9.50	15.91	32.16	62.86
San Francisco, Calif.	1.53	2.65	3.78	7.15	15.88	29.75	53.50
Salt Lake City, Utah	1.88	3.63	5.38	10.63	25.81	48.99	84.26
Philadelphia, Pa.	1.83	3.20	4.58	9.60	19.23	37.98	74.01
Washington, D. C.	.95	1.90	2.85	5.50	12.53	23.40	45.15
Mean average	1.79	3.11	4.35	9.40	19.58	37.69	69.42
Median average	1.88	3.02	4.32	9.50	18.75	36.72	69.00
Toronto	.90	1.80	2.30	5.40	10.53	21.06	42.12
Port Arthur	.81	1.20	1.62	3.65	6.38	12.76	25.52
St. Catherine	.76	1.15	1.55	3.78	6.38	12.76	25.52
Ottawa	1.07	1.57	2.06	5.24	8.55	17.09	34.18
Brantford	.76	1.15	1.55	3.78	6.38	12.76	25.52
Guelph	.90	1.35	1.80	4.05	7.43	14.85	28.35
Hamilton	.76	1.15	1.55	3.78	6.38	12.76	25.52
Kingston	.90	1.35	1.80	4.05	7.25	14.51	29.03
London	.90	1.35	1.80	4.05	7.09	14.18	28.35
Niagara Falls	.85	1.28	1.70	3.83	6.61	13.19	26.39
St. Thomas	.90	1.35	1.80	4.05	7.09	14.18	28.35
Woodstock	.90	1.35	1.80	4.05	7.09	14.18	28.35
Fort Williams	1.02	1.58	2.14	4.73	8.78	17.55	35.10
Owen Sound	1.02	1.58	2.14	4.73	8.78	17.55	35.10
Welland	.95	1.44	1.94	4.32	7.70	15.39	30.78
Sarnia	.99	1.53	2.07	4.59	8.24	16.47	32.94
Chatham	1.02	1.58	2.14	4.73	8.64	17.28	34.56
Windsor	1.02	1.58	2.14	4.73	8.64	17.28	34.56
Kitchener	.90	1.35	1.80	4.05	7.25	14.51	29.03
East Windsor	1.02	1.58	2.14	4.73	8.64	17.28	34.56
Peterborough	1.02	1.58	2.14	4.73	8.78	17.55	35.10
Mean average	.92	1.42	1.90	4.34	7.74	15.48	30.90
Median average	.90	1.35	1.80	4.05	7.43	14.85	29.03
Tacoma, Wash.	.88	1.75	2.63	5.25	11.25	22.50	42.00
Tupelo, Miss., T. V. A. rates	.82½	1.65	2.48	4.95	11.00	19.25	30.25
Little Rock, Ark.	2.25	3.75	5.25	12.25	25.00	46.75	80.25

Cheap electricity is the greatest boon that modern science can bring to the women and the families of America. It transforms the mother and the wife from a land and a life of drudgery to a land and life of freedom and development. It makes possible the enjoyment of those too few leisure hours of life to which the women of rural and urban America are so richly entitled.

Cheap electricity makes the difference between a State of few manufacturers and few opportunities of employment and a State humming with the wheels of industry and offering employment and opportunity to present and future generations. In the West and in the South, where power projects are under construction, new factories, new industries, new opportunities for employment are daily, weekly, and monthly on the increase. Cheap electricity not only benefits every farmer and industrial worker but adds billions to our national wealth from resources now running waste to the sea. Cheap electricity will make America the richest, the most contented, the most powerful, and the most prosperous nation in the world.

In drafting H. R. 12678, with the aid and assistance of those leaders in the House and the Senate who have done much to embark America on the beneficial development of our natural resources, I have kept in mind the principle that these natural resources can be developed and that the wasted waters of our rivers can be harnessed without destroying a single penny of the capital of private investors or working any hardships upon any of our citizens in any walk or occupation of life. While H. R. 12678 provides for the thorough and planned development of the Wisconsin Valley, the harnessing of surplus waters and control of flood waters, it also provides that power incidentally generated shall be sold to those distributing companies, whether private or municipally owned, that will and can agree to provisions which limit the resale of such power to the consumer at prices providing for not more than is necessary to return a fair and equitable profit upon invested capital.

The introduction of this measure is the only possible manner by which a thorough study and survey of the power possibilities of the Wisconsin River can be inaugurated by the War Department for report to the Congress. I am advised that this survey has begun and that reports of its progress and findings will be made to the Congress. While the survey, beginning, and development of a project with such vast possibilities of prosperity and advantages for our people is not a matter of days or weeks but of months and perhaps years, I feel that by a proper beginning we have taken the first step toward progress in Wisconsin. Perhaps the task will be long and arduous. Unquestionably the opposition will be the same that has come from special privilege and special interests every time the people themselves have desired to improve their conditions through their own efforts.

While once many of us frowned upon public ownership of power resources, the vast majority have been convinced that we never can get power to the farm and city residents of this country at rates they should pay through private enterprise, but that it must come through public enterprise, or at least the public must own the power-production facilities. Propaganda, floods of money, misrepresentation, and opposition face the friends of any project designed to develop Wisconsin water power for this generation and the generations to come. Truth, fact, and right, however, have always survived such attacks and prosper despite criticism and calumny. In closing I want to impress one vital fact upon you: A great wealth of power is at the command of the people of our State in the Wisconsin Valley. It should and must be used for the benefit of the people. If used properly and in the public interest, every home, every factory in the State and the surrounding States can be electrified, and our people can enjoy the advantages of appliances and facilities that scientific developments of this great modern age have made possible.

Let us electrify Wisconsin and those surrounding areas through the development of our great power resources. When we have done that, we will have added one more glorious chapter to the history of a great country and a great State. We will have provided for the common good and promoted the general welfare. We will have laid the foundation for the building of a new civilization, prevented the destruction and economic losses of floods and droughts, and we will have brought to a great State a magnificent development that the ages cannot impair and time only add to in value.

TABLE NO. 1.—*Typical monthly bills—Residential service*

[Domestic and residential light and power rates in effect on Jan. 1, 1935, in cities of 50,000 population and over. These tables are taken from the preliminary report of the electric-rates survey made by the Federal Power Commission. In the column designed "Control" it is specified opposite the name of each company whether it is (I) independent, (S) subsidiary of a holding company, (M) municipally owned and operated]

CITIES OF 100,000 POPULATION AND OVER IN UNITED STATES

Name of community	Population, 1930 census[1]	Service supplied by—			Lighting and small appliances					Lighting, small appliances, and refrigeration		Lighting, etc., and cooking	Lighting etc., cooking and water heating	Average cost (cents per kilowatt-hours)			
					Minimum bill												
		Control	Name of company	Date	Amount	Kilowatt-hours, inclusive	15 kilowatt-hours	25 kilowatt-hours	40 kilowatt-hours	100 kilowatt-hours	150 kilowatt-hours	250 kilowatt-hours	500 kilowatt-hours	25 kilowatt-hours	100 kilowatt-hours	250 kilowatt-hours	500 kilowatt-hours
Akron, Ohio	255	S	Ohio Edison Co	Jan. 1, 1935	$0.50	10	$0.75	$1.20	$1.80	$3.83	$5.08	$7.08	$10.08	4.30	3.83	2.83	2.02
Albany, N. Y	127	S	New York Power & Light Corporation.	do	.75	9	1.20	2.00	2.55	4.35	5.85	8.35	11.85	8.00	4.35	3.34	2.37
Atlanta, Ga	270	S	Georgia Power Co	do	1.00	15	1.00	1.62	2.37	4.57	6.07	8.32	10.32	6.48	4.57	3.33	2.06
Do	270	S	do	do	1.00	15	1.00	1.45	2.12	3.95	4.95	6.57	8.57	5.80	3.95	2.63	1.71
Baltimore, Md	804	I	Consolidated Gas Electric Light & Power Co. of Baltimore.	do	.60	12	.75	1.25	2.00	4.18	5.86	8.98	12.22	5.00	4.18	3.59	2.44
Birmingham	259	S	Birmingham Electric Co	do	.70	10	.98	1.55	2.30	4.05	5.30	7.80	12.55	6.20	4.05	3.12	2.51
Boston, Mass	781	I	Edison Electric Illuminating Co. of Boston.	July 1, 1934	.75	10	1.13	1.75	2.50	5.30	6.80	9.80	12.80	7.00	5.30	3.92	2.56
Do	781	I	do	Jan. 1, 1935	.75	10	1.05	1.65	2.40	5.20	6.70	9.70	12.70	6.60	5.20	3.88	2.54
Do	781	S	Boston Consolidated Gas Co.	July 1, 1934	.75	10	1.13	1.75	2.50	5.50	7.00	10.00	17.50	7.00	5.50	4.00	3.50
Do	781	S	do	Jan. 1, 1935	.75	10	1.05	1.65	2.40	5.40	6.90	9.90	17.40	6.60	5.40	3.96	3.48
Bridgeport	146	I	United Illuminating Co	do	1.00	19	1.00	1.31	2.10	5.25	7.88	10.90	15.40	5.24	5.25	4.36	3.08
Buffalo, N. Y	573	S	Buffalo General Electric Co	do	.75	15	.75	1.13	1.70	3.06	3.81	5.31	9.06	4.52	3.06	2.12	1.81
Cambridge	113	S	Cambridge Electric Light Co.	do	.00	------	.75	1.25	1.90	3.40	4.65	7.15	13.40	5.00	3.40	2.86	2.68
Camden, N. J	118	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
Do	118	S	do	Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
Canton, Ohio	104	S	The Ohio Power Co	do	.50	7	1.05	1.75	2.50	4.60	6.10	9.10	11.80	7.00	4.60	3.60	2.36
Chattanooga, Tenn.	119	S	Tennessee Electric Power Co.	do	1.00	15	1.00	1.63	2.38	4.58	6.08	8.33	11.83	6.52	4.58	3.33	2.37
Do	119	S	do	do	1.00	15	1.00	1.45	2.13	3.95	4.95	6.58	9.70	5.80	3.95	2.63	1.94
Chicago, Ill	3,376	I	Commonwealth Edison Co	do	.50	7	1.03	1.51	2.04	3.75	5.17	8.02	15.15	6.04	3.75	3.21	3.03
Cincinnati, Ohio	451	S	Union Gas & Electric Co	do	.60	12	.75	1.25	1.70	3.00	4.00	6.00	10.63	5.00	3.00	2.40	2.13
Cleveland, Ohio	900	M	City of Cleveland, Department of Public Utilities.	do	.60	15	.60	.88	1.31	3.05	4.50	7.40	14.65	3.52	3.05	2.96	2.93
Do	900	S	Cleveland Electric Illuminating Co.	do	.60	15	.60	1.00	1.60	4.00	6.00	9.88	16.88	4.00	4.00	3.95	3.38
Columbus, Ohio	290	S	Columbus Railway, Power & Light Co.	July 1, 1934 Jan. 1, 1935	.50 .50	8 9	.90 .75	1.50 1.25	2.40 1.95	5.50 4.50	7.75 6.00	8.95 8.50	13.95 13.50	6.00 5.00	5.50 4.50	3.58 3.40	2.79 2.70
Do	290	M	Columbus Division of Electricity.	July 1, 1934	.50	0-12	.75	1.25	2.00	4.75	6.75	8.30	13.30	5.00	4.75	3.32	2.66
Do	290	M	do	Jan. 1, 1935	.50	0-12	.60	1.00	1.58	3.80	5.54	8.30	13.30	4.00	3.80	3.32	2.66
Dallas, Tex	260	S	Dallas Power & Light Co	July 1, 1934	.50	8	.86	1.44	2.30	4.70	6.50	8.50	13.50	5.76	4.70	3.40	2.70
Do	260	S	do	Jan. 1, 1935	.50	9	.83	1.38	2.20	4.60	6.40	8.40	13.40	5.52	4.60	3.36	2.68
Dayton, Ohio	200	S	Dayton Power & Light Co	do	.55	9	.90	1.50	2.30	4.90	6.40	9.40	12.78	6.00	4.90	3.76	2.56
Denver, Colo	287	S	Public Service Co. of Colorado.	do	.90	15	.90	1.50	2.40	4.80	6.30	9.30	16.80	6.00	4.80	3.72	3.36
Des Moines, Iowa	142	S	Des Moines Electric Light Co.	do	.75	15	.75	1.25	1.97	4.10	5.70	7.45	9.70	5.00	4.10	2.98	1.94
Detroit, Mich	1,568	I	The Detroit Edison Co	do	.45	5	1.03	1.39	1.93	3.53	4.65	6.90	9.96	5.56	3.53	2.76	1.99
Duluth, Minn	101	S	Minnesota Power & Light Co.	July 1, 1934	.25	4	.90	1.50	2.40	4.01	5.01	7.01	13.04	6.00	4.01	2.80	2.61
Do	101	S	do	Jan. 1, 1935	.25	4	.90	1.50	2.40	4.01	5.01	7.01	9.51	6.00	4.01	2.80	1.90
Elizabeth, N. J	114	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
Do	114	S	do	Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
El Paso, Tex	102	S	El Paso Electric Co	do	.75	9	1.20	2.00	2.70	4.90	5.90	7.90	10.40	8.00	4.90	3.16	2.08
Erie, Pa	115	S	Erie County Electric Co	July 1, 1934	.71	8	1.22	2.02	3.23	5.94	7.84	11.64	21.14	8.08	5.94	4.66	4.23
Do	115	S	do	Jan. 1, 1935	.70	9	1.13	1.75	2.50	5.50	7.40	11.20	20.70	7.00	5.50	4.48	4.14
Do	115	S	Erie Lighting Co	July 1, 1934	.71	8	1.21	2.02	3.23	5.94	7.84	11.64	21.14	8.08	5.94	4.66	4.23
Do	115	S	do	Jan. 1, 1935	.70	9	1.13	1.75	2.50	5.50	7.40	11.20	20.70	7.00	5.50	4.48	4.14
Evansville, Ind	102	S	Southern Indiana Gas & Electric Co.	July 1, 1934 Jan. 1, 1935	1.00 1.00	16 16	1.00 1.00	1.52 1.50	2.18 2.25	3.81 4.35	5.03 5.35	7.46 7.10	10.61 10.25	6.08 6.00	3.81 4.35	2.98 2.84	2.12 2.05
Fall River, Mass	115	S	Fall River Electric Light Co	do	.50	6	1.20	2.00	2.75	5.50	7.65	10.25	17.75	8.00	5.50	4.10	3.55
Flint, Mich	156	S	Consumers Power Co	do	.50	5	1.26	1.83	2.28	3.56	4.56	6.56	9.31	7.32	3.56	2.62	1.86
Fort Wayne, Ind	114	M	Municipal Electric Light & Power Works.	do	.50	10	.75	1.25	2.00	4.60	6.60	9.10	16.60	5.00	4.60	3.64	3.32
Do	114	S	Indiana Service Corporation.	do	.50	10	.75	1.25	2.00	4.60	6.60	9.10	14.00	5.00	4.60	3.64	2.80
Fort Worth, Tex	163	S	Texas Electric Service Co	July 1, 1934	.50	8	.90	1.50	2.40	4.25	6.20	8.60	13.60	6.00	4.25	3.44	2.72
Do	163	S	do	Jan. 1, 1935	.50	9	.83	1.38	2.20	4.13	6.00	8.40	13.40	5.52	4.13	3.36	2.68
Gary, Ind	100	S	Gary Heat, Light & Water Co.	do	1.00	15	1.00	1.63	2.45	4.00	5.25	7.75	14.00	6.52	4.00	3.10	2.80
Grand Rapids, Mich.	168	S	Consumers Power Co	do	.50	5	1.26	1.83	2.28	3.56	4.56	6.56	9.31	7.32	3.56	2.62	1.86
Hartford, Conn	164	I	Hartford Electric Light Co	July 1, 1934	.50	------	1.25	1.75	2.20	4.00	5.50	8.25	10.75	7.00	4.00	3.30	2.15
Do	164	I	do	Jan. 1, 1935	1.00	10	1.25	1.75	2.20	4.00	5.50	8.12	10.62	7.00	4.00	3.25	2.12
Houston, Tex	292	S	Houston Lighting & Power Co.	do	.50	8	.90	1.30	1.90	4.30	5.78	8.28	14.53	5.20	4.30	3.31	2.91
Indianapolis, Ind	364	S	Indianapolis Power & Light Co.	do	.65	10	.86	1.44	2.30	4.80	6.72	8.53	11.53	5.76	4.80	3.41	2.31
Jacksonville, Fla	129	M	Jacksonville municipal light plant.	do	.50	7	1.05	1.75	2.80	7.00	10.50	7.95	12.95	7.00	7.00	3.18	2.59
Jersey City, N. J	316	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
Do	316	S	do	Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
Kansas City, Kans	121	M	Kansas City Board of Public Utilities.	do	.75	12	.90	1.30	1.60	2.80	3.80	4.95	8.70	5.20	2.80	1.98	1.74
Kansas City, Mo	399	S	Kansas City Power & Light Co.	do	.50	7	.98	1.63	2.30	4.00	5.25	7.75	10.25	6.52	4.00	3.10	2.05

[1] In thousands.

TABLE No. 1.—*Typical monthly bills—Residential service*—Continued
CITIES OF 100,000 POPULATION AND OVER IN UNITED STATES—continued

Name of community	Population, 1930 census	Service supplied by—			Lighting and small appliances					Lighting, small appliances, and refrigeration		Lighting, etc., and cooking	Lighting etc., cooking and water heating	Average cost (cents per kilowatt-hours)			
					Minimum bill		15 kilowatt-hours	25 kilowatt-hours	40 kilowatt-hours								
		Control	Name of company	Date	Amount	Kilowatt-hours, inclusive				100 kilowatt-hours	150 kilowatt-hours	250 kilowatt-hours	500 kilowatt-hours	25 kilowatt-hours	100 kilowatt-hours	250 kilowatt-hours	500 kilowatt-hours
Knoxville, Tenn	105	S	Tennessee Public Service Co	Jan. 1, 1935	$1.00	15	$1.00	$1.63	$2.38	$4.58	$6.08	$8.33	$12.08	6.52	4.58	3.33	2.42
Do	105	S	do	do	1.00	15	1.00	1.45	2.13	3.95	4.95	6.58	9.70	5.80	3.95	2.63	1.94
Long Beach, Calif	142	I	Southern California Edison Co., Ltd.	do	1.00	20	1.00	1.25	2.00	4.75	7.00	7.00	9.25	5.00	4.75	2.80	1.85
Los Angeles, Calif	1,238	M	Los Angeles Bureau of Power and Light.	do	.60	13	.72	1.20	1.81	3.31	4.56	6.31	8.81	4.80	3.31	2.52	1.76
Do	1,238	S	Los Angeles Gas & Electric Corporation.	do	.60	12	.72	1.20	1.81	3.31	4.56	6.31	8.81	4.80	3.31	2.52	1.76
Do	1,238	I	Southern California Edison Co., Ltd.	do	.60	13	.68	1.13	1.80	3.31	4.56	6.31	9.25	4.52	3.31	2.52	1.85
Louisville, Ky	307	S	Louisville Gas & Electric Co	July 1, 1934	.60	12	.75	1.25	2.00	3.80	5.30	8.30	12.05	5.00	3.80	3.32	2.41
Do	307	S	do	Jan. 1, 1935	.60	12	.75	1.25	2.00	3.80	5.30	8.30	10.80	5.00	3.80	3.32	2.16
Lowell, Mass	100	S	Lowell Electric Light Corporation.	do	.75	4	1.35	2.22	3.10	5.60	7.35	10.85	19.60	8.88	5.60	4.34	3.92
Lynn, Mass	102	I	Lynn Gas & Electric Co	do	.75	11	.98	1.63	2.38	5.38	6.88	9.88	17.38	6.52	5.38	3.95	3.48
Memphis, Tenn	253	S	Memphis Power & Light Co	do	.90	16	.90	1.38	2.20	4.25	5.75	8.75	16.25	5.52	4.25	3.50	3.25
Miami, Fla	110	S	Florida Power & Light Co	do	1.00	8	1.71	2.76	4.18	6.16	8.40	10.40	15.40	11.04	6.16	4.16	3.08
Milwaukee, Wis	578	S	Milwaukee Electric Railway & Light Co.	do	.50	8	.93	1.55	2.04	3.75	5.18	7.08	8.60	6.20	3.75	2.83	1.72
Minneapolis, Minn	464	S	Northern States Power Co	July 1, 1934	1.00	13	1.14	1.85	2.33	4.04	5.44	7.34	9.84	7.40	4.04	2.94	1.97
Do	464	S	do	Jan. 1, 1935	1.00	11	1.19	1.66	2.18	3.80	4.89	6.79	9.29	6.64	3.80	2.72	1.86
Nashville, Tenn	153	S	Tennessee Electric Power Co.	do	1.00	15	1.00	1.63	2.38	4.58	6.08	8.33	11.83	6.52	4.58	3.33	2.37
Do	153	S	do	do	1.00	15	.00	1.45	2.13	3.95	4.95	6.58	9.70	5.80	3.95	2.63	1.94
Newark, N. J	442	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
Do	442	S	do	Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
New Bedford, Mass.	112	S	New Bedford Gas & Edison Light Co.	do	.75	9	1.14	1.62	2.32	4.35	5.54	7.91	13.85	6.48	4.35	3.16	2.77
New Haven, Conn	162	I	United Illuminating Co	do	1.00	19	1.00	1.31	2.10	5.25	7.88	10.90	15.40	5.24	5.25	4.36	3.08
New Orleans, La	458	S	New Orleans Public Service Co., Inc.	do	.25	------	1.38	2.13	3.25	6.00	9.25	10.75	14.50	8.52	6.00	4.30	2.90
New York	6,930																
(a) Bronx	1,265	S	Bronx Gas & Electric Co	Jan. 1, 1935	1.00	10	1.30	1.80	2.55	5.55	8.05	13.05	25.55	7.20	5.55	5.22	5.11
Do	1,265	S	New York Edison Co	do	1.00	10	1.30	1.80	2.55	5.55	8.05	13.05	25.55	7.20	5.55	5.22	5.11
Do	1,265	S	Westchester Lighting Co	do	1.00	10	1.30	1.80	2.55	5.55	8.05	13.05	25.55	7.20	5.55	5.22	5.11
(b) Brooklyn	2,560	S	Brooklyn Edison Co	do	1.00	10	1.30	1.80	2.55	5.55	8.05	13.05	25.55	7.20	5.55	5.22	5.11
(c) Manhattan	1,867	S	Brush Electric Illuminating Co. of New York.	do	1.00	10	1.30	1.80	2.55	5.55	8.05	13.05	25.55	7.20	5.55	5.22	5.11
Do	1,867	S	New York Edison Co	do	1.00	10	1.30	1.80	2.55	5.55	8.05	13.05	25.55	7.20	5.55	5.22	5.11
Do	1,867	S	United Electric Light & Power Co.	do	1.00	10	1.30	1.80	2.55	5.55	8.05	13.05	25.55	7.20	5.55	5.22	5.11
(d) Queens	1,079	S	New York & Queens Electric Light & Power Co.	Jan. 1, 1935	1.00	10	1.30	1.80	2.55	5.55	8.05	13.05	25.55	7.20	5.55	5.22	5.11
Do	1,079	S	Queens Borough Gas & Electric Co.	do	1.00	------	1.28	2.13	3.20	6.25	8.75	12.75	20.25	8.52	6.25	5.10	4.05
(e) Richmond	158	S	Staten Island Edison Corporation.	do	.95	10	1.35	2.15	3.11	5.51	6.91	8.91	13.91	8.60	5.51	3.56	2.78
Norfolk, Va	129	S	Virginia Electric & Power Co.	do	1.00	15	1.00	1.63	2.60	5.30	6.60	8.25	10.75	6.52	5.30	3.30	2.15
Oakland, Calif	284	S	Great Western Power Co	do	.40	------	1.08	1.53	2.10	4.20	5.95	7.85	9.95	6.12	4.20	3.14	1.99
Do	284	I	Pacific Gas & Elec. Co	do	.40	------	1.08	1.53	2.10	4.20	5.95	7.85	9.95	6.12	4.20	3.14	1.99
Oklahoma City, Okla.	185	S	Oklahoma Gas & Elec. Co	do	1.00	14	1.05	1.75	2.80	4.60	6.10	9.10	16.60	7.00	4.60	3.64	3.32
Omaha, Nebr	214	S	Nebraska Power Co	do	.50	9	.83	1.38	2.20	4.25	5.75	8.15	11.90	5.52	4.25	3.26	2.38
Paterson, N. J	138	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
Do	138	S	do	Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
Peoria, Ill	104	S	Central Illinois Light Co	do	.75	10	1.00	1.50	2.01	3.81	4.81	6.81	10.31	6.00	3.81	2.72	2.06
Philadelphia, Pa	1,950	S	Philadelphia Electric Co	do	.75	10	1.03	1.58	2.40	4.45	5.95	8.70	11.70	6.32	4.45	3.48	2.34
Pittsburgh, Pa	669	S	Duquesne Light Co	do	.50	7	1.05	1.55	2.20	4.10	5.60	8.60	16.10	6.20	4.10	3.44	3.22
Portland, Oreg	301	S	Northwestern Electric Co	do	1.00	18	1.00	1.38	2.05	3.72	4.62	6.42	10.92	5.52	3.72	2.57	2.18
Do	301	S	Portland General Electric Co.	do	1.00	18	1.00	1.38	1.95	3.39	4.29	6.09	8.09	5.52	3.39	2.44	1.62
Providence, R. I	252	S	The Narragansett Electric Co.	do	.50	3	1.28	1.93	2.91	5.81	7.31	9.84	14.84	7.72	5.81	3.94	2.97
Reading, Pa	111	S	The Metropolitan Edison Co.	July 1, 1934	1.00	11	1.35	2.25	3.40	5.50	7.00	9.50	14.50	9.00	5.50	3.80	2.90
Do	111	S	do	Jan. 1, 1935	1.00	11	1.32	2.12	3.20	5.42	6.92	9.42	14.42	8.48	5.42	3.77	2.88
Richmond, Va	182	S	Virginia Electric & Power Co.	do	1.00	15	1.00	1.63	2.60	5.30	6.60	8.25	10.75	6.52	5.30	3.30	2.15
Rochester, N. Y	328	S	Rochester Gas & Electric Corporation.	do	1.00	12	1.15	1.65	2.40	5.00	7.00	10.00	12.25	6.60	5.00	4.00	2.45
St. Louis, Mo	821	S	Laclede Power & Light Co	do	.50	11	.65	1.07	1.43	2.85	4.04	5.70	9.26	4.28	2.85	2.28	1.85
Do	821	S	Union Electric Light & Power Co.	do	.50	10	.71	1.19	1.71	3.13	4.32	6.22	9.78	4.76	3.13	2.49	1.96
St. Paul, Minn	271	S	Northern States Power Co	July 1, 1934	1.00	11	1.28	1.96	2.39	4.10	5.53	3.83	11.94	7.84	4.10	3.35	2.39
Do	271	S	do	Jan. 1, 1935	1.00	10	1.25	1.75	2.30	4.00	5.15	7.15	10.71	7.00	4.00	2.86	2.14
Salt Lake City, Utah	140	S	Utah Power & Light Co	do	.90	11	1.18	1.88	2.93	4.82	7.07	7.70	10.45	7.52	4.82	3.08	2.09
San Antonio, Tex	231	S	San Antonio Public Service Co.	do	.50	7	.98	1.63	2.60	4.88	6.38	8.38	13.38	6.52	4.88	3.35	2.68
San Diego, Calif	147	S	San Diego Consolidated Gas & Electric Co.	do	.90	12	1.07	1.65	2.51	4.59	6.09	7.88	12.88	6.60	4.59	3.15	2.58
San Francisco, Calif	634	S	Great Western Power Co. of California.	do	.40	------	1.08	1.53	2.10	4.20	5.95	7.85	9.95	6.12	4.20	3.14	1.99
Do	634	I	Pacific Gas & Electric Co	do	.40	------	1.08	1.53	2.10	4.20	5.95	7.85	9.95	6.12	4.20	3.14	1.99

TABLE No. 1.—*Typical monthly bills—Residential service*—Continued
CITIES OF 100,000 POPULATION AND OVER IN UNITED STATES—continued

Name of community	Population, 1930 census	Service supplied by— Control	Name of company	Date	Lighting and small appliances: Minimum bill Amount	Minimum bill Kilowatt-hours, inclusive	15 kilowatt-hours	25 kilowatt-hours	40 kilowatt-hours	Lighting, small appliances, and refrigeration 100 kilowatt-hours	Lighting, small appliances, and refrigeration 150 kilowatt-hours	Lighting, etc., and cooking 250 kilowatt-hours	Lighting etc., cooking and water heating 500 kilowatt-hours	Average cost (cents per kilowatt-hours) 25 kilowatt-hours	100 kilowatt-hours	250 kilowatt-hours	500 kilowatt-hours
Scranton, Pa	143	S	The Scranton Electric Co	July 1, 1934	$1.00	14	$1.05	$1.75	$2.80	$5.00	$6.50	$9.50	$14.50	7.00	5.00	3.80	2.90
Do	143	S	do	Jan. 1, 1935	1.00	15	1.00	1.63	2.45	4.85	6.35	9.35	12.05	6.52	4.85	3.74	2.41
Seattle, Wash	365	M	City of Seattle, department of lighting.	do	.75	14	.85	1.40	2.20	3.40	4.40	6.30	8.15	5.60	3.40	2.52	1.63
Do	365	S	Puget Sound Power & Light Co.	do	.75	13	.83	1.38	2.20	3.40	4.40	6.28	8.15	5.52	3.40	2.51	1.63
Somerville, Mass	103	I	Edison Electric Illuminating Co. of Boston.	July 1, 1934	.75	10	1.13	1.75	2.50	5.30	6.80	9.80	12.80	7.00	5.30	3.92	2.56
Do	103	I	do	Jan. 1, 1935	.75	10	1.05	1.65	2.40	5.20	6.70	9.70	12.70	6.60	5.20	3.83	2.54
South Bend, Ind	104	S	Indiana & Michigan Electric Co.	July 1, 1934	1.00	15	1.00	1.63	2.55	4.65	6.15	9.15	12.90	6.52	4.65	3.63	2.58
Do	104	S	do	Jan. 1, 1935	1.00	15	1.00	1.63	2.40	4.30	5.55	8.05	11.70	6.52	4.30	3.22	2.34
Spokane, Wash	115	S	Washington Water Power Co.	do	.70	12	.83	1.38	2.00	3.80	5.30	8.30	10.30	5.52	3.80	3.32	2.06
Springfield, Ill	149	S	United Electric Light Co	July 1, 1934	.67	12	.83	1.38	2.20	4.60	6.38	9.38	16.88	5.52	4.60	3.75	3.38
Do	149	S	do	Jan. 1, 1935	.67	12	.83	1.38	2.20	4.60	6.35	9.10	15.35	5.52	4.60	3.64	3.07
Syracuse, N. Y	209	S	Syracuse Lighting Co., Inc	do	.90	12	1.05	1.55	2.10	3.90	5.40	7.90	12.90	6.20	3.90	3.16	2.58
Tacoma, Wash	106	M	City of Tacoma, department of public utilities.	do	.50	11	.68	1.13	1.80	2.40	2.90	3.90	6.40	4.52	2.40	1.56	1.28
Tampa, Fla	101	I	Tampa Electric Co	July 1, 1934	1.00	10	1.50	2.50	4.00	7.00	8.50	11.00	16.00	10.00	7.00	4.40	3.20
Do	101	I	do	Jan. 1, 1935	1.00	10	1.50	2.50	3.40	6.25	7.75	10.00	15.00	10.00	6.25	4.00	3.00
Toledo, Ohio	290	S	The Toledo Edison Co	do	1.00	10	1.25	1.75	2.50	4.90	6.40	9.40	16.90	7.00	4.90	3.76	3.38
Trenton, N. J	123	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
Do	123	S	do	Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
Tulsa, Okla	141	S	Public Service Co. of Oklahoma.	do	1.00	14	1.05	1.75	2.65	4.75	6.25	8.90	11.40	7.00	4.75	3.56	2.28
Utica, N. Y	101	S	Utica Gas & Electric Co	do	1.00	13	1.13	1.88	2.75	5.75	7.25	10.25	17.75	7.52	5.75	4.10	3.55
Washington, D. C	486	S	Potomac Electric Power Co	do	.75	19	.75	.98	1.56	3.60	3.95	5.67	10.10	3.92	3.60	2.27	2.02
Wichita, Kans	111	S	Kansas Gas & Electric Co	do	1.00	13	1.08	1.48	2.08	4.23	5.98	7.98	14.35	5.92	4.23	3.19	2.87
Wilmington, Del	106	S	Delaware Power & Light Co	July 1, 1934	1.00	13	1.13	1.88	2.78	5.48	6.98	9.98	17.48	7.52	5.48	3.99	3.50
Do	106	S	do	Jan. 1, 1935	1.00	13	1.13	1.88	2.78	5.48	6.98	9.98	12.98	7.52	5.48	3.99	2.60
Worcester, Mass	195	S	Worcester Electric Light Co	do	.75	15	.75	1.25	2.00	4.85	7.00	8.50	13.50	5.00	4.85	3.40	2.70
Yonkers, N. Y	134	S	Yonkers Electric Light & Power Co.	do	1.00	12	1.20	1.95	2.95	6.85	10.10	15.85	28.35	7.80	6.85	6.34	5.67
Youngstown	170	S	Ohio Edison Co	July 1, 1934	.50	9	.83	1.38	2.20	4.80	6.00	8.00	11.00	5.52	4.80	3.20	2.20
Do	170	S	do	Jan. 1, 1935	.50	10	.75	1.20	1.80	3.83	5.08	7.08	10.08	4.80	3.83	2.83	2.02
CITIES OF 50,000 TO 100,000 POPULATION IN UNITED STATES																	
Allentown, Pa	92,563	S	Pennsylvania Power & Light Co.	Jan. 1, 1935	$1.00	10	$1.38	$2.13	$3.20	$5.70	$7.08	$9.08	$13.20	8.52	5.70	3.63	2.64
Altoona, Pa	82,054	S	Penn Central Light & Power Co.	do	1.00	11	1.35	2.00	2.84	5.84	8.34	7.89	12.64	8.36	5.84	3.16	2.53
Asheville, N. C	50,193	S	Carolina Power & Light Co	July 1, 1934	1.00	10	1.50	2.25	3.00	6.00	8.50	9.65	12.65	9.00	6.00	3.86	2.53
Do	50,193	S	do	Jan. 1, 1935	1.00	10	1.50	1.88	2.40	4.25	5.25	7.25	11.00	7.52	4.25	2.90	2.20
Atlantic City	66,198	S	Atlantic City Electric Co	do	1.00	11	1.35	2.25	3.60	5.50	7.00	10.00	15.00	9.00	5.50	4.00	3.00
Augusta, Ga	60,342	S	Georgia Power Co	do	1.00	15	1.00	1.62	2.37	4.57	6.07	8.32	10.32	6.48	4.57	3.33	2.06
Do	60,342	S	do	do	1.00	15	1.00	1.45	2.12	3.95	4.95	6.57	8.57	5.80	3.95	2.63	1.71
Austin, Tex	53,120	M	Municipal Water, Light & Power Department.	do	.50	6	1.21	2.03	3.24	5.36	7.61	7.88	14.63	8.12	5.36	3.15	2.93
Bayonne, N. J	88,979	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
Do	88,979	S	do	Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
Beaumont, Tex	57,732	S	Gulf States Utilities Co	July 1, 1934	1.00	10	1.43	2.38	3.43	5.45	6.95	8.25	10.75	9.52	5.45	3.30	2.15
Do	57,732	S	do	Jan. 1, 1935	1.00	11	1.28	2.13	3.18	5.45	6.95	8.25	10.75	8.52	5.45	3.30	2.15
Berkeley, Calif	82,109	S	Great Western Power Co. of California.	do	.40	------	1.08	1.53	2.10	4.20	5.95	7.85	9.95	6.12	4.20	3.14	1.99
Do	82,109	I	Pacific Gas & Electric Co	do	.40	------	1.08	1.53	2.10	4.20	5.95	7.85	9.95	6.12	4.20	3.14	1.99
Bethlehem, Pa	57,892	S	Pennsylvania Power & Light Co.	do	1.00	10	1.38	2.13	3.20	5.70	7.08	9.08	13.20	8.52	5.70	3.63	2.64
Binghamton, N. Y	76,662	S	New York State Electric & Gas Corporation.	do	1.00	------	1.53	1.88	2.40	4.50	5.50	7.50	12.50	7.52	4.50	3.00	2.50
Brockton, Mass	63,797	S	Edison Electric Illuminating Co. of Brockton.	do	.75	9	1.20	1.90	2.50	4.65	6.40	8.90	12.46	7.60	4.65	3.56	2.49
Cedar Rapids, Iowa.	56,097	I	Iowa Electric Light & Power Co.	do	1.00	16	1.00	1.50	2.30	4.78	6.03	8.53	11.78	6.00	4.78	3.41	2.36
Charleston, S. C	62,265	S	South Carolina Power Co	July 1, 1934	1.00	11	1.28	2.12	3.15	5.85	7.34	10.09	13.33	8.48	5.85	4.04	2.67
Do	62,265	S	do	Jan. 1, 1935	1.00	12	1.17	1.93	2.90	5.60	7.09	9.84	13.08	7.72	5.60	3.94	2.62
Do	62,265	S	do	do	1.00	12	1.16	1.71	2.54	4.62	5.62	7.24	10.37	6.84	4.62	2.90	2.07
Charleston, W. Va	60,408	S	Appalachian Electric Power Co.	do	1.00	8	1.40	2.00	2.60	4.75	6.25	9.25	12.25	8.00	4.75	3.70	2.45
Charlotte, N. C	82,675	S	Southern Public Utilities Co.	July 1, 1934	1.00	13	1.14	1.84	2.50	4.95	6.63	9.34	16.84	7.36	4.75	3.74	3.37
Do	82,675	S	do	Jan. 1, 1935	.80	10	1.13	1.78	2.40	4.20	5.60	8.10	11.60	7.12	4.20	3.24	2.32
Chester, Pa	59,164	S	Philadelphia Electric Co	do	.75	9	1.13	1.68	2.50	4.55	6.05	8.80	11.80	6.72	4.55	3.52	2.36
Cicero, Ill	66,602	I	Public Service Co. of Northern Illinois.	do	.50	7	1.02	1.70	2.63	4.68	5.68	7.68	10.68	6.80	4.68	3.07	2.14
Cleveland Heights, Ohio.	50,945	S	Cleveland Electric Illuminating Co.	do	.60	15	.60	1.00	1.60	4.00	6.00	9.88	16.88	4.00	4.00	3.95	3.38
Columbia, S. C	51,581	S	Broad River Power Co	July 1, 1934	.80	11	1.08	1.80	2.88	5.60	7.10	9.60	14.60	7.20	5.60	3.84	2.92
Do	51,581	S	do	Jan. 1, 1935	.75	11	1.05	1.65	2.40	4.65	5.90	7.90	11.65	6.60	4.65	3.16	2.33
Covington, Ky	65,252	S	Union Light, Heat & Power Co.	do	.60	12	.75	1.25	1.70	3.00	4.00	6.00	11.00	5.00	3.00	2.40	2.20
Davenport, Iowa	60,751	S	Peoples Light Co	do	.50	6	1.08	1.78	2.39	4.01	5.36	------	------	7.12	4.01	------	------
Dearborn, Mich	50,358	I	Detroit Edison Co	do	.45	5	1.03	1.39	1.93	3.53	4.65	6.90	9.96	5.56	3.53	2.76	1.99
Decatur, Ill	57,510	S	Illinois Power & Light Corporation.	do	.75	12	.90	1.50	2.25	4.25	5.75	8.00	10.75	6.00	4.25	3.20	2.15

TABLE NO. 1.—*Typical monthly bills—Residential service*—Continued
CITIES OF 50,000 TO 100,000 POPULATION IN UNITED STATES—continued

Name of community	Population, 1930 census	Service supplied by— Control	Name of company	Date	Lighting and small appliances: Minimum bill Amount	Minimum bill Kilowatt-hours, inclusive	15 kilowatt-hours	25 kilowatt-hours	40 kilowatt-hours	Lighting, small appliances, and refrigeration: 100 kilowatt-hours	150 kilowatt-hours	Lighting, etc., and cooking: 250 kilowatt-hours	Lighting, etc., cooking and water heating: 500 kilowatt-hours	Average cost (cents per kilowatt-hours): 25 kilowatt-hours	100 kilowatt-hours	250 kilowatt-hours	500 kilowatt-hours
Durham, N. C.	52,037	S	Durham Public Service Co.	July 1, 1934	$1.00	12	$1.20	$1.90	$2.80	$5.40	$6.90	$9.65	$15.90	7.60	5.40	3.86	3.18
Do	52,037	S	do	Jan. 1, 1935	1.00	12	1.20	1.88	2.70	5.00	6.75	9.25	15.50	7.52	5.00	3.70	3.10
East Chicago, Ind.	54,784	S	Northern Indiana Public Service Co.	do	1.00	11	1.35	1.90	2.55	4.55	6.05	9.05		7.60	4.55	3.62	
East Orange, N. J.	68,020	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
Do	68,020	S	do	Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
East St. Louis, Mo.	74,347	S	East St. Louis Light & Power Co.	do	.50	10	.71	1.19	1.71	3.13	4.32	6.22	9.78	4.76	3.13	2.49	1.96
Evanston, Ill.	63,338	I	Public Service Co. of Northern Illinois.	do	.50	7	1.02	1.70	2.63	4.68	5.68	7.68	10.68	6.80	4.68	3.07	2.14
Fresno, Calif.	52,513	S	San Joaquin Light & Power Corporation.	do	.50		1.18	1.63	2.20	4.30	6.05	7.95	10.05	6.52	4.30	3.18	2.01
Galveston, Tex.	52,938	S	Houston Light & Power Co.	do	.50	8	.90	1.30	1.90	4.30	5.78	8.28	14.53	5.20	4.30	3.31	2.91
Glendale, Calif.	62,736	M	City of Glendale public-service department.	July 1, 1934	.60	12	.72	1.20	1.81	3.31	4.56	6.68	11.68	4.80	3.31	2.67	2.34
Do	62,736	M	do	Jan. 1, 1935	.60	13	.68	1.13	1.80	3.30	4.25	5.75	8.25	4.52	3.30	2.30	1.65
Greensboro	53,569	S	Southern Public Utilities Co.	July 1, 1934	1.00	13	1.14	1.84	2.50	4.75	6.63	9.34	16.84	7.36	4.75	3.74	3.37
Do	53,569	S	do	Jan. 1, 1935	.80	10	1.13	1.78	2.40	4.20	5.60	8.10	11.60	7.12	4.20	3.24	2.32
Hamilton, Ohio	52,176	S	Hamilton Service Co.	do	.75	16	.75	1.13	1.80	3.75	5.00	7.50	13.75	4.52	3.75	3.00	2.75
Do	52,176	M	Hamilton municipal electric plant.	do	.50	11	.68	1.13	1.80	3.75	5.00	7.25	12.25	4.52	3.75	2.90	2.45
Hammond, Ind.	64,560	S	Northern Indiana Public Service Co.	do	1.00	11	1.35	1.90	2.55	4.55	6.05	9.05		7.60	4.55	3.62	
Hamtramck, Mich.	56,268	I	Detroit Edison Co.	do	.45	5	1.03	1.39	1.93	3.53	4.65	6.90	9.96	5.56	3.53	2.76	1.99
Harrisburg, Pa.	80,339	S	Pennsylvania Power & Light Co.	do	1.00	10	1.21	1.64	2.28	4.83	6.95	9.08	13.20	6.56	4.83	3.63	2.64
Highland Park, Mich.	52,959	I	Detroit Edison Co.	do	.45	5	1.03	1.39	1.93	3.53	4.65	6.90	9.96	5.56	3.53	2.76	1.99
Hoboken, N. J.	59,261	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
Do	59,261	S	do	Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
Holyoke, Mass.	56,537	M	Municipal gas and electric department.	do	.50	12	.60	1.00	1.60	4.00	5.75	9.25	18.00	4.00	4.00	3.70	3.60
Huntington, W. Va.	75,572	S	Appalachian Electric Power Co.	do	1.00	8	1.40	2.00	2.60	4.75	6.25	9.25	12.25	8.00	4.75	3.70	2.45
Irvington, N. J.	56,733	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
Do	56,733	S	do	Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
Jackson, Mich.	55,187	S	Consumers Power Co.	do	.50	5	1.26	1.83	2.28	3.56	4.56	6.56	9.31	7.32	3.56	2.62	1.86
Johnstown, Pa.	66,993	S	Pennsylvania Electric Co.	do	1.00	11	1.35	2.25	2.70	4.50	6.00	8.00	13.50	9.00	4.50	3.20	2.70
Kalamazoo, Mich.	54,786	S	Consumers Power Co.	do	.50	5	1.26	1.83	2.28	3.56	4.56	6.56	9.31	7.32	3.56	2.62	1.86
Do	54,786	M	Kalamazoo division, lighting department public utilities.	do	.50	8	.90	1.50	1.95	3.44	4.44	6.44	11.44	6.00	3.44	2.58	2.29
Kenosha, Wis.	50,262	S	Wisconsin Gas & Electric Co.	Jan. 1, 1935	.50	7	1.07	1.79	2.30	4.01	5.43	7.33	8.86	7.16	4.01	2.93	1.77
Lakewood, Ohio	70,509	M	City of Cleveland, Department Public Utilities, Division Light and Power.	do	.60	15	.60	.88	1.31	3.05	4.50	7.40	14.65	3.52	3.05	2.96	2.93
Do	70,509	S	Cleveland Electric Illuminating Co.	do	.60	15	.60	1.00	1.60	4.00	6.00	9.88	16.88	4.00	4.00	3.95	3.38
Lancaster, Pa.	59,949	S	Pennsylvania Power & Light Co.	do	1.00	10	1.38	2.13	3.20	5.70	7.08	9.08	13.20	8.52	5.70	3.63	2.64
Lansing, Mich.	78,397	M	Board of Water & Electric Light Commissioners.	do	.40	8	.75	1.25	1.85	3.25	4.25	6.00	9.75	5.00	3.25	2.40	1.95
Lawrence, Mass.	85,068	S	Lawrence Gas & Electric Co.	do	.75	8	1.35	2.05	2.80	5.30	7.30	11.30	17.55	8.20	5.30	4.52	3.51
Lincoln, Nebr.	75,933	M	City Hall Municipal Water & Light Department.	July 1, 1934	.40		1.05	1.43	2.00	3.99	5.66	8.98	17.29	5.72	3.99	3.59	3.46
				Jan. 1, 1935	.40		1.05	1.43	2.00	3.99	5.66	8.98	17.29	5.72	3.99	3.59	3.46
Do	75,933	M	do	do	.40		1.05	1.43	2.00	3.71	5.13	7.74	13.68	5.72	3.71	3.10	2.74
Do	75,933	S	Iowa-Nebraska Light & Power Co.	July 1, 1934	.40		1.05	1.43	2.00	3.99	5.65	8.98	17.29	5.72	3.99	3.59	3.46
				Jan. 1, 1935	.40		1.10	1.50	2.10	3.90	5.40	8.15	14.40	6.00	3.90	3.26	2.88
Little Rock, Ark.	81,679	S	Arkansas Power & Light Co.	do	.60		1.50	2.10	2.90	5.10	6.60	9.60	14.60	8.40	5.10	3.84	2.92
Macon, Ga.	53,829	S	Georgia Power Co.	do	1.00	15	1.00	1.62	2.37	4.57	6.07	8.32	10.32	6.48	4.57	3.33	2.06
Do	53,829	S	do	do	1.00	15	1.00	1.45	2.12	3.95	4.95	6.57	8.57	5.80	3.95	2.63	1.71
Madison, Wis.	57,899	S	Madison Gas & Electric Co.	July 1, 1934	.75	13	.82	1.22	1.68	2.88	3.88	5.88	10.88	4.88	2.88	2.35	2.18
Do	57,899	S	do	Jan. 1, 1935	.60	0	.94	1.17	1.50	2.73	3.73	5.60	9.98	4.68	2.73	2.24	2.00
Malden, Mass.	58,036	S	Malden Electric Co.	do	.50	6	1.12	1.77	2.60	4.70	6.45	9.95	18.70	7.08	4.70	3.98	3.74
Manchester, N. H.	76,834	S	Public Service Co. of New Hampshire.	do	1.00	10	1.50	2.34	3.24	5.36	6.36	8.36	13.36	9.36	5.36	3.34	2.67
McKeesport, Pa.	54,632	S	Duquesne Light Co.	do	.50	7	1.05	1.55	2.20	4.10	5.60	8.60	16.10	6.20	4.10	3.44	3.22
Medford, Mass.	59,714	S	Malden Electric Co.	do	.50	6	1.12	1.77	2.60	4.70	6.45	9.95	18.70	7.08	4.70	3.98	3.74
Mobile, Ala.	68,202	S	Alabama Power Co.	July 1, 1934	1.00	15	1.00	1.55	2.30	4.05	5.30	7.80	12.25	6.20	4.05	3.12	2.45
Do	68,202	S	do	do	1.00	15	1.00	1.45	2.13	3.70	4.70	6.36	9.49	5.80	3.70	2.54	1.90
Do	68,202	S	do	Jan. 1, 1935	1.00	15	1.00	1.55	2.30	4.05	5.30	7.60	11.35	6.20	4.05	3.04	2.27
Do	68,202	S	do	do	1.00	15	1.00	1.45	2.13	3.95	4.95	6.58	9.70	5.80	3.95	2.63	1.94
Montgomery, Ala.	66,079	S	do	July 1, 1934	1.00	15	1.00	1.55	2.30	4.05	5.30	7.80	12.25	6.20	4.05	3.12	2.45
Do	66,079	S	do	do	1.00	15	1.00	1.45	2.13	3.70	4.70	6.36	9.49	5.80	3.70	2.54	1.90
Do	66,079	S	do	Jan. 1, 1935	1.00	15	1.00	1.55	2.30	4.05	5.30	7.60	11.35	6.20	4.05	3.04	2.27
Do	66,079	S	do	do	1.00	15	1.00	1.45	2.13	3.95	4.95	6.58	9.70	5.80	3.95	2.63	1.94
Mount Vernon, N. Y.	61,499	S	Westchester Lighting Co.	do	1.00	8	1.56	2.36	3.41	7.31	10.56	16.31	28.81	9.44	7.31	6.52	5.76
New Britain, Conn.	68,128	S	Connecticut Light & Power Co.	July 1, 1934	1.00	10	1.50	2.10	2.70	5.10	7.10	10.10	13.80	8.40	5.10	4.04	2.76
Do	68,128	S	do	Jan. 1, 1935	1.00	10	1.50	2.10	2.70	5.10	7.10	9.35	13.30	8.40	5.10	3.74	2.66
New Rochelle, N. Y.	54,000	S	Westchester Lighting Co.	do	1.00	8	1.56	2.36	3.41	7.31	10.56	16.31	28.81	9.44	7.31	6.52	5.76
Newton, Mass.	65,276	I	Edison Electric Illuminating Co. of Boston.	July, 1, 1934	.75	10	1.13	1.75	2.50	5.30	6.80	9.80	12.80	7.00	5.30	3.92	2.56
				Jan. 1, 1935	.75	10	1.05	1.65	2.40	5.20	6.70	9.70	12.70	6.60	5.20	3.88	2.54

TABLE NO. 1.—*Typical monthly bills—Residential service*—Continued
CITIES OF 50,000 TO 100,000 POPULATION IN UNITED STATES—continued

Name of community	Population, 1930 census	Service supplied by— Control	Name of company	Date	Lighting and small appliances: Minimum bill Amount	Minimum bill Kilowatt-hours, inclusive	15 kilowatt-hours	25 kilowatt-hours	40 kilowatt-hours	Lighting, small appliances, and refrigeration 100 kilowatt-hours	Lighting, small appliances, and refrigeration 150 kilowatt-hours	Lighting, etc., and cooking 250 kilowatt-hours	Lighting, etc., cooking and water heating 500 kilowatt-hours	Average cost (cents per kilowatt-hours) 25 kilowatt-hours	100 kilowatt-hours	250 kilowatt-hours	500 kilowatt-hours
Niagara Falls, N. Y.	75,460	S	Niagara Electric Service Corporation.	Jan. 1, 1935	$0.75	15	$0.75	$1.13	$1.70	$3.06	$3.81	$5.31	$9.06	3.52	3.06	2.12	1.81
Do	75,460	S	Niagara Falls Gas & Electric Light Co.	do	.75	15	.75	1.19	1.90	4.75	7.13	11.88	(2)	4.76	4.75	4.75	.....
Oak Park, Ill	63,982	I	Public Service Co. of North Illinois.	do	.50	7	1.02	1.70	2.63	4.68	5.68	7.68	10.68	6.80	4.68	3.07	2.14
Pasadena, Calif	76,086	I	Southern California Edison Co., Ltd.	do	1.00	20	1.00	1.25	2.00	5.00	7.50	7.00	9.25	5.00	5.00	2.80	1.85
Do	76,086	M	Municipal light and power department.	do	.50	11	.68	1.13	1.80	3.30	4.45	5.95	8.20	4.52	3.30	2.38	1.64
Passaic, N. J	62,959	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
				Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
Pawtucket, R. I	77,149	S	Blackstone Valley Gas & Electric Co.	do	1.00	10	1.50	2.25	3.00	5.80	7.30	10.30	14.05	9.00	5.80	4.12	2.81
Pontiac, Mich	64,928	S	Consumers Power Co	do	.45	5	1.03	1.39	1.93	3.53	4.66	6.91	9.25	5.56	3.53	2.76	1.85
Port Arthur, Tex	50,902	S	Gulf States Utilities Co	July 1, 1934	1.00	10	1.43	2.38	3.43	5.45	6.95	8.25	10.75	9.52	5.45	3.30	2.15
Do	50,902	S	do	Jan. 1, 1935	1.00	11	1.28	2.13	3.18	5.45	6.95	8.25	10.75	8.52	5.45	3.30	2.15
Portland, Maine	70,810	S	Cumberland County Power & Light Co.	do	1.00	12	1.20	1.88	2.63	4.73	5.73	7.73	12.73	7.52	4.73	3.09	2.55
Pueblo, Colo	50,096	S	Southern Colorado Power Co.	July 1, 1934	1.00	12	1.20	2.00	2.70	4.80	6.55	10.05	12.10	8.00	4.80	4.02	2.42
Do	50,096	S	do	Jan. 1, 1935	1.00	12	1.20	2.00	2.70	4.50	6.00	9.00	11.50	8.00	4.50	3.60	2.30
Quincy, Mass	71,983	S	Quincy Electric Light & Power Co.	do	.50	7	.98	1.63	2.38	4.33	6.34	9.70	13.95	6.52	4.33	3.88	2.79
Racine, Wis	67,542	S	Milwaukee Electric Railway & Light Co.	do	.50	7	1.07	1.79	2.30	4.01	5.43	7.33	8.86	7.16	4.01	2.93	1.77
Roanoke, Va	69,206	S	Appalachian Electric Power Co.	July 1, 1934	1.00	12	1.20	2.00	3.20	4.75	6.25	9.25	12.25	8.00	4.75	3.70	2.45
Do	69,206	S	do	Jan. 1, 1935	1.00	10	1.28	1.88	2.48	4.63	6.13	9.13	11.83	7.52	4.63	3.65	2.37
Rockford, Ill	85,864	S	Central Illinois Electric & Gas Co.	do	.50	7	1.02	1.56	2.16	3.96	5.36	8.16	11.91	6.24	3.96	3.26	2.38
Sacramento, Calif	93,750	S	Great Western Power Co. of California.	do	.50	.....	1.18	1.63	2.20	4.30	6.05	7.95	10.05	6.52	4.30	3.18	2.01
Do	93,750	I	Pacific Gas & Electric Co	do	.50	.....	1.18	1.63	2.20	4.30	6.05	7.95	10.05	6.52	4.30	3.18	2.01
Saginaw, Mich	80,715	S	Consumers Power Co	do	.50	5	1.26	1.83	2.28	3.56	4.56	6.56	9.31	7.32	3.56	2.62	1.86
St. Joseph, Mo	80,935	S	St. Joseph Railway, Light Heat & Power Co.	do	.75	.....	1.50	2.00	2.55	4.35	5.85	8.60	14.85	8.00	4.35	3.44	2.97
San Jose, Calif	57,651	I	Pacific Gas & Electric Co	do	.50	.....	1.18	1.63	2.20	4.30	6.05	7.95	10.05	6.52	4.30	3.18	2.01
Savannah, Ga	85,024	S	Savannah Electric & Power Co.	do	1.00	15	1.00	1.63	2.38	4.57	6.07	8.32	11.12	6.52	4.57	3.33	2.22
Schenectady, N. Y.	95,692	S	New York Power & Light Corporation.	Jan. 1, 1935	.75	9	1.20	2.00	2.55	4.35	5.85	8.35	11.85	8.00	4.35	3.34	2.37
Shreveport, La	76,655	S	Southwestern Gas & Electric Co.	do	1.00	14	1.05	1.75	2.65	4.75	6.25	8.75	11.25	7.00	4.75	3.50	2.25
Sioux City, Idaho	79,183	S	Sioux City Gas & Electric Co.	July 1, 1934	1.00	18	1.00	1.38	2.20	5.50	7.00	10.00	17.50	5.52	5.50	4.00	3.50
Do	79,183	S	do	Jan. 1, 1935	1.00	18	1.00	1.38	2.20	5.10	6.60	9.10	14.10	5.52	5.10	3.64	2.82
Springfield, Ill	71,864	S	Central Illinois Light Co	do	.50	10	.75	1.25	1.90	3.90	4.90	6.90	11.90	5.00	3.90	2.76	2.38
Do	71,864	M	City Water, Light & Power Department.	do	.50	10	.75	1.25	1.90	3.02	3.77	4.80	7.30	5.00	3.02	1.92	1.46
Springfield, Mo	57,527	S	Springfield Gas & Electric Co.	do	.75	5	1.25	1.75	2.50	4.50	6.00	9.00	16.50	7.00	4.50	3.60	3.30
Springfield, Ohio	68,743	S	Ohio Edison Co	do	.50	7	1.08	1.80	2.70	4.70	6.20	9.20	12.20	7.20	4.70	3.68	2.44
Terre Haute, Ind	62,810	S	Public Service Co. of Indiana	do	1.00	15	1.00	1.63	2.40	4.30	5.55	8.05	14.30	6.52	4.30	3.22	2.86
Topeka, Kans	64,120	S	Kansas Power & Light Co	July 1, 1934	.50	8	.90	1.50	2.10	4.00	5.50	7.75	10.50	6.00	4.00	3.10	2.10
Do	64,120	S	do	Jan. 1, 1935	.50	9	.83	1.38	1.98	3.63	4.88	7.38	11.13	5.52	3.63	2.95	2.23
Troy, N. Y	72,763	S	New York Power & Light Corporation.	do	.75	9	1.20	2.00	2.55	4.35	5.85	8.35	11.85	8.00	4.35	3.34	2.37
Union City, N. J	58,659	S	Public Service Electric & Gas Co.	July 1, 1934	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	17.30	8.60	5.30	3.92	3.46
Do	58,659	S	do	Jan. 1, 1935	1.00	11	1.35	2.15	3.20	5.30	6.80	9.80	12.30	8.60	5.30	3.92	2.46
Waco, Tex	52,848	S	Texas Power & Light Co	do	.75	.....	1.60	2.15	2.90	5.50	7.00	8.60	13.60	8.60	5.50	3.44	2.72
Waterbury, Conn	99,902	S	Connecticut Light & Power Co.	July 1, 1934	1.00	10	1.50	2.10	2.70	5.10	7.10	10.10	13.80	8.40	5.10	4.04	2.76
Do	99,902	S	do	Jan. 1, 1935	1.00	10	1.50	2.10	2.70	5.10	7.10	9.35	13.30	8.40	5.10	3.74	2.66
West Los Angeles, Calif.	53,868	I	Southern California Edison Co., Ltd.	do	1.00	20	1.00	1.25	2.00	5.00	7.50	7.00	9.25	5.00	5.00	2.80	1.85
Wheeling, W. Va	61,659	S	Wheeling Electric Co	do	1.00	8	1.40	2.00	2.60	4.75	6.25	9.25	12.25	8.00	4.75	3.70	2.45
Wilkes-Barre, Pa	86,626	S	Pennsylvania Power & Light Co.	do	1.00	10	1.38	2.05	2.50	5.50	7.00	9.08	13.20	8.20	5.50	3.63	2.64
Winston-Salem, N. C.	75,274	S	Southern Public Utilities Co.	July 1, 1934	1.00	13	1.14	1.84	2.50	4.75	6.63	9.34	16.84	7.36	4.75	3.74	3.37
Do	75,274	S	do	Jan. 1, 1935	.80	10	1.13	1.78	2.40	4.20	5.60	8.10	11.60	7.12	4.20	3.24	2.32
York, Pa	55,254	S	Edison Light & Power Co	do	1.00	1	1.66	2.14	2.76	4.66	6.08	8.93	13.68	8.56	4.66	3.57	2.74
Do	55,254	S	Metropolitan Edison Co	July 1, 1934	1.00	11	1.35	2.25	3.40	5.50	7.00	9.50	14.50	9.00	5.50	3.80	2.90
Do	55,254	S	do	Jan. 1, 1935	1.00	11	1.32	2.12	3.20	5.42	6.92	9.42	14.42	8.48	5.42	3.77	2.88
COMPARE THE ABOVE RATES WITH THE FOLLOWING RATES WHERE POWER AND LIGHTS ARE FURNISHED BY PUBLICLY OWNED PLANTS																	
Tupelo, Miss	7,000	M	Tennessee Valley Authority	Jan. 1, 1935	$0.75	25	$0.75	$0.75	$1.20	$2.50	$3.50	$5.00	$6.90	3.00	2.50	2.00	1.38
Tacoma, Wash	106,000	M	City of Tacoma, Department of Public Utilities.	do	.50	11	.68	1.13	1.80	2.40	2.90	3.90	6.40	4.52	2.40	1.56	1.28
Ottawa, Canada	130,000	M	Ontario Hydro Commission	do	.....	.....	.75	.75	1.02	1.74	2.05	2.88	3.92	3.00	1.74	1.11	.784

AGRICULTURE LEADS THE WAY TO PROSPERITY

Mr. PARSONS. Mr. Speaker, since the Republican convention held at Cleveland, Ohio, has declared for the repeal of all of the laws benefiting agriculture, I think something should be said with reference to the benefits derived from the legislation passed by this and the last Congresses for the benefit of the agricultural industry of America, and especially for Illinois.

When the present administration took office on March 4, 1933, the prices of most farm commodities sold directly by the farmers were the lowest in the history of this country. The buying power of the farmers was destroyed because of such pauperous prices. They were heavily in debt, and their earnings from their farms in many instances were not sufficient to even pay the interest on their loans, not to mention principal.

In a few short months after the inauguration of President Roosevelt and the passage through Congress of beneficial agricultural legislation, solvency was restored to the American farmers. There has never been a time in the history of this country, not even during the World War, that agricultural commodity prices rose as rapidly as they did in the spring and summer of 1933; and those prices have been maintained on a stabilized basis down to the present day.

The policy of this administration is not a policy of scarcity; it is a policy of economic production at a profit to the farmers, just as much as economic production in industry supplies the needs of consumption. No Member of this Congress in either House or Senate, no Cabinet officer or any officer under him in the executive branch of the Government, have ever advocated a policy or system of scarcity. They advocate a policy of economic production to supply the needs of consumption at a profit to the farmers. I take pleasure, therefore, Mr. Speaker, in showing what has been done for the farmers of Illinois during the past 3 years; and what is true of Illinois is true of every State in the Nation.

AGRICULTURAL IMPROVEMENT IN ILLINOIS

The agricultural improvement situation in Illinois for the years 1932 to 1935, inclusive, shows that the cash receipts from the sale of principal farm products in Illinois rose from $228,661,000 in 1932 to $363,476,000 in 1935, including $34,009,000 in rental and benefit payments. This is an increase of 59 percent. Cash receipts for Illinois represent approximately 95 percent of the total farm cash income from production.

Mr. Speaker, the price changes on certain selected commodities, which brought about a considerable share of the increased cash receipts indicated above, are shown in a table prepared by the Department of Agriculture, which reads as follows:

Average prices received by Illinois farmers for commodities listed on dates specified

Commodity	Aug. 15, 1932	Mar. 15, 1933	Dec. 15, 1935
Wheat, per bushel	$0.41	$0.40	$0.93
Corn, do	.23	.15	.48
Oats, do	.12	.11	.23
Barley, do	.25	.23	.46
Rye, do	.28	.28	.45
Buckwheat, do	.50	.45	.45
Potatoes, do	.55	.55	.75
Hay (all loose), per ton	5.30	4.80	7.60
Apples, per bushel	.70	1.00	.80
Hogs, per hundred	4.30	3.40	9.00
Beef cattle, do	5.50	4.15	7.90
Veal calves, do	5.30	5.40	9.10
Lambs, do	4.80	4.70	9.30
Milk cows, per head	37.00	34.00	55.00
Chickens, per pound	.115	.085	.165
Butter, do	.20	.18	.33
Eggs, per dozen	.137	.087	.295
Wool (unwashed), per pound	.09	.10	.25

For the United States as a whole, the yearly average price for all groups of farm products increased from 65 percent to 108 percent of the pre-war level during the period 1932–35, an increase of 66 percent. The low point occurred in March 1933, when prices were only 55 percent of the pre-war level, whereas in December 1935 they averaged 110 percent of that level. These figures do not include rental and benefit payments. The gain in exchange value of farm products per unit was somewhat less than the gain in farm prices, since prices farmers pay for commodities used in living and production also advanced about 17 percent during the period. The exchange value per unit of farm products increased from 61 percent of the pre-war level in 1932 to 86 percent in 1935, a gain of about 41 percent.

FARM REAL ESTATE APPRECIATION

A new appreciation of farm real estate in Illinois has been one result of increased farm income. Voluntary sales and trades of farms increased from 13.6 per thousand for the year ending March 15, 1933, to 15 for the year ending March 15, 1935. During the same period the number of forced farm sales per thousand declined from 50.7 to 25.1. For the first time since 1920, the decline in value of farm real estate per acre halted in the year ending March 1, 1933, when it stood at a low of 54, the State average value from 1912 to 1914 being 100. From this low of 54 in 1933 the estimated value per acre rose to 61 for the year ending March 1, 1935.

IMPROVEMENT EXTENDED TO FARM LABOR CONDITIONS

On January 1, 1933, the demand for farm labor in Illinois was 41 percent below normal, and the supply was 28 percent above normal. At this time the farm wage rate per person, with board, was $18.75 per month. Three years later, on January 1, 1936, the farm labor supply was 2 percent below normal. Demand was only 20 percent below normal; that is, it had improved 105 percent in the 3-year period. The farm wage rate per person, with board, stood at $23.25 per month, having advanced 24 percent above the 1933 level.

SOIL-CONSERVATION PRACTICES UNDER A. A. A.

The programs of agricultural adjustment, from their launching in the spring of 1933, were concerned with good use of the land of cooperating farmers, as well as with adjustment of crop acreage in line with effective demand. Farm leaders and administration officials recognized from the start that relieving a proportion of farm land from the soil-exhausting burden of major crop production created an unprecedented opportunity for putting this land to the soil-conserving uses which farm specialists had been advocating for many years. The first corn-hog contract—that for the 1934 crop year—authorized use of the rented acreage only "for planting additional permanent pasture; for soil-improving and erosion-preventing crops not to be harvested; for resting or fallowing the land; for weed eradication; or for planting farm wood lots." The first wheat contract contained similar provisions regarding the rented acreage. The cotton contract for 1934–35 specified use of the rented acres only for "soil-improving crops; erosion-preventing crops; good crops for consumption by the producer on his farm; feed crops for the production of livestock or livestock products for consumption or use by the producer on his farm; or fallowing; or such other uses as may be permitted by the Secretary of Agriculture or his authorized agent." Food and feed crops for home use were authorized on rented acres in the South, as it was recognized that the standard of farm living in that region might thereby be improved. The tobacco contracts carried similar provisions. The corn-hog, cotton, and tobacco contracts further specified that the total acreage planted to commercial crops on a given farm be not increased over the acreage during the base period less the amount of the rented acreage.

These provisions meant a real net increase in the proportion of land on a given farm that could be put to less intensive uses through the adjustment contract.

In the 1934 crop year, the first in which the adjustment programs were in full swing, farmers agreed to shift nearly 36,000,000 acres. About two-thirds of these shifted acres were put in soil-building and soil-conserving crops, and one-third were used for emergency forage crops and for crops that supplied food and feed for home use. These shifted acres represented one out of every nine acres of cultivated

land in the country. Farmers in Illinois in 1934 shifted more than 1,700,000 acres from the production of corn, wheat, and tobacco.

DAIRY CATTLE DISEASE ERADICATION

In my State milk has been an important source of farm income. For the past few years over $50,000,000 annually has been returned to milk producers.

Approximately $50,000,000 of Agricultural Adjustment Administration funds have been made available for use in the country as a whole in eradicating cattle diseases, primarily bovine tuberculosis, Bang's disease, and mastitis. This work is being done in cooperation with the Bureau of Animal Industry. As of December 31, 1935, some 1,892,000 cattle in Illinois had been given the tuberculin test and approximately 136,000 the agglutination test for Bang's disease. Since the work of tuberculosis is financed by State and regular Department of Agriculture funds, no emergency funds have been expended by the Agricultural Adjustment Administration in Illinois. My State was allocated $800,000 for the eradication of Bang's disease and of this amount indemnities and operating expenses as of December 31 last totaled $554,960.

EXTENT OF FARMER PARTICIPATION IN PROGRAMS

From the inauguration of the adjustment programs in 1933 through January 6, 1936, a total of about 284,122 crop-adjustment contracts signed by Illinois farmers had been accepted by the Agricultural Adjustment Administration. Of this number of contracts, 214,480 were corn-hog, 69,436 wheat, 140 sugar beet, 134 cotton, and 32 tobacco.

Four important referenda among producers were held in Illinois during the continuation of the agricultural-adjustment program. During the first 2 weeks in October 1934 corn-hog producers were asked whether they favored an adjustment program for 1935. In this referendum returns showed that 33,602 contract signers favored a 1935 program, while 11,111 opposed. In the Bankhead referendum conducted on December 14, 1934, to decide upon the applicability of the Bankhead Act to the 1935–36 cotton crop, 245 votes were cast in the State, of which 199 favored application of the act. A Nation-wide wheat referendum was held on May 25, 1935, in which producers were asked: "Are you in favor of a wheat production adjustment program to follow the present one which expires with the 1935 crop year?" In Illinois 23,706 votes were cast by producers, of which 21,177 or 89.3 percent, favored a program and 2,529 opposed. The last referendum in Illinois was that conducted on October 26, 1935, in which corn-hog producers were asked whether they favored a corn-hog program for 1936. Official returns indicated that 79,208 producers favored such a program while 5,605 opposed.

RENTAL AND BENEFIT PAYMENTS

As of December 31, 1935, rental and benefit payments disbursed among cooperating producers in this State from the beginning of the program totaled $56,886,049.18. Of this amount, corn-hog raisers received $50,135,224.01; wheat growers, $6,700,477.19; sugar-beet producers, $45,296.60; cotton farmers, $3,285.57; and tobacco producers, $1,765.81.

Funds to provide these rental and benefit payments were raised through processing taxes. As of December 31, 1935, processing and related tax collections made at points in Illinois aggregated $155,874,891.04. Processing taxes were collected through the medium of first processors, or converters of the raw product—millers, packers, cotton and tobacco manufacturers—wherever these processing establishments were located. They were paid by consumers throughout the Nation, wherever the processed products were sold.

THE DROUGHT EMERGENCY

Twelve counties in Illinois were severely affected by the drought of 1934. In this emergency A. A. A. rental and benefit payments, calculated on the farmers' production during a previous base period rather than upon the current year's production, served as a form of crop insurance. For their 1934 corn crop reduced to 146,760,000 bushels by the drought, Illinois farmers received only $34,030,000 at the market; but their rental and benefit payments brought their cash income from the 1934 corn crop to $51,731,000. This was 4 percent more than they received for their 1932 crop, amounting to 402,179,000 bushels, which was more than two and seven-tenths times as large.

In 1934 drought threatened Illinois farmers with the loss of thousands of cattle and sheep by thirst and starvation. On June 19, 1934, the Emergency Appropriation Act was approved. It allotted $525,000,000 to the Agricultural Adjustment Administration for financing a drought program to relieve distress in certain areas of the United States. The object of the program was (1) to maintain the foundation for a balanced or diversified farming system in the drought areas; (2) to preserve animals or herds of high producing quality; (3) to relieve some of the financial load carried by both borrower and lender; and (4) to perform these tasks quickly, efficiently, and economically. The purchase and disposition of cattle was conducted jointly by the Agricultural Adjustment Administration, the Bureau of Animal Industry, the Federal Surplus Relief Corporation, the Federal Emergency Administration, and other governmental agencies. During September and October 2,587 head of cattle were purchased by the Government in Illinois at a cost of $42,650.

In the seed-purchase program the A. A. A. acquired about 18,000,000 bushels of grain for seed in the Nation's drought-stricken areas. The cost to the Government of purchasing and selling these seeds amounted to about $19,000,000. In Illinois alone nearly $220,000 were spent in this work. The seed later offered for sale was accumulated to meet an emergency and was intended to supplement rather than to supplant locally obtainable supplies. Under this program about 15,000 bushels of seed and screenings were sold to distressed farmers in this State.

FARMERS' MONEY GOES TO TOWN

The extent to which increased farm income during the past 3 years enabled farmers to increase their purchases of city-made goods is reflected in a number of ways.

New automobile registrations in Illinois during the period 1932–35 have been approximately as follows:

1932	69,894
1933	97,224
1934	126,871
1935	205,248

The increase from 1932 to 1935 was 194 percent.

The purchases of new automobiles, among other things, meant an increased gasoline consumption. Consumption rose from 950,822,000 gallons in 1932 to 1,025,918,000 in 1934, and to 1,069,243,000 in 1935. From 1932 to 1935, therefore, the increase amounted to 12 percent.

The sales of new ordinary paid-up life insurance in Illinois increased by $13,436,000, from $489,567,000 in 1933 to $503,003,000 in 1935.

Now, along with these indexes of increased business activity, resulting in part from renewed purchasing power, there have been others. Monthly statements issued by the Federal Reserve System indicate that debits to individual accounts increased greatly from 1933 to 1935. For 1933, debits in the Chicago Federal Reserve district amounted to $32,129,366,000; but by 1935, according to preliminary figures, they totaled $49,643,653,000, an increase of about 55 percent over the 1933 figure.

During a recent study of freight way bills on car-lot shipments of industrial products over four railroads, from 16 industrial States of the North, including Illinois, to 10 agricultural States of the Southeast, shows that shipments in the year ending June 30, 1934, were greater by 816,302,238 pounds, or 38.8 percent, than in the preceding 12 months. Shipments from the State of Illinois to these 10 Southeastern States totaled 471,597,096 pounds in the year ending June 30, 1933, whereas during the following year ending June 30, 1934, after the farm program and other recovery measures went into effect, the total was 589,605,633 pounds, an increase of 25 percent.

Illinois products of a widely diversified nature were affected by the increased buying. Several outstanding groups were farm implements and machinery, which increased by 212.5 percent, from 4,523,515 pounds to 14,134,078 pounds; automobiles, which increased by 110.5 percent, from 2,497,777 pounds

to 5,258,311 pounds; hides and pelts, by 103.1 percent, from 3,627,191 pounds to 7,366,063 pounds; refrigerators, by 103.1 percent, from 508,973 pounds to 1,019,264; wire and fencing, by 58.7 percent, from 15,607,536 pounds to 24,770,238 pounds; and gasoline, oil, and petroleum products, by 8.3 percent, from 142,088,937 pounds to 153,900,446 pounds.

Shipments from Chicago to the Southeast by way of the four railroads increased 36.8 percent, from 106,830,955 pounds to 146,145,430 pounds. Of the classes of products shipped, steel and iron products bulked the largest, with carlot shipments increasing from 15,656,053 pounds in the earlier year to 37,636,356 pounds in the later, or 140.4 percent. Shipments of industrial materials and supplies increased from 6,159,876 pounds to 9,578,077 pounds, or 55.5 percent. Food and related products shipments increased 9.3 percent, from 12,167,336 pounds to 13,299,202 pounds. The survey shows notable increases in the shipments of commodities used, especially by farmers. These included farm implements and machinery, tractors and parts, steel fence posts, wire and fencing, and wagons and wheels. Shipments of such commodities used by farmers totaled 3,810,945 pounds in the first year of the survey and 9,301,220 pounds in the second year. This represents an increase of 144.1 percent.

In a similar study of the freight waybills on five railroads of carlot shipments of industrial products, from the 16 Northern States to 10 Southwestern States, shipments were shown to increase from 2,398,582,166 pounds to 3,294,993,200 pounds, or 37.4 percent. For Illinois shipments increased from 969,169,842 pounds to 1,071,939,711 pounds, a gain of 10.6 percent. The above figures for the Southwest do not include coal shipments.

Mr. Speaker, I submit that these facts, compiled by the Agricultural Department, as Government reports show conclusively, beyond a doubt, what this administration, under the leadership of our great President, Franklin Delano Roosevelt, has done for the farmers of America. They are not going to be deceived in this approaching campaign. The American farmers for the first time in history have been given a parity price and equality with industry, and they are going to the polls on November 3 and support not only the leadership of Franklin Delano Roosevelt, but support the men in the House of Representatives and in the United States Senate who have made such a program possible.

JAMES P. HORNADAY—A GENTLEMAN OF THE PRESS

Mr. LUDLOW. Mr. Speaker, the necrology of the last eventful year will be forever memorable in respect to the unusually large number of illustrious persons who have been gathered to their fathers. It has been said—and seemingly with much truth—that "death loves a shining mark." Never within my recollection as a Washington newspaper correspondent and as a Member of Congress, spanning a period of 35 years, has the grim reaper, in a similar period of time, laid such a heavy toll on both the Congress of the United States and the press gallery, which is so intimately associated with the workings of the legislative body. With unerring aim and bewildering suddenness death has removed, one after another, many of the most shining lights in the constellation of brilliant minds assembled here in the kindred occupations of making and recording history.

It is worthy of mention that in a period of less than 6 months death removed under circumstances that were amazingly parallel the stellar figure of the House of Representatives, Joseph W. Byrns, and the dean of the press gallery, James P. Hornaday, both equally outstanding and beloved in their respective spheres. Both died as they would have wished to die—in active service; Mr. Hornaday at his desk and Speaker Byrns just at the close of a hard day's work. In many respects these two great men, one eminent in the realm of statesmanship and the other distinguished in the art of gathering and writing news, were very much alike. They had the same lovable characteristics, the same high ideals, the same passion for service.

As one who was privileged to be associated with Mr. Hornaday for many years, when we were coworkers in the newspaper field, though on opposition newspapers, I doubt whether I could pay him a higher tribute than to make a simple statement that was true in regard to him, everlastingly and under all circumstances, and that simple statement of fact is this:

He knew when not to print the news as well as when to print the news.

A newspaperman who knows when not to print the news, and acts accordingly, is usually a man of courage, of big heart, and infinite compassion, and all of these qualities Mr. Hornaday possessed in marked degree. If the publication of a story would violate a confidence or do a grievous wrong or cause innocent hearts to ache, it could be taken for granted it would never see the light of day through any act of his. I have always believed that the ability to know what should not be printed is one of the highest qualifications of journalism, and certainly Mr. Hornaday had that discriminating judgment in a degree that approached perfection. As for myself, while I think I may modestly lay claim to my share of important "scoops", I shall always feel as much pride in the stories I did not print as in the stories I did print. It was, I think, this ability of Mr. Hornaday to respect the rights of others and to feel the touch of human sympathy in a world where selfishness is too rampant that caused this genial and gracious journalist to become known far and wide as "a gentleman of the press", a title conferred on him by President Roosevelt in February 1934, when he attained his fiftieth anniversary as a newspaperman. There was the warmth of genuine affection in President Roosevelt's voice when he called Mr. Hornaday to him during a White House press conference and said:

> The nicest and truest thing I can say about you is that you are a gentleman of the press.

Mr. Hornaday's constructive and creative genius as a journalist was exemplified during 46 years of continuous service for one great newspaper—the Indianapolis News. When he was a slender, black-haired youth he began his active career in metropolitan newspaperdom on that paper as a reporter, and when his hair was silver with age he was still true to his first attachment, and always, in youth and age, he was the same understanding soul who liked to help others and who was never known to violate a confidence. He was indefatigable in the search for news and his dependability made him the friend and confidant of Presidents. He derived the keenest pleasure in helping young men who came to consult him in regard to a journalistic career, and his fondness for his fellow workers was demonstrated by his activity in organizations created in their behalf. He was one of the founders of the National Press Club and was a member and past president of the Gridiron Club.

There was no base alloy in the character of this good man. He was pure gold. He was not of that happily diminishing school of journalists of whom it is sometimes said, "They never allow the truth to spoil a good story."

He was passionately wedded to the truth and the Nationwide and honorable reputation which he achieved as a journalist was founded on accuracy. Many a time I have heard the statement solemnly made in regard to some newspaper article, "That story must be true because Jim Hornaday wrote it."

What a tribute that was, implying as it did that there could be no doubt about the authenticity of an article because of the flawless reputation of the author!

In his private life Mr. Hornaday was a kind husband and father, a devout believer in the fatherhood of God and the brotherhood of man, and an exemplar of good citizenship. His professional ideals helped to raise the standard of journalism in America and his journalistic career was a credit to American achievement.

I cannot bring this sincere tribute to an old friend to a more fitting close than by quoting the words of President

Roosevelt, spoken with visible emotion when he heard of the sudden death of Mr. Hornaday.

I share with his legion of friends the grief which the passing of James P. Hornaday has brought to all of us at this Christmas time—

said the President—

Dean of White House correspondents, he had through long years faithfully chronicled national events, not less admired for his talents as a newspaperman than he was beloved because of the beauty and strength of his personal character. There was—there is—among Washington newspapermen no gentler, truer soul than Jim Hornaday. We shall long remember him and miss him and mourn him and be thankful that we were permitted to know him and love him.

So say all of us who knew him.

MY DUTY AS A CONGRESSMAN IN TIME OF NATIONAL DISTRESS

Mr. WOLVERTON. Mr. Speaker, for nearly 7 years this Nation has experienced a degree of distress that exceeds that of any other similar period in the entire history of our Nation. There has been no way of escape from its ravages by any class of our citizenship. Each has felt in a varying degree some measure of distress. To some it has meant an absolute wiping out of all the material things of life; to others it may have been loss sufficient to awaken fear as to the future ability to carry on; but to some extent all have experienced concern, discouragement, and fear.

In times such as these, what is the duty of a Member of Congress? What should be his attitude toward legislation proposed as a remedy for these distressing conditions? Should he be satisfied to give merely partisan consideration to such measures? Or should he study each proposal in the light of existing conditions and determine whether the proposed remedy will afford the relief that is necessary?

This naturally creates a situation whereby a Member of Congress must decide the extent to which he is willing to set aside party considerations and set up in place thereof the general welfare as of prime importance.

During these times of national stress and strain, both under Republican and Democratic administrations, I have permitted no other consideration than that which I conceived to be for the common good to dictate my actions and votes upon important matters of legislation. To have done otherwise would have given me a consciousness of being unfaithful to the duty expected of me.

To adopt this course of action necessarily creates criticism upon the part of those who feel that loyalty to a party can only find proper expression by a complete subordination of individual thought, the elimination of intelligent consideration, the adoption of no course other than what has been determined by others, regardless of what may be their peculiar interest in the result to be attained; in other words, a rubber-stamp variety of statesmanship.

Whatever may be said in behalf of such a type of statesmanship in normal times does not apply with equal force when the Nation faces a condition that threatens an economic and financial catastrophe involving millions of our people, destroying their opportunity for employment, robbing them of their homes and lifelong savings, placing them in need for the necessities of life, closing the door of opportunity for their children, and creating fear of the approaching insecurity of old age.

These are conditions that call for a statesmanship that recognizes the general welfare of our people as of paramount importance, that places the common good above party gain, that demands a service that goes beyond the restrictions of party labels, and requires of everyone in public office, no matter what may have been the party ticket upon which elected, to think only in terms of those in distress and give support to those measures and policies best calculated to restore and reestablish normal conditions, regardless of party origin.

Realizing as I do the importance of adherence to these principles, it has been my constant endeavor through all of these trying years to determine my course of action and vote upon each legislative measure presented to the House of Representatives for its consideration solely upon the basis of its merits.

In the fulfillment of my desire to bring relief, provide security, and reestablish faith and confidence I have supported legislation to strengthen our banking structure, guarantee bank deposits, protect labor in its right to bargain collectively, provide means under Federal supervision to settle disputes by peaceful means, security against unemployment, old-age assistance, more adequate provision for the blind, the crippled, and the otherwise handicapped in life; pensions for those engaged in railroad transportation and security for those engaged in industrial pursuits; public-works programs to assist private industry in reducing the ranks of the unemployed; relief for those in necessitous circumstances that none may go unfed, unclothed, or without shelter; educational assistance to communities and individuals; credit for agricultural purposes to farmers; financial assistance to refinance distressed home owners faced with foreclosure, and make possible the construction of new homes and improvements to old ones; removal of slum areas; the building of low-cost housing projects to benefit those of low income and wage; immediate payment of veterans' bonus; disability compensation to veterans; and a multitude of other measures to promote the welfare of our people.

It would be difficult to sustain all that has been done as right, but it would be unjust to break down all that has been done as wrong. Mistakes may have been made that must be corrected in the light of the experience that has been gained. But, whatever estimate may be placed upon the value of the actual good accomplished, I am certain that as I have voted in favor or in opposition of proposed legislation, some enacted and some defeated, there has been no consideration other than the merit of the measure that has controlled or prompted my course of action or vote.

I have been continuously aware of the fact that when prosperity returns it will shine on Republicans and Democrats alike, and therefore faithful fulfillment of my duties as a Member of Congress requires my constant endeavor at all times to do only those things that will in my opinion prove helpful to all our people and refrain from such that may be otherwise, no matter from what party or source the proposal may originate, and such shall continue to be my course of action in the future as in the past.

WHISKY OVERPRODUCTION—WHAT TO DO

Mr. CELLER. Mr. Speaker, the enactment of the legislation to enforce the twenty-first amendment focuses attention on problems confronting both the Federal Government and the industry with respect to the traffic in spirits. Two and one-half years have passed since prohibition was repealed. During that time there has been reestablished in the United States the wine and spirit industry. The conditions under which this industry operates today are entirely different from those conditions which were true before prohibition. Beginning with repeal in December 1933, all the alcoholic-beverage industries were controlled by various codes of fair competition enforced by the Federal Alcohol Control Administration. The operations of these codes directed the energies of the various branches of the industry along economic lines differing from those which had been followed before prohibition was adopted in our country.

In the old days most distillers were concerned with the production, storing, and aging of whisky. They did little, if any, merchandising of goods in consumers' packages. Their sales were primarily to wholesalers and rectifiers. The customary procedure was for the distiller to make his whisky, place it in a barrel, and maintain these goods in a Government-bonded warehouse. He would finance himself in the main part by selling warehouse receipts to wholesalers and rectifiers who merchandised the whisky in bottles to consumers. Today practically all of the leading distillers not only make and store the whisky but they also pack the goods in smaller containers and advertise and sell these consumers' goods to the wholesale and retail trade. Legislative attempts have been made to permit return to the old regime, permitting again sales in bulk to rectifiers and wholesalers. Such efforts

have thus far failed. They will undoubtedly be renewed in the next Congress.

When prohibition was finally repealed the stocks of whisky on hand in the United States were so small that it would have been impossible to supply the demand for more than a few days. Importations of American-type whisky from Canada helped fill the gap in part, but in a major way the demand for whisky had been met by marketing whisky after a relatively short period of storage, or after blending with a small proportion of the matured whisky on hand in December 1933.

The distillers viewed their major problem as one of accumulating sufficient stocks of whisky in Government bonded warehouses to permit the aging and maturing in such volume as finally to attain the situation that existed just prior to the World War. At that time, roughly, there were in storage approximately 250,000,000 gallons of whisky, and each year there were withdrawn approximately 75,000,000 gallons of matured whisky, and at the same time the distillers would make approximately that amount and place the new whisky into bonded warehouse for aging.

A serious situation seems to confront the industry today. The Alcohol Tax Unit of the Treasury Department reports that at the close of May 1936 there were actually remaining in Federal bonded warehouses 281,000,000 gallons of whisky. Production is going ahead at a rate of approximately 22,000,000 gallons a month, and tax-paid withdrawals represent, as a rule, not more than 25 to 33 percent of the quantity produced. As a result, the accumulations are now reaching staggering figures. It is predicted that by the middle of summer the quantity of whisky in storage will have passed the 300,000,000-gallon figure. Certainly saturation point will be reached this fall. These figures cannot be viewed with complacency. They may constitute a decided menace.

Two problems present themselves because of this huge stock of whisky now in storage. One is purely an economic problem, and resolves itself solely on the ability of the distilling industry to finance this quantity of whisky and thus avoid the possibility of financially weaker firms being forced to throw the whisky on the market at sacrifice prices in order to meet banking and other financial conditions. The second problem is one which definitely involves the Federal control of the liquor industry. The question naturally arises, Where are the distillers going to find markets for the disposition of this huge accumulation of stocks? Will the distillers continue to keep on making whisky at a rate far in excess of the public demand? That would be suicidal. Will the economic pressure exerted by this huge accumulation force some of the smaller and more weakly financed firms to liquidate their stocks and to resort to markets which are legally closed to them today? That would be dangerous.

It is a well-known fact that the operations of bootleggers, smugglers, and producers of illicit spirits have been sharply curbed by the activities of the Treasury Department. Nevertheless, it is also recognized that a new illicit traffic has developed in the handling of legal tax-paid spirits. In the dry States there appears to be a steady flow of whisky and similar distilled spirits which were produced legally and which paid all Federal taxes. In States which maintain their own liquor-control systems, including State stores, it is also known that there is a considerable business of smuggling into these wet States legal tax-paid liquor to compete on a price basis with the spirits sold by the State. A minor form of illegal activity has developed in the smuggling of legal spirits from one wet State into another where the second State imposes a higher gallonage tax than the first State.

Bearing the foregoing operations in mind, there may be some justification for fearing that the gigantic stocks of whisky may be in part liquidated by sales under the conditions outlined above.

A great many different proposals already have been made with respect to what should be done to control the situation. It has been suggested that the distiller be put on a quota basis for production. Such a proposal would probably base a quota for production on present conditions and would tend to create a monopoly, because the amount of goods produced by the smaller distillers would virtually be negligible. We had quotas under the N. R. A. The system worked badly. A return to it is unthinkable.

It has been suggested that the distillers reach a voluntary agreement to limit their production. One of the country's largest distilleries in Illinois is now using 20 carloads of grain daily. Instead of curtailment, there seems to be a general stepping up of production. It must be remembered, too, that agreement to limit production might probably be regarded by the Government as a conspiracy in the restraint of trade. It has been suggested that the able and efficient Administrator, Wilford S. Alexander, of the Federal Alcohol Administration, refuse to grant any more permits to new distilling enterprises or for extensions in plant capacity of existing distilleries. All of these proposals go against some of the fundamental business concepts of our country.

Overproduction and accumulation of stocks is not something new for the distilled-spirits industry. The same thing has happened in a thousand and one other industries, and the final cure has been evolved by the same process and the same weeding out of firms who cannot stand the financial burden and who have refused to recognize that the basic laws of supply and demand are still in existence. In my opinion, the Government should participate only in a limited way at this juncture in this problem of overproduction of whisky. It should, of course, prevent the formation of any combination or trust which might be evolved if large quantities of whiskies were thrown on the market at distress prices. The Government should forbid any of our larger distillers or a group of distillers taking over the stocks of the weaker members of the industry. On the other hand, the Government might well emphasize and continue the sort of publicity Mr. Wilford S. Alexander, the able and efficient Administrator of the Federal Alcohol Administration, has resorted to. He announced in a public release on June 5, 1936, the stocks on hand as of March 1936 of whiskies and other distilled spirits and the ages of these spirits. Among the amazing things shown by Mr. Alexander's report is that out of 249,000,000 gallons as of March 31, 1936, only 2,600,000 gallons were over 4 years old. The stocks of whisky over 3 but less than 4 years old amounted to only slightly more than 1,000,000 gallons. The whisky more than 2 years but less than 3 years old amounted to something over 10,000,000 gallons. There was, however, some 56,000,000 gallons of whisky over 1 year but less than 2 years old, and about 179,000,000 gallons of whisky less than 1 year old. These figures indicate that some years will elapse before there will be sufficient whisky in the United States to permit the bottling of bottled-in-bond whisky 4 years or more of age. They indicate also that for some time to come the bulk of the sales of whisky must come from the younger whiskies, which may in some cases be ameliorated and improved by blending with older stocks.

May I be so bold as to make the suggestion that the distinguished head of the Federal Alcohol Administration, Mr. Alexander, confer with our Federal Reserve Board at Washington and urge that it limit the financing of whisky distillation. Mr. Alexander could suggest that the Board inform its member banks to scrutinize with greatest care applications for the advancement of money on whisky warehouse receipts. The latter should not, under any circumstance, be used to finance further production. After careful inquiry, the Board should place a limit upon the rediscountable paper with such warehouse receipts as collateral security. Certainly no one should be permitted to borrow money on warehouse receipts for gambling in the whisky market. In other words, the Federal Reserve bank should refuse to rediscount paper, collateralized by warehouse receipts, beyond the reasonable limits it shall set.

It might be well, too, for Mr. Alexander to contact the Securities and Exchange Commission and officially make known to it the danger of whisky overproduction and stress the fact that great vigilance should be exercised on applications for registration of stock and/or bond issues which have

for their main purpose the financing of additional whisky production.

In citing all of the foregoing I have in mind calling the attention of the industry to the serious situation which may develop if the overproduction of whisky is continued. We who fought prohibition and who did our utmost to bring back the legal sale of spirits and wines are anxious that the industry itself use the utmost care in its relations with the public and the Government. The drys did not vanish in December 1933. They are with us and they are formidable in number and in vociferousness. The distillers of the United States should recognize that if they do not change their methods they are heading for economic disaster, with the attending evils which always come when merchandise is sacrificed and when there is a scramble by terrified producers to get rid of their goods at any price. Distillers themselves should recognize that neither the people of this country nor the Federal Government will countenance the formation of anything remotely resembling a whisky trust. I hope that the industry will come forward frankly and discuss its problems with the highly competent Government officials, such as the Administrator of the Federal Alcohol Administration and the officers of the Treasury Department. I am convinced that a frank, open exposition of the problems to these men will result in sound advice and the planning of future activities which will safeguard the operations of the distillers and reduce the problem of enforcement which the Federal Government now faces with the adoption of the bill to enforce the twenty-first amendment.

NEEDY AND WORTHY HIGH-SCHOOL STUDENTS GET FEDERAL AID THROUGH THE YOUTH ADMINISTRATION

Mr. SNYDER of Pennsylvania. Mr. Speaker, very few people know the splendid services and the adequate financial support the Roosevelt administration has given to education in general.

To give a comprehensive idea of what is being done throughout the Nation in giving financial aid to high-school students, I will give you the financial help received by the different high schools in my congressional district and the number of students in each high school receiving such aid.

The Federal set-up for next year calls for still greater service for needy and worthy boys and girls.

Fayette County, Pa.

Name of school	Address	Number of students participating
All Saints High School	Masontown, Pa.	15
Belle Vernon Borough	Belle Vernon, Pa.	22
Brownsville Junior High School	Brownsville, Pa.	43
Brownsville Senior High School	do	395
Connellsville City High School	Connellsville, Pa.	127
Dunbar Borough High School	Dunbar, Pa.	22
Dunbar Township High School	Leisenring, Pa.	27
Everson Public School	Everson, Pa.	14
Fairchance High School	Fairchance, Pa.	40
Fayette City High School	Fayette City, Pa.	42
Georges Township High School	Fairchance, Pa.	136
German Township High School	McClellandtown, Pa.	113
Holy Rosary Parochial High School	Republic, Pa.	2
Immaculate Conception High School	Connellsville, Pa.	9
Masontown Borough	Masontown, Pa.	29
North Union Township High School	Uniontown, Pa.	142
Perry Township High School	Perryopolis, Pa.	58
Point Marion Borough	Point Marion, Pa.	107
Redstone Township High School	Republic, Pa.	44
St. John's	Uniontown, Pa.	15
St. Joseph's	Everson, Pa.	14
St. Mary's	Brownsville, Pa.	11
Smithfield Borough	Smithfield, Pa.	27
South Uniontown Township High School	Uniontown, Pa.	10
Uniontown Senior High School	do	159
Benjamin Franklin Junior High School	do	150
LaFayette Junior High School	do	45
Washington Township High School	Fayette City, Pa.	44
Fayette County pupils in school in Scottdale, Westmoreland County.		10
Total		1,862

Total different students, including replacements (boys, 1,144; girls, 866) 2,010
Allotment to county for year $42,420

Somerset County, Pa.

Name of school	Address	Number of students participating
Berlin Borough High School	Berlin, Pa.	24
Boswell High School	Boswell, Pa.	20
Confluence High School	Confluence, Pa.	6
Hooversville High School	Hooversville, Pa.	24
Meyersdale High School	Meyersdale, Pa.	36
Rockwood High School	Rockwood, Pa.	20
Salisbury High School	Salisbury, Pa.	14
Shade Township High chool	Cairnbrook, Pa.	17
Somerset Borough High School	Somerset, Pa.	102
Somerset Township High School	Friedens, Pa.	11
Stony Creek Township High School	Shanksville, Pa.	58
Windber High School	Windber, Pa.	59
Total		455

Total different students, including replacements (boys, 280; girls, 211) 491
Allotment to county for year $13,338

CONTRAST OF REPUBLICAN AND DEMOCRATIC ATTITUDE TOWARD COLORED VOTER

Mr. WOLVERTON. Mr. Speaker, in a speech recently made before this House by our colored Democratic colleague from Chicago [Mr. MITCHELL] he said:

> It is only during the past 4 or 5 years that Negroes have found that the Democratic Party is a safe place to live and vote.

A statement of this kind coming from one who was born in Alabama, and it is said lived there until past 40 years of age, but never had the privilege of voting, and who had been a student under that great Negro teacher, Booker T. Washington, challenges our attention.

To contrast his words and thoughts with those of Fred Douglass, who by common consent is regarded by his race as one of the most outstanding it has ever produced in this country, creates an issue or division of thought that justifies a careful study and analysis of the historical background of the subject. The words of Fred Douglass, to which I have referred as being directly opposed to the thought expressed by our colleague, are as follows:

> The Republican Party is the great ship of safety for the Negro, and all else is the great wide seething seas.

These were the words of one who had felt the anguish of being taken from his own mother and one whose interest in promoting the welfare of his race was based upon no other consideration than to guard and protect his people and their children, yet unborn, in the rights they had gained through the loss of precious blood, both white and colored, in the great conflict between the States, and whose sincerity of purpose commanded the respect of great men on this as well as on the other side of the Atlantic.

REPUBLICAN PARTY LEADS FIGHT FOR EMANCIPATION

The Republican Party was conceived in and dedicated to the cause of human rights. The principles upon which it was founded recognized that this Nation could not endure "half slave and half free." It sought equality for every race, color, and creed. It determined that this Nation should, in fact as in theory, as expressed at a later date by the Great Emancipator, be "a government of the people, by the people, and for the people", and that the principles of the Declaration of Independence and the Constitution of our country should be so applied that the freedom declared by one and the rights guaranteed by the other should not be denied to anyone, no matter what his color might be.

It was the recognition by the Republican Party of these fundamental principles of justice and right that brought the Republican Party from the day of its birth into direct conflict with the Democratic Party.

On July 6, 1854, under the great oak trees so characteristic of the strength to be ultimately attained by the new party, the Republican Party was born at Jackson, Mich.

The resolutions adopted at this first meeting clearly set forth the reason that had brought the Republican Party into existence and why the adoption of such resolutions made a

conflict with the Democratic Party inevitable. They read as follows:

Resolved, That the institution of slavery, except in punishment of crime, is a great moral, social, and political evil.

Resolved, That slavery is a violation of the right of man as man; that the law of nature, which is the law of liberty, gives to no man rights superior to those of another; that God and nature have secured to each individual an inalienable right of equality.

The Republican platform adopted at its first national convention at Philadelphia, Pa., on June 17, 1856, contained the following declaration with respect to slavery:

SECTION 1. *Resolved*, That the maintenance of the principles promulgated in the Declaration of Independence and embodied in the Federal Constitution is essential to the preservation of our republican institutions, and that the Federal Constitution, the rights of the States, and the Union of the States must be preserved.

SEC. 2. *Resolved*, That with our Republican fathers we hold it to be a self-evident truth that all men are endowed with the inalienable right to life, liberty, and the pursuit of happiness. * * * it becomes our duty to maintain this provision of the Constitution against all attempts to violate it for the purpose of establishing slavery in the United States by positive legislation prohibiting its existence or extension therein.

SEC. 3. * * * And that in the exercise of this sovereign power it is both the right and the imperative duty of Congress to prohibit in the Territories those twin relics of barbarism—polygamy and slavery.

By way of contrast to this outspoken denunciation of slavery in the first Republican platform of 1856, compare the attitude of the Democratic Party in the same year. In the Democratic platform adopted at the Democratic national convention at Cincinnati, Ohio, June 2–6, 1856, reference was made to the slavery question in the following language:

* * * that all efforts of the Abolitionists, or others, made to induce Congress to interfere with questions of slavery, or to take incipient steps in relation thereto, are calculated to lead to the most alarming and dangerous consequences, and that all such efforts have an inalienable tendency to diminish the happiness of the people. * * *

3. That the Democratic Party will resist all attempts at renewing, in Congress or out of it, the agitation of the slavery question, under whatever shape or color the attempt may be made.

The Republican platform adopted at its national convention, May 16–18, 1860, at Chicago, which nominated Abraham Lincoln, denounced in no uncertain terms the slave policy of the Democratic Party in the following language:

That we brand the recent reopening of the African slave trade, aided by perversions of judicial power, as a crime against humanity and a burning shame to our country and age; and we call upon Congress to take prompt and efficient measures for the total and final suppression of that execrable traffic.

Abraham Lincoln was nominated and elected President upon that platform declaration in the election of 1860. It was during this term of office that Abraham Lincoln, as President of the United States, issued the emancipation proclamation that struck the shackles from 4,000,000 of the colored race that had bound them to involuntary servitude for centuries of time.

Permit me to quote a small part of that great and memorable document signed by the Great Emancipator as a Republican President of the United States:

And by virtue of the power and for the purpose aforesaid, I do order and declare that all persons held as slaves within designated States and parts of States are and henceforth shall be free; and that the executive government of the United States, including the military and naval authorities thereof, will recognize and maintain the freedom of such persons.

The Democratic platform adopted by the Democratic national convention at Chicago August 29, 1864, denounced Abraham Lincoln and the Republican Party for granting freedom to the Negroes, and demanded that Abraham Lincoln stop the war. This would have permitted the Democratic Party to continue to enslave human beings.

The Republican platform of that year, however, instead of retreating sounded the note for an advance in the cause of human freedom. The platform adopted by the Republican Party convention at Baltimore on June 7, 1864, declared as follows:

Resolved, That as slavery was the cause and now constitutes the strength of this rebellion, and as it must be always and everywhere hostile to the principles of republican government, justice and the national safety demand its utter and complete extirpation from the soil of the Republic, and that while we uphold and maintain the acts and proclamations by which the Government in its own defense has aimed a death blow at this gigantic evil, we are in favor, furthermore, of such an amendment to the Constitution, to be made by the people in conformity with its provisions, as shall terminate and forever prohibit the existence of slavery within the limits of the jurisdiction of the United States.

It was upon this courageous and righteous declaration of policy in the Republican platform that Abraham Lincoln was elected Presiden for a second term. We are all familiar with subsequent events that wrote into the Constitution, never to be removed, the amendments that would guarantee the rights of free men to all within our boundaries without regard to race, color, or previous condition of servitude.

From those memorable days, when the principles of human rights were written with the blood of courageous men, until the present time, the Republican Party has never ceased to maintain its allegiance to those principles, and has constantly sought to protect the rights and privileges of those for whom the privileges of citizenship were written into the Constitution.

Contrast this record of Republican interest in the adoption, extension, and continuation of principles that gave the rights of free men to these millions of the colored race with the attitude of the Democratic Party in relation to the same subject.

For 136 years the Democratic Party has been in existence. At no time during these 136 years has the Democratic Party in national convention ever adopted a platform that acknowledged the inherent right of the colored race to participate in government. On the contrary, it has sought wherever possible by every conceivable subterfuge to curtail and even deny the rights guaranteed by the constitutional amendments written into the Constitution under the leadership of the Republican Party.

DEMOCRATIC PARTY DENIES CONSTITUTIONAL RIGHTS TO COLORED CITIZENS

The attitude of the Democratic Party, as a national organization, toward the constitutional rights of colored citizens is unmistakably written into the laws and customs that govern the right to vote in those Southern States where the Democratic Party dominates political activities and government. In no such State, even today, is the inherent right of the colored man to vote generally recognized or acknowledged. It is only in the States of the North, East, and West where our colored citizenship can freely express its individual thought by the ballot on election day.

The truth of this statement was recognized by our colored Democratic colleague when, in the course of his speech, he said—and I use his exact words:

I find that in 23 States where we expect to wage a campaign for Negro votes, where the Negro is permitted to vote, and where their votes are counted, we have more than 2,400,000 Negroes who can vote in this election.

Notice it is the purpose of the colored Democratic Member of Congress to campaign among the 2,400,000 colored voters who owe that right of citizenship to the Republican Party. What about the 4,000,000 who live in the Democratic States of the South who are not permitted to vote; whose rights of citizenship are not recognized, notwithstanding the constitutional amendments that give such rights? He also related a conversation he had with a prominent Democrat who said, "The Democratic Party doesn't owe the Negro a damn thing." I say that the Democratic Party does owe him the right to vote. It owes him the right of citizenship, the right of equal justice under the law, the right to protection from the lynching mob, and all the other rights guaranteed them by the Constitution and denied them by the Democratic Party in our Southern States. It is in these same States that over 3,000 lynchings have occurred since 1889, with only 12 apprehensions and convictions of guilty parties, and those in most cases were only given slight punishment.

This condition exists today, and it is astounding to realize that even since the present Democratic administration was inaugurated on March 4, 1933, there have been over 70

authenticated lynchings. This represents an average of one every 15 days. And what has been done about it? A Democratic Congress has refused to do anything. It has even refused to report to the House for action a single antilynching bill from among the 30 and more introduced for the purpose. And yet the colored Democratic Congressman from Chicago intends to campaign among the colored voters and urge them to support the Democratic Party.

Upon what does the colored Democratic Member of Congress base his claim that during the last 4 or 5 years "Negroes have found that the Democratic Party is a safe place to live and vote"? Can he show in any Democratic State where the right of colored citizens to vote has been denied or curtailed; that during the last 4 or 5 years that constitutional right has been observed? Can he show any Democratic State that in the past has had the "grandfather's" clause, or any other similar barrier, that has changed its attitude and given to the colored citizens, whose right to vote has been barred by such restrictions, the full right to vote? The truth is that there has been no change in the attitude of such Democratic States, nor any promise of a change; and yet the Democratic colored Member of Congress will campaign for Democratic support among the voters of his race in those States of the North, East, and West where they do enjoy a right to vote, gained under the leadership of the Republican Party.

I am informed that under the laws passed by a Democratic legislature in the State of Texas, our Democratic colleague would not be permitted to vote in a Democratic primary and he would not be permitted to attend a Democratic convention, and I am also informed that the Democratic Legislature of Texas some months ago adopted a resolution calling upon the Democratic Party of the Nation to prevent Negro delegates from sitting in the Democratic National Convention.

As a further illustration, you will find that in South Carolina a colored citizen can vote in a Democratic primary election only providing 10 good Democrats will make a sworn affidavit that they know the colored voter and have personal knowledge that he voted for Wade Hampton in 1876 and has been supporting the Democratic Party ever since. Wade Hampton was a candidate for office in 1876—60 years ago. Our colored colleague from Chicago is less than 60 years of age. You can see how difficult it would be for him to vote in the Democratic Party.

It is also interesting to study the effective means adopted in Mississippi to deny colored citizens the right to vote. Before he can register he must pass an examination as to his knowledge and ability to interpret the constitution of that State. He must be able to satisfy the registration official as to what is meant by "ex post facto" law, or what does it mean "to suspend the writ of habeas corpus." Or, if this is not difficult enough, then he is required to read a copy of the constitution with some lines printed straight across the page and others printed in an opposite direction from the top to the bottom of the page. All of which is done to confuse the colored voter with the intention of providing an excuse to the registration official for refusing to permit him to vote. And there is no appeal from the decision of the registration officer.

Innumerable illustrations of a similar character could be given as evidence of the antagonistic attitude toward colored voters in these Democratic States. In some of these Democratic States they adopted the so-called "grandfather's" clause, denying the right to vote to those colored citizens whose parents or grandparents as slaves were not entitled to vote. In every one of such Democratic States, so far as I am informed, the Democrats have adopted the "grandfather's" clause, or something equally as effective, or have attempted to do so. The effectiveness of such restrictive laws is demonstrated by the fact that in 15 counties of one of these States in a recent election, I am informed, not a single vote was permitted to be cast by a colored citizen.

REPUBLICAN PARTY PROTECTS CONSTITUTIONAL RIGHTS TO COLORED CITIZENS

The Republican Party from the time of its birth has fought these efforts of the Democratic Party to disfranchise colored citizens. The Republican Party has never ceased in its efforts to preserve a free ballot for colored voters and all citizens, without regard to race, color, or creed. The Democratic Party of the States to which I have referred—and we must not overlook the fact that the real strength of the Democratic Party is in such States—has always by every means possible tried to take away the right of the colored people to vote ever since they were granted the right to vote by the Republican Party.

Again I ask in what particular has there been any change in this Democratic attitude toward colored voters that would justify the claim that the Democratic Party has become a safe place for our colored citizen "to live and vote"? There is still restriction of their right to vote, to hold office, or participate in the government of the Democratic States; also, discrimination that prevents the colored Member of Congress from even riding in such States in the same railroad coach as the white Members who sit with him on the Democratic side of this House, and refusal to pass any law that would protect from mob lynchings or give any remedy, financial or otherwise, to the family of any who might suffer by reason of such; and yet, in the face of this outstanding record of Democratic antagonism to the rights guaranteed to colored citizens by the Constitution of the United States and its amendments, an appeal will be made to colored voters, in States where, through Republican leadership, they enjoy such right, to support the Democratic Party that has in the past refused, does now, and will continue to refuse, to recognize or acknowledge the constitutional rights and privileges of members of the colored race in the Democratic States to which I have referred.

Is not this a strange situation? We are told that a great campaign will be made among colored voters in States where they are permitted to vote to procure their support for the Democratic Party and its candidates. It was the Republican Party of this Nation that fought the battle of freedom, that procured constitutional amendments guaranteeing the right to vote, that has defended and protected them against encroachment, and without such action upon the part of the Republican Party, the colored Member of Congress would not have the right to vote. He would not be a Member of this Congress. He would not have the opportunity to go over the Republican States "where Negroes vote" urging them to vote the Democratic ticket. Why does he not go where the Democratic Party really is, and where there are seven or eight million of his race and some three or four million of whom are not permitted to vote? Why does he not make his appeal, for instance, in the State of Alabama, wherein he was born, or Mississippi, Louisiana, Arkansas, Texas, Florida, Georgia, or South Carolina? Here he would find millions of his own race who are anxious and willing to vote but cannot.

DUTY TO HELP DISFRANCHISED COLORED CITIZENS

There is a duty to be performed by the colored voters who do have the privilege of exercising the right to vote. It is a duty they owe to the less fortunate members of their race who live in States where the privilege of voting is denied to them, where mobs override law and justice, and where discriminations of every conceivable kind are practiced. It is a duty in the performance of which they should not permit themselves to be diverted by false or alluring promises, nor bribed by "political plums" in the way of political offices given to a few representatives of the colored race. That may be sufficient reason for the few individuals who have received the financial benefits of such offices to support the Democratic Party, but it should not be sufficient for the great body of colored voters to desert the unfortunate members of their race in their upward struggle, nor to give support to a party that offers nothing to them as a race in its aspiration to gain and profit by the privileges given to them in the Constitution and its amendments and now denied to them in Southern States controlled by the Democratic Party.

There could be no more fitting conclusion to these remarks than for me to again emphasize that wise and prophetic utterance of that great outstanding colored citizen, Fred Douglass, who seemed to have a vision that enabled him to look down through the years and see conditions affecting his race,

and the relative worth of political parties today, as clearly as if he were here in our midst and pointing the way for his race—"The Republican Party is the great ship of safety for the Negro, and all else is the great wide seething seas."

UNWISE LEGISLATION

Mr. RICH. Mr. Speaker, one important thing we older Members, and some of the new Members, have learned in the discharge of our duties here is to be very vigilant in watching legislation that comes to the floor during the last week, and especially the last day, of a session to see to it that no improper legislation is enacted by unanimous consent and after it has received little or no consideration.

Despite the vigilance several of us tried to maintain at all times during the last week of the session just ended, I am surprised to find that at least a few pieces of legislation got through without any objection that probably should not have been passed.

I refer to House Resolution 482, which increases the salaries of our six official reporters of debates by $640 a year each; increases the salaries of the six transcribers in the office of the official reporters of debates by $260 a year each; and abolished the position of janitor to the official reporters of debates at $1,440 a year and creates a new position of assistant clerk in the office of the official reporters of debates at $2,000 a year.

House Resolution 518 abolishes the position of janitor to the official stenographers to committees at $1,440 and creates a new position of clerk to official committee stenographers at $3,360 per annum.

This legislation fixes the salary of each reporter of debates at $8,140 a year. In this connection I want to remark that such is a very good salary, and only 10 States in the Union pay their Governors as much. For instance, the great State of Michigan pays its Governor only $7,000 per annum. Connecticut pays her Governor only $5,000 per annum. Ohio pays her Governor only $8,400 per annum. This information is shown at page 249 of the January 1936 Congressional Directory.

The House handles its committee reporting differently than the Senate, the Senate having no official corps, thereby paying only for work actually performed. The House has four official committee stenographers at $7,000 each, and is, according to this resolution, to have a clerk, which is a new job, at $3,360. That is, though, not the only expense of this corps. The contingent fund of the House provides "for the amounts actually and necessarily paid out by them for transcribing hearings." That item amounts to 1,500 pages a month for each reporter, and the pages are paid for at the rate of 12 cents each. A page consists of any number of words from 1 to 125, or a page may consist of something pasted upon a page and simply given a number. Therefore, while Congress is in session, each committee stenographer gets $185 a month to reimburse himself for expense of transcribing, excluding the items of office space, office supplies, such as notebooks, ink, Ediphone cylinders, and so forth. In other words, each stenographer costs about $768 a month while the Congress is in session, excluding the items of supplies and the cost of the $3,360 clerk. During any 6 months or any other time the Congress is not in session the stenographers, and their clerk, will cost the Government $839 each a month. In other words, the Government will expend at least $15,710 a year and get absolutely no return therefor. The official committee stenographers occupy five rooms, and if the House Office Building cleaning force should clean those rooms, I see no reason for the employment of any assistant for the committee stenographers.

The Government Printing Office could, as it does for the Senate and other branches of the Government, estimate the work performed for House committees by unofficial reporters. I am told that the Government Printing Office is the most reliable source of estimating words in a manuscript, and that the Senate requires such a certificate from the Government Printing Office when paying for its committee reporting. I say that $31,360 for the salaries of four committee reporters and a clerk for that corps, and $4,440 a year for transcribers for this corps, means a very great deal of money.

The one who is expected to become clerk to the official committee stenographers is now the janitor for that corps, and in addition to his salary of $1,440 a year he receives $185 a month, while Congress is in session, indirectly from the Government through a committee stenographer for whom he transcribes. At the new rate of pay he will receive $3,360 a year and in addition $180 a month during 5 or 6 months of the year, yet there will not be any change in the duties performed by this employee.

I am calling this matter to the attention of the Congress, and especially the members of the Committees on Appropriations and Accounts, in the hope that, if it is concluded these increases should be ratified, this clerk to committee stenographers may be required to do his stenographer's transcribing without additional cost to the Government. I submit that $471 a month for such work is too much.

If anybody says that only a small amount of money is involved I remind you that this is something that will continue forever.

I was pleased by the action of the Committee on Accounts holding down increases in pay until last year. When we made those increases in pay last year I knew that, after they were granted, further drives would be made for increases. It must be said for the credit of the subcommittee on legislative appropriations that it last year withstood the drive by the official committee stenographers in behalf of their janitor. I now predict that if these increases are ratified by the Committee on Appropriations we shall be harassed by other demands for increases; and certainly this is no time to consider increasing salaries here.

REPORT OF THE WORK OF THE COMMITTEE ON INVALID PENSIONS

Mr. LESINSKI. Mr. Speaker, as chairman of the oldest pension committee of the Congress, the Committee on Invalid Pensions, which on January 10, 1936, had its one hundred and fifth birthday under its present title and which is the successor to and has in its library the reports of the Committee on Pensions and Revolutionary Claims, established in 1813, and for the information of the Congress and others interested in legislation referred to the committee, I submit herewith my report relative to the work accomplished by the committee during the Seventy-fourth Congress.

There were introduced in the House of Representatives during the Seventy-fourth Congress 13,026 private and public bills, and of that number 3,057 private bills and 5 public bills were referred to the Committee on Invalid Pensions. I am justly proud of the record of the committee in handling this deluge of work and having it current at the adjournment of the Congress. The records of the committee disclose that 2,211 private bills were included as items in the 14 omnibus pension bills reported to and passed by the House. Under the provisions of the rules and practices jointly adopted by the committee and the Senate Committee on Pensions, it was found necessary to deny favorable action on 675 private bills. No action was taken by the committee on 122 private bills because evidence was not filed in support of same, although letters were addressed to my colleagues who introduced the bills advising them of the committee requirements, and 49 private bills were rereferred back to the House under the provisions of clause 2 of rule XXII of the House of Representatives because of improper reference.

The legislative history of the 14 omnibus pension bills reported to and passed by the House is as follows:

H. R. 8421: 374 private bills, introduced by 145 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives June 10, 1935; Report No. 1141. Private Calendar. Passed House August 6, 1935. Reported in Senate August 13, 1935; Report No. 1244. Passed Senate, amended, August 16, 1935. House agreed to Senate amendments August 20, 1935. Pocket veto September 2, 1935.

H. R. 8422: 25 private bills, introduced by 19 Members, reported by the chairman of the Committee on Invalid Pensions

to the House of Representatives June 10, 1935; Report No. 1142. Private Calendar. Passed House August 6, 1935. Reported in Senate August 13, 1935; Report No. 1246. Passed Senate, amended, August 16, 1935. House agreed to Senate amendments August 20, 1935. Pocket veto September 2, 1935.

H. R. 8423: 29 private bills, introduced by 24 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives June 10, 1935; Report No. 1143. Private Calendar. Passed House August 6, 1935. Reported in Senate August 13, 1935; Report No. 1247. Passed Senate, amended, August 16, 1935. House agreed to Senate amendments August 20, 1935. Pocket veto September 2, 1935.

H. R. 8424: 478 private bills, introduced by 105 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives June 10, 1935; Report No. 1144. Private Calendar. Passed House August 6, 1935. Reported in Senate August 13, 1935; Report No. 1248. Passed Senate, amended, August 16, 1935. House agreed to Senate amendments August 20, 1935. Pocket veto September 2, 1935.

H. R. 8425: 156 private bills, introduced by 71 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives June 10, 1935; Report No. 1145. Private Calendar. Passed House August 6, 1935. Reported in Senate August 13, 1935; Report No. 1245. Passed Senate, amended, August 16, 1935. House agreed to Senate amendments August 20, 1935. Pocket veto September 2, 1935.

H. R. 8426: 20 private bills, introduced by 16 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives June 10, 1935; Report No. 1146. Private Calendar. Passed House August 6, 1935. Reported in Senate August 13, 1935; Report No. 1249. Passed Senate, amended, August 16, 1935. House agreed to Senate amendments August 20, 1935. Pocket veto September 2, 1935.

H. R. 8936: 13 private bills, introduced by 12 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives July 23, 1935; Report No. 1623. Private Calendar. Passed House January 7, 1936. Reported in Senate June 15, 1936; Report No. 2345. Passed over in Senate Thursday, June 18, 1936, CONGRESSIONAL RECORD, pages 9846–9847.

H. R. 8937: 31 private bills, introduced by 27 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives July 23, 1935; Report No. 1624. Private Calendar. Passed House January 7, 1936. Reported in Senate June 15, 1936; Report No. 2346. Passed over in Senate Thursday, June 18, 1936, CONGRESSIONAL RECORD, pages 9846–9847.

H. R. 8938: 43 private bills, introduced by 35 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives July 23, 1935; Report No. 1625. Private Calendar. Passed House January 7, 1936. Reported in Senate June 15, 1936; Report No. 2347. Passed over in Senate Thursday, June 18, 1936, CONGRESSIONAL RECORD, pages 9846–9847.

H. R. 12700: 10 private bills, introduced by 8 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives May 13, 1936; Report No. 2647. Private Calendar. Passed House May 14, 1936. Reported in Senate June 15, 1936; Report No. 2348. Passed over in Senate Thursday, June 18, 1936, CONGRESSIONAL RECORD, pages 9846–9847.

H. R. 12701: 134 private bills, introduced by 59 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives May 13, 1936; Report No. 2648. Private Calendar. Passed House May 14, 1936. Reported in Senate June 15, 1936; Report No. 2349. Passed over in Senate Thursday, June 18, 1936, CONGRESSIONAL RECORD, pages 9846–9847.

H. R. 12702: 478 private bills, introduced by 107 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives May 13, 1936; Report No. 2649. Private Calendar. Passed House May 14, 1936. Reported in Senate June 15, 1936; Report No. 2351. Passed over in Senate Thursday, June 18, 1936, CONGRESSIONAL RECORD, pages 9846–9847.

H. R. 12703: 375 private bills, introduced by 133 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives May 13, 1936; Report No. 2650. Private Calendar. Passed House May 14, 1936. Reported in Senate June 15, 1936; Report No. 2352. Passed over in Senate Thursday, June 18, 1936, CONGRESSIONAL RECORD, pages 9846–9847.

H. R. 12908: 45 private bills, introduced by 38 Members, reported by the chairman of the Committee on Invalid Pensions to the House of Representatives May 29, 1936; Report No. 2889. Private Calendar. Passed House June 2, 1936. Reported in Senate June 15, 1936; Report No. 2350. Passed over in Senate Thursday, June 18, 1936, CONGRESSIONAL RECORD, pages 9846–9847.

The private bills approved by the committee and passed by the House this Congress were carefully scrutinized and were of an especially meritorious character, conforming strictly to the rules and practices jointly adopted by the committee and the Senate Committee on Pensions. While I have advocated the adoption of a uniform national policy with respect to benefits extended our veterans and their dependents, I regard private pension bills as a legislative necessity, as they tend to reduce the pressure for additional general pension legislation which would cost the Government much more annually. A survey of the private pension legislation enacted from the Thirty-seventh Congress in 1861 to the adjournment of the Seventy-second Congress in 1932 discloses that the House and Senate have been very conservative in the enactment of such bills, and the following is a compilation by Congresses of the number of bills enacted:

Thirty-seventh	12
Thirty-eighth	27
Thirty-ninth	138
Fortieth	275
Forty-first	85
Forty-second	167
Forty-third	182
Forty-fourth	98
Forty-fifth	230
Forty-sixth	96
Forty-seventh	216
Forty-eighth	598
Forty-ninth	856
Fiftieth	1,016
Fifty-first	1,383
Fifty-second	217
Fifty-third	119
Fifty-fourth	378
Fifty-fifth	694
Fifty-sixth	1,391
Fifty-seventh	2,171
Fifty-eighth	3,355
Fifty-ninth	6,030
Sixtieth	6,600
Sixty-first	9,649
Sixty-second	6,350
Sixty-third	5,061
Sixty-fourth	5,885
Sixty-fifth	3,641
Sixty-sixth	2,200
Sixty-seventh	2,319
Sixty-eighth	2,436
Sixty-ninth	5,375
Seventieth	7,569
Seventy-first	5,987
Seventy-second	438
Total	83,248

As heretofore stated, five public bills were referred to the committee. These bills proposed to give additional benefits to the survivors of the Civil War and their dependents. Each of the bills was transmitted to the Veterans' Administration for a report and which in each instance was adverse and the bills were tabled by the committee.

In closing, Mr. Speaker, I wish to express my appreciation for the loyalty and cooperation of each member of the committee and my sincere thanks to the membership of the House for their many courtesies.

THE TAX AND TARIFF ISSUES IN THE COMING CAMPAIGN

Mr. TREADWAY. Mr. Speaker, there will be many major issues before the American people in the coming election campaign. I shall direct these remarks principally to two of these important issues, namely, taxation and the tariff.

I. TAXATION AND SPENDING UNDER THE NEW DEAL

Any discussion of the tax question necessarily involves a collateral discussion of governmental expenditures, for without the latter there would be no need for taxes. Every dollar the Government spends must be collected from the people in some way and at some time. No one escapes the tax burden. Those taxes which we do not pay directly to the Government we bear in the form of increased prices for what we buy. Hence it follows that every man and woman, every boy and girl, has a vital interest not only in the total amount of Federal expenditures but in whether the money is being spent wisely, prudently, and economically, or unnecessarily, wastefully, and extravagantly.

NEW DEAL EXPENDITURES EXCEED TWENTY-FIVE BILLIONS

Due to the fact that the present Dew Deal administration has been the most reckless spending administration in peacetimes in all our history, the taxes which must be imposed to pay for its unprecedented spending must be higher and more burdensome than ever before.

It is only possible to realize the enormity of the present administration's orgy of extravagance and waste when we consider the fact that up to the present time President Roosevelt has spent more than was spent by all the administrations from President Washington's down to and including that of President Taft. This amazing fact can readily be proven by reference to the official records. The annual report of the Secretary of the Treasury shows that the total expenditures of the Federal Government for all purposes in the 124-year period from 1789 to 1913 were $24,521,845,000. From March 4, 1933, to June 30, 1936—a period of a little over 3 years—President Roosevelt has spent $25,127,000,000.

This total only covers cash outlays, and therefore does not include any of the contingent liabilities which have been incurred, amounting to several billions of dollars, which some day, to some extent at least, will become actual liabilities.

COST OF GOVERNMENT ON INCREASE UNDER NEW DEAL

It will be recalled that the Democratic platform of 1932 called for a drastic reduction in Federal expenditures. Candidate Roosevelt accepted that platform "100 percent." Speaking at Pittsburgh on October 19, 1932, he said:

I shall carry out the plain precept of our party, which is to reduce the cost of the current Federal Government operations by 25 percent.

* * * * * * *

I regard reduction in Federal spending as one of the most important issues in this campaign. In my opinion, it is the most direct and effective contribution that government can make to business.

If reduction of Federal expenditures was one of the most important issues in the campaign of 1932, it is going to be an even greater issue in the campaign of 1936. President Roosevelt has not only failed to carry out the "plain precept" of his party to reduce expenditures but he has increased them by several billions over the expenditures which he described in 1932 as "staggering." The following table shows the rise in the cost of government under the Roosevelt regime:

Increased cost of Government, 1932 to 1936

Fiscal year ending June 30—	Expenditures	Increase over 1932
1932 (Hoover)	$5,154,000,000	
1933 (8 months Hoover; 4 months Roosevelt)	5,143,000,000	
1934 (Roosevelt)	7,105,000,000	$1,951,000,000
1935 (Roosevelt)	7,376,000,000	2,222,000,000
1936 (Roosevelt)	8,880,000,000	3,726,000,000

INCREASE NOT ALL DUE TO EMERGENCY APPROPRIATIONS

I call particular attention to the fact that the increase in Federal expenditures is not altogether due to appropriations for recovery and relief. Any effort on the part of administration spokesmen to convince the people that such is the case is pure and unadulterated deception, as is proven from the figures submitted to the Ways and Means Committee by Budget Director Bell. The following table, based on his testimony before the committee, shows that there has been a gradual increase even in the so-called ordinary or permanent expenditures under the present administration:

Increase in ordinary Federal expenditures (excluding recovery and relief)

Fiscal year ending June 30—	
1934	$2,822,000,000
1935	3,128,000,000
1936 (Budget estimate)	3,627,000,000
1937 (Budget estimate)	5,650,000,000

NEW DEAL HAS SPENT OVER $2 FOR EACH $1 OF REVENUE COLLECTED

In spite of the fact that the Roosevelt administration has constantly increased the tax burden, the Federal revenues are today less than one-half the present cost of government. The New Deal is spending more than $2 for every $1 it collects. As compared with expenditures of $25,127,000,000 between March 4, 1933, and June 30, 1935, receipts in the same period have only been $11,894,000,000.

At this rate the present tax load, burdensome and oppressive as it is, would have to be more than doubled to put the Government on a pay-as-you-go basis.

ACCUMULATED DEFICIT OF THIRTEEN BILLIONS PILED UP UNDER ROOSEVELT ADMINISTRATION

This reckless and dangerous policy of spending money twice as fast as it comes in has resulted in an accumulated deficit between March 4, 1933, and June 30, 1936, of the staggering total of $13,233,000,000. This is the extent to which the Roosevelt administration has lived beyond its income.

In order to spend the money, the administration, of course, had to raise it. This was done by the flotation of bonds, which were largely taken up by banks, often under pressure from Washington.

By absorbing the lending capacity of the banks in this way the administration thereby took that much available credit away from business.

NATIONAL DEBT INCREASED BY NEW DEAL TO UNPRECEDENTED TOTAL OF THIRTY-FOUR BILLIONS

When President Roosevelt took office on March 4, 1933, the gross national debt stood at $20,937,000,000. At the close of the current fiscal year ending June 30, 1936, it stood at $33,779,000,000, the highest in all history, in peace or war. This is an increase of almost $13,000,000,000 since the inception of the New Deal.

This colossal debt represents a tax burden which the present and future generations must bear in addition to that necessary to pay the ordinary running expenses of the Government. If the Government would start in at the present time to retire it at the rate of $500,000,000 annually, which is approximately the amount budgeted for debt retirement, it would take nearly 70 years to pay it off. A child born today would still be contributing to the reduction of the debt when an old man.

When I came to Congress 23 years ago, it required about a billion dollars annually to run the country. Now it takes that much just to pay the interest on the debt, without allowing a cent for amortization.

THE SO-CALLED RECOVERABLE ASSETS

At this point it might be advisable to say a word about so-called recoverable assets. The Secretary of the Treasury, in his radio address of July 1, stated that the total national debt was offset by certain recoverable loans made by the R. F. C. and other lending agencies, amounting to $4,000,000,000. According to a statement furnished to the Ways and Means Committee by the Director of the Budget, some $2,284,000,000 of these loans were recoverable on March 1, 1933, and therefore are not properly credited to the Roosevelt administration. In effect, they reduce the "net" debt when Mr. Roosevelt took office to $18,653,000,000. Any net increase in the debt under his administration should be figured from this base.

CANDIDATE ROOSEVELT'S VIEWS ON DANGER OF CONTINUED DEFICITS

During the 1932 campaign the country heard a great deal about the danger of continually piling up deficits. Speaking at Albany on July 30, 1932, Candidate Roosevelt said:

Let us have the courage to stop borrowing to meet continuing deficits. Stop the deficits.

Later on, in his Pittsburgh speech of October 19, 1932, he said:

Now the credit of the family depends chiefly on whether that family is living within its income. And this is so of the Nation. If the Nation is living within its income, its credit is good.

If in some cases it lives beyond its income for a year or two, it can usually borrow temporarily on reasonable terms.

But if, like a spendthrift, it throws discretion to the winds, is willing to make no sacrifice at all in spending, extends its taxing to the limit of the people's power to pay, and continues to pile up deficits, it is on the road to bankruptcy.

The Roosevelt administration has not had the courage to stop borrowing to meet continuing deficits. It has not stopped the deficits. On the contrary, it has thrown discretion to the winds, has been willing to make no sacrifice in spending, has extended the Federal taxing power to the limit of the people's power to pay, and has continued to pile up deficits. The result has been to carry the Nation further on the road to bankruptcy and at an accelerated pace.

PRESIDENT'S ECONOMY MESSAGE AN INDICTMENT OF HIS OWN ADMINISTRATION

Allow me to paraphase President Roosevelt's now-forgotten economy message of March 10, 1933. The only substantial change I shall make is to bring the figures up to date:

For 6 long years the Federal Government has been on the road toward bankruptcy.

For the fiscal year 1931 the deficit was $903,000,000.

For the fiscal year 1932 it was $3,153,000,000.

For the fiscal year 1933 it was $3,068,000,000.

For the fiscal year 1934 it was $3,989,000,000.

For the fiscal year 1935 it was $3,575,000,000.

For the fiscal year 1936 it was $4,764,000,000.

Thus we shall have piled up an accumulated deficit of $19,452,000,000.

With the utmost seriousness I point out to the profound effect of this fact upon our national economy. It has accentuated the stagnation of the economic life of our people. It has added to the ranks of the unemployed. Our Government's house is not in order, and for many reasons no effective action has been taken to restore it to order.

Upon the unimpaired credit of the United States Government rests the safety of deposits, the security of insurance policies, the activity of industrial enterprises, the value of our agricultural products, and the availability of employment. The credit of the United States Government definitely affects these fundamental human values. It, therefore, becomes our first concern to make secure the foundation. National recovery depends upon it.

Too often in recent history, liberal governments have been wrecked on rocks of loose fiscal policy. We must avoid this danger.

Thus, President Roosevelt's own language, taken from one of his messages to Congress, may be used as an indictment against his own administration. When he uttered the words of which the foregoing are a paraphrase, he was referring to an accumulated deficit of $5,000,000,000. Now it is nearly four times as much.

The fact that the President has failed to follow his own warning doubtless accounts for the fact that the New Deal administration has constituted a definite drag on recovery. Perhaps it accounts for the fact that some 12,000,000 men are still unemployed. Unquestionably, the administration's loose fiscal policy has undermined confidence and engendered fear as to our economic and financial stability.

A BRIEF HISTORY OF THE BUDGET-BALANCING PROMISES

It will be recalled that the Democratic platform of 1932 promised a Budget "annually balanced * * * within revenues." The first definite assurance of when the Budget would actually be balanced was made by President Roosevelt in his economy message of March 10, 1933. He said:

I ask that this legislation go into effect at once, without even waiting for the beginning of the next fiscal year. I give you assurance that if this is done, there is reasonable prospect that within a year the income of the Government will be sufficient to cover the expenditures of the Government.

FAILURE TO BALANCE BUDGET IN 1934 AS PROMISED

Congress enacted the legislation, but "within a year" the income of the Government was still a long way from being sufficient to cover its expenditures. The fiscal year ending June 30, 1934, closed with a deficit of nearly $4,000,000,000, which was a billion dollars greater than the year before. The income of the Government had increased from $2,000,000,000 to $3,000,000,000, but the expenditures, instead of being reduced, had increased from $5,000,000,000 to $7,000,000,000.

BUDGET BALANCING POSTPONED UNTIL 1936

When President Roosevelt sent his Budget message to Congress on January 4, 1934, he realized he would not be able to make good on his assurance to balance the Budget by June 30 of that year. He therefore postponed Budget balancing until 1936, saying:

The Government during the balance of this calendar year should plan to bring its 1936 expenditures, including recovery and relief, within the revenues expected in the fiscal year 1936.

It was well that the President postponed the date for 2 more years, because the fiscal year 1935 closed with a deficit of $3,575,000,000. Expenditures continued their upward trend, and the public debt rose to $28,701,000,000.

PRESIDENT HEDGED ON PROMISE IN 1935 BUDGET MESSAGE

In his Budget message of January 7, 1935, the President had already begun to hedge on his promise of a balanced Budget in 1936 which he had made the year before. Pointing out that unemployment was still large, he added:

For this reason it is evident that we have not yet reached a point at which a complete balance of the Budget is possible.

This was a frank admission that the spending program was a failure. Billions had been poured out, but we still had 12,000,000 unemployed.

FAILED TO BALANCE BUDGET IN 1936 AS PROMISED

The fiscal year 1936 has come to a close, but we find that the Budget is further out of balance than ever. With total expenditures of $8,880,000,000 against receipts of only $4,116,000,000, there was a deficit for the current year of $4,764,000,000.

Thus for "3 long years" we have been hearing promises of a balanced Budget, but as yet we have seen no performance. Matters are going from bad to worse.

PRESIDENT NOW AVOIDS DEFINITE PROMISE

When the President appeared before Congress at the opening of the present session of Congress the best he could say was that—

We approach a balance of the National Budget.

What he meant by that statement is hard to say. He certainly could not have used the word in the sense of making any progress toward a balanced Budget, because no progress has been made. The administration is not even "creeping" toward a balanced Budget. It can never hope to achieve a balance as long as it keeps increasing expenditures year by year.

NEW DEAL PLATFORM OF 1936 STILL PROMISES BALANCED BUDGET BUT DOES NOT SAY WHEN

The New Deal platform for 1936, as adopted by the Philadelphia convention, has this to say respecting expenditures and the Budget:

We are determined to reduce the expenses of government. * * * Our retrenchment, tax, and recovery programs thus reflect our firm determination to achieve a balanced Budget and the reduction of the national debt at the earliest possible moment.

In the light of the failure of the administration to carry out the 1932 platform pledges and all subsequent assurances of the President, this promise can be disregarded. How can the New Deal be determined to reduce governmental expenses when it increases them year by year? And who ever heard of the New Deal's "retrenchment program"? When did it ever have a definite tax program? How can the New Deal expect ever to reduce the national debt when it keeps piling up deficits at the rate of $4,000,000,000 annually? The "earliest possible moment" date for Budget balancing is extremely vague and is even more meaningless than the definite promises to achieve a balanced Budget in 1934 and again in 1936.

SUMMARY OF FISCAL RECORD OF THE NEW DEAL

At this point I shall insert in the RECORD a table which I have prepared which gives the complete fiscal record of the New Deal to date, that is, from March 4, 1933, to June 30, 1936:

Fiscal record of the New Deal, Mar. 4, 1933, to June 30, 1936

Date	Expenditures	Receipts	Deficit	Tax measures enacted during fiscal year with estimated revenue[1]		Public debt
Mar. 3, 1933						$20,937,000,000
Mar. 4, 1933, to close of fiscal year ending June 30, 1933 (4 months).	$1,767,000,000	$862,000,000	$905,000,000	Beer tax	$150,000,000	22,539,000,000
				Processing taxes	500,000,000	
				N. I. R. A.:		
				Special taxes	227,000,000	
				Extension of nuisance taxes	300,000,000	
				Extension of gasoline tax and 3-cent postage rate	200,000,000	
					1,377,000,000	
Fiscal year ending June 30, 1934.	7,105,000,000	3,116,000,000	3,989,000,000	Liquor taxes	467,000,000	27,053,000,000
				Revenue Act of 1934	417,000,000	
					884,000,000	
Fiscal year ending June 30, 1935.	7,375,000,000	3,800,000,000	3,575,000,000	Extension of nuisance taxes, including gasoline and 3-cent postage.	500,000,000	28,701,000,000
Fiscal year ending June 30, 1936.	8,880,000,000	4,116,000,000	4,764,000,000	Pay roll taxes, Social Security Act	[2] 2,500,000,000	33,779,000,000
				Pay roll taxes, Railroad Retirement Act	[3] 100,000,000	
				Revenue Act of 1935	250,000,000	
				Revenue Act of 1936	800,000,000	
					[2] 3,650,000,000	
Totals	25,127,000,000	11,894,000,000	13,233,000,000		(4)	
Increased in public debt						12,842,000,000

[1] List does not include taxes under Bankhead Cotton Act, Smith-Kerr Tobacco Act, or Potato Control Act, all of which have been repealed, or under Bituminous Coal Act, which was held unconstitutional.
[2] Budget estimate for pay roll taxes for 1937 is $433,000,000. Amount increases gradually until maximum rates become applicable in 1949, yielding $2,500,000,000 annual revenue.
[3] Budget estimate for 1937.
[4] Not possible to total due to overlapping, repeals, etc.

THREE WAYS TO BALANCE A BUDGET

The uncontrolled spending orgy of the New Deal, coupled with the policy of borrowing without limit to meet recurring deficits of gigantic proportions, will eventually lead the country to ruin. The only question is how soon.

The Nation's credit can be saved only by a determined effort at Budget balancing. There are three ways by which this may be done: (1) By imposing sufficient new taxes to meet the prodigal spending program; (2) by reducing expenditures to meet existing revenues; or (3) by a combination of increased taxes and reduced expenditures. Those in charge of the New Deal's spending program seem to know little about these elementary facts and they care less.

NEW DEAL TAXES FAILED TO HELP BUDGET BALANCING

Since the New Deal administration has been in power, numerous taxing statutes have been enacted, but with no apparent effect on Budget balancing. This is not strange, however, since none of its taxing acts have been aimed at balancing the Budget.

The $150,000,000 of new revenue under the 3.2 percent beer law of 1933 was purely incidental to the modification of the Volstead law.

The $500,000,000 annual processing taxes imposed under the Agricultural Adjustment Act were earmarked for payment to farmers.

The $227,000,000 of special taxes imposed under the National Industrial Recovery Act were earmarked for amortization of the $3,300,000,000 public-works appropriation which that act provided.

The extension of the nuisance taxes for an additional year under the same act provided no new revenue.

The extension of the tax on gasoline and the 3-cent rate on first-class postage also produced no new revenue.

The $467,000,000 of new revenue under the Liquor Taxing Act of 1934 was purely incidental to the repeal of the eighteenth amendment.

The $417,000,000 of new revenue under the Revenue Act of 1934 resulted incidentally from plugging up loopholes in the tax law.

The extension of the nuisance taxes for a second time again produced no new revenue.

The two pay-roll taxes under the Social Security Act, which will eventually impose a burden of $2,500,000,000 annually on employers and employees, are earmarked for unemployment insurance and old-age retirement.

The pay-roll tax under the Railroad Retirement Act is also earmarked.

The $250,000,000 of revenue resulting from the Revenue Act of 1935, otherwise known as the President's "share the wealth" tax measure, was purely incidental to the social purposes of the act.

Of the $800,000,000 of new revenue under the recently enacted Revenue Act of 1936, $500,000,000 takes the place of the unconstitutional processing taxes and is earmarked for benefit payments to farmers. Another $120,000,000 is for amortization charges incident to the payment of the bonus before maturity. The balance goes to reimburse the Treasury for processing taxes it was unable to collect on account of the invalidation of the Agricultural Adjustment Act. Hence all the Revenue Act of 1936 does is to preserve the status quo as it existed prior to the Supreme Court's decision in the A. A. A. case and prior to the legislation providing for the bonus payment. The 1936 and 1937 Budgets are as much out of balance as they were before the new tax law was enacted.

TENDENCY OF NEW DEAL TAXATION HAS BEEN TO SHIFT BURDEN TO THOSE LEAST ABLE TO PAY

In connection with the tax legislation enacted under the present administration, it should be pointed out that the New Deal has shifted the burden of taxation from those best able to bear it to those least able.

The Democratic platform of 1932 calls for taxes "levied on the principle of ability to pay." Candidate Roosevelt, in his Albany speech of July 30, 1932, interpreted this platform plank as follows:

> This is a declaration in favor of graduated income, inheritance, and profits taxes, and against taxes on food and clothing, whose burden is actually shifted to the consumer.

In spite of this declaration, the second taxing act of the Roosevelt administration was that providing for processing taxes on the very necessaries of life—food and clothing. Secretary of Agriculture Wallace in his annual report for 1934 admitted that these taxes fell heaviest on the "poorer people." Translated into increased costs of food and clothing, they were higher in proportion than the income and estate taxes, which are based on ability to pay.

The Roosevelt administration twice continued the nuisance taxes, once for 1 additional year and again for 2 additional years. These taxes are, of course, levied on consumption, without reference to ability to pay.

In 1930, according to a statement made by the General Counsel for the Bureau of Internal Revenue before the Senate Finance Committee last year, 68.2 percent of the taxes collected were based on ability to pay, and only 31.8 percent

were so-called consumption taxes. In 1935, under the New Deal, this situation was completely reversed. At that time 61.3 percent were hidden consumption taxes and only 38.7 percent were based on ability to pay. This is something for the man of small income to ponder over. It is not merely another broken campaign promise but it is a broken promise that adversely affects every single person in the country who has limited means.

WHERE WILL MONEY FOR NEW TAXES COME FROM?

If the administration were to balance the Budget by the imposition of new taxes, we have seen that it would have to double the present tax load. Some $4,000,000,000 of additional revenue would have to be raised, and the question is, Where can it be had?

The answer is very simple. The taxes on the wealthy have been increased several times and they now border very near to confiscation. Even if actual confiscation took place, there would not be much more revenue from this source. Business has been taxed and taxed until it can hardly exist under the load. The only place to turn for more money is to the great masses of our people—those with small and moderate means. The sooner the people realize this the sooner the spending orgy is going to stop.

HOW TAXES HAVE INCREASED UNDER NEW DEAL

The increase in the tax burden under the New Deal is shown in the following table of tax collections since the fiscal year 1933:

1933	$1,620,000,000
1934	2,672,000,000
1935	3,299,000,000
1936	3,513,000,000
1937 (Budget estimate)	5,140,000,000

It will be seen that there has been a steady increase year by year.

It is possible that eventually, if enough taxes were piled upon the backs of the taxpayers, the Budget could be balanced by this method. However, there is grave question whether business and the people could stand the load. Certainly, any further increase would be a serious threat to recovery.

A few moments ago I pointed to three ways by which the Budget could be balanced. The New Deal has not tried any one of these three ways. It has imposed taxes, it is true, but never with a view to Budget balancing.

The second of these three methods was by reducing expenditures. The New Deal has never tried this method. Nor has it tried the third method of combining increased taxes with reduced expenditures.

EVERY DOLLAR OF EXPENDITURES SAVED MEANS A DOLLAR OF NEW TAXES AVOIDED

It goes without saying that every dollar of unnecessary expenditure saved means a dollar of new taxes avoided. In view of the exhaustion of other tax sources by the administration, savings by this method would really mean the avoidance of new taxes on the great masses of our people.

The Republican minority in Congress, in opposing the administration's tax legislation, have taken the view that if Government expenditures were reduced to a reasonable basis a large part of the coming tax burden could be avoided.

TAXPAYERS' MONEY BEING SQUANDERED

There can be no question but what the administration spendthrifts are wasting hundreds of millions on every hand. There can be no question but what hundreds of millions are being spent unnecessarily and extravagantly. There also can be no question but what hundreds of millions are being spent for purely political purposes with a view to entrenching the New Deal political machine in power.

THE QUESTION OF RELIEF

I do not wish to be understood as suggesting that all relief expenditures should be abandoned. There has already been some evidence that New Deal partisans will attempt to sway thousands of votes during the coming election campaign by making the charge that if the Republican Party is put in control there will be no more relief. Of course, any such charge is utterly false and deliberately misleading. The Republican Party is committed to the continuance of necessary Federal appropriations for relief, but in the interest of economy, efficiency, and humanity it proposes to transfer the actual administration of relief to nonpolitical local agencies familiar with local relief problems.

ELIMINATION OF UNNECESSARY EXPENDITURES SHOULD PRECEDE ANY TAX INCREASE

Along with my Republican colleagues in Congress I am unalterably opposed to any further increase in the tax burden until it can be determined to what extent expenditures can be reduced without impairing any of the ordinary functions of Government and without denying adequate relief to the needy. After that is done, I am willing to cooperate in the enactment of the necessary tax legislation to assure the maintenance of the Nation's credit, and I am sure that the people will shoulder any necessary increase in taxes under those conditions. But the New Deal is not giving the people a square deal when it wantonly squanders their hard-earned tax money, keeps calling for more and more, and even mortgages their future earnings by piling up huge deficits that they must eventually pay.

It is a difficult task for Congress to find sources of taxation where it can raise new revenue. Likewise, it is difficult for those who are called upon to pay increased taxes to find the money with which to meet them. But it would be an easy matter for the administration to eliminate $100,000,000 or $500,000,000, or even $1,000,000,000, of unnecessary expenditures and thus avoid the necessity for new taxes of a corresponding amount. This is a matter which the New Dealers do not seem to understand.

REPUBLICANS REDUCED WORLD WAR DEBT AND TAXES AT SAME TIME

Contrast the record of the Republican Party with that of the new dealers. The Republicans inherited the World War debt. The highest post-war debt, according to the Treasury Department, was $26,597,000,000 on August 31, 1919. In December 1919 the Republicans came into control of both Houses of Congress. While a Democrat was still President, the Republicans had the supervision of the Nation's purse strings. The lowest post-war debt was $16,026,000,000 on December 31, 1930. From December 1919 down to and including December 1930 the Republicans were in control of both branches of Congress, and they were in control of the Presidency after March 1921. During this period the debt was reduced by $10,500,000,000, or at the rate of approximately $1,000,000,000 annually. Not only did the Republican Party reduce the debt by that amount, but during the same period it reduced taxes four separate times, as follows:

Republican tax reductions

Revenue Act of 1921	$663,000,000
Revenue Act of 1924	519,000,000
Revenue Act of 1926	422,000,000
Revenue Act of 1928	222,000,000
Total reductions	1,826,000,000

The new dealers increase taxes all the time yet keep on increasing the public debt. The Republican Party reduced taxes and still reduced the public debt. If the Republicans are returned to power in November, business would undoubtedly recover to such an extent that the present tax structure would more than be sufficient to meet all necessary expenditures, and possibly the history of the 1920's would repeat itself—tax reduction and debt reduction going hand in hand.

REPUBLICAN PLATFORM OF 1936 PLEDGES BUDGET BALANCING BY REDUCED EXPENDITURES RATHER THAN INCREASED TAXES

The financial plank of the Republican platform of 1936 constitutes a reassuring and welcome message to the American people. It reads:

The New Deal administration has been characterized by shameful waste and general financial irresponsibility. It has piled deficit upon deficit. It threatens national bankruptcy and the destruction through inflation of insurance policies and savings-bank deposits.

We pledge ourselves to—

Stop the folly of uncontrolled spending.

Balance the Budget—not by increasing taxes but by cutting expenditures, drastically and immediately.

Revise the Federal tax system and coordinate it with State and local tax systems.

Use the taxing power for raising revenue and not for punitive or political purposes.

I call particular attention to the pledge to balance the Budget "not by increasing taxes but by cutting expenditures, drastically and immediately." This pledge will be kept. The people know it will be kept. At the same time, they know by past experience that the pledge to reduce expenditures contained in the New Deal platform will not be kept.

DISCUSSION OF THE REVENUE ACT OF 1936

I shall now refer briefly to the details of the new revenue law enacted by the present session of Congress under the lash of the President, which is known as the Revenue Act of 1936. This is really a misnomer, however, as the measure is not entirely one to raise revenue, but, like many other New Deal measures, it uses the taxing power as a means of achieving other ends which cannot be reached directly. In this case the end sought is to force corporations to distribute their current earnings, irrespective of the needs of the business.

In his message to Congress of March 6, 1936, President Roosevelt outlined his proposed plan substantially as follows: All existing corporate taxes yielding an assured revenue of over $1,000,000,000 annually were to be repealed. In their place was proposed a graduated tax or penalty based wholly on the percentage of current corporate income not distributed to stockholders.

The Democratic majority on the Ways and Means Committee, while not at all enthusiastic about the President's proposal, decided that with a Presidential election in the offing they could not afford to disregard his wishes and accordingly set to work to draft a bill in conformity with his suggestions.

OVERWHELMING OPPOSITION TO PRESIDENT'S PLAN AT HEARINGS

Hearings were held before any bill had been prepared, and witnesses therefore were handicapped in testifying. Outside of Treasury officials, and one other Government employee, only two persons appeared in support of the President's plan. One was a young lawyer with certain theories of his own regarding taxation, and the other was a representative of the Communist Party. Every businessman who appeared opposed the plan as revolutionary, dangerous, unwise, and unjust. No one of experience or ability in the field of taxation supported it. Even the committee's own tax expert, Mr. L. H. Parker, was on record as being opposed to the plan.

While the scheme was in line with Professor Tugwell's proposal to use the Federal taxing power as a means of forcing the distribution of corporate earnings, the moving spirit behind it seemed to be Professor Oliphant, General Counsel of the Treasury Department, who has rapidly risen in the good graces of the President but whose only knowledge of tax problems and business affairs had been gleaned from books and the classroom.

DEMOCRATS DRAFT BILL IN SECRET MEETINGS

In spite of the overwhelming opposition to the plan, the Democratic majority on the committee went into secret executive sessions to draft a bill. The Republican members of the committee saw the bill for the first time the day it was introduced and reported to the House.

As worked out by the Democrats on the committee, the bill repealed all existing corporate taxes as recommended by the President, and provided for a tax of as high as 42½ percent on corporate incomes, graduated according to the amount of current earnings not distributed.

REPUBLICANS OPPOSED PROPOSED SCHEME

I joined with my Republican colleagues on the Ways and Means Committee in a minority report opposing the bill on numerous grounds. One of the principal objections was that it would allow a large, well-financed corporation, which could afford to distribute all its current earnings, to avoid taxation altogether, while absolutely crucifying a small, weak corporation which must retain its earnings. In the case of a corporation with $100,000 income, for example, the most that it could possibly have retained under the House bill was $57,500, because the 42½-percent tax would take the balance.

SENATE REJECTED HOUSE BILL

The bill passed the House over Republican opposition, but the Senate very wisely refused to accept the President's radical tax plan. The Senate Finance Committee, in reporting against the House bill, raised virtually the same objections to it that the Republican members of the Ways and Means Committee had raised. As a substitute for the House bill the Senate retained the existing corporate-income tax but increased the rates by 3 percent. Then, as a gesture to the President, it reluctantly adopted a flat tax of 7 percent on undistributed earnings to be imposed in addition.

COMPROMISE BILL MOSTLY RESEMBLED HOUSE PROVISIONS

The bill was then sent to conference to adjust the differences between the Senate and House provisions. The result was a hybrid measure combining the conflicting tax schemes of both bills, but which in its general outline mostly resembled the discredited House bill.

The compromise was based upon no sound premise, but was accepted only in order to eventually comply with the dictates of the President. In the haste to come to some agreement, so that the Democratic Members of Congress could attend the Democratic convention in Philadelphia, the conferees did not even take the trouble to agree upon definite provisions. The legislative drafting experts were practically given a blank check to write the bill. Not a single member of the conference committee in either branch saw a copy of the completed draft before the conference reports were made to each House.

CONFERENCE REPORT ADOPTED WITHOUT PRINT AVAILABLE

The conference report was called up in the House without even a print of it available. There was not even an extra typewritten copy for the minority members to see. I doubt if even the majority members had a copy. It is possible that even the reading clerk did not have one, because the report was not read, as is the ordinary custom. No one attempted to explain the report in any detail, because no one was able to. It was under these circumstances that an $800,000,000 revenue bill became a law. This measure was an outstanding example of the type of ill-advised legislation that is sure to result from an effort to carry out an arbitrary "must" program of the President in the closing hours of a congressional session without adequate consideration or study and without intelligent debate.

PROVISIONS OF 1936 REVENUE ACT AS FINALLY PASSED

The new act provides the following plan of corporate taxation:

First. The present graduated income tax on corporations is retained, but with the following rates:

Net income

	Percent
First $2,000	8
Next $13,000	11
Next $25,000	13
All over $40,000	15

Second. In addition, there is imposed on that part of the corporate earnings withheld from distribution a supertax, as follows:

Income not distributed

	Percent
First 10 percent	7
Next 10 percent	12
Next 20 percent	17
Next 20 percent	22
All over 60 percent	27

The normal corporate income tax is treated as a distribution and is therefore deducted in computing the percentage of income withheld. In the case of corporations with adjusted net incomes of less than $50,000 the minimum rate of 7 percent is applicable to the first $5,000 withheld, regardless of the percentage which it bears to the total.

Third. Corporate dividends received by stockholders are henceforth to be subject to the normal individual income tax

of 4 percent as well as to the surtax. This, of course, constitutes double taxation.

Fourth. Banks and insurance companies are to be taxed at a flat rate of 15 percent on their income and are to be exempt from the supertax on amounts withheld from distribution.

Fifth. Corporations in receivership are to be subject to the graduated corporate income tax, but exempt from the supertax. Corporations under contract not to pay dividends are to be subject to the graduated corporate income tax, but exempt from the supertax to the extent to which they are restricted. Common trust funds operated by banks and certain classes of investment trusts are also given special treatment.

Sixth. Foreign corporations are exempted from both the graduated corporate income tax and the supertax, but pay a flat tax on their income. The rate is 15 percent on nonresident foreign corporations and 22 percent on resident foreign corporations.

Seventh. The special taxes on corporations improperly accumulating surpluses and on personal holding companies are reduced by 10 percent and 12 percent, respectively.

Eighth. The present exemption of intercorporate dividends from the normal corporate income tax is reduced from 90 percent of the amount of such dividends to 85 percent.

Ninth. The present capital-stock tax is continued, but the rate reduced to $1 per $1,000 of declared value. The present excess-profits tax is continued at the existing rates.

EFFECT OF LAW NOT CONFINED TO CORPORATIONS

The foregoing are the important provisions of the new law in connection with corporations. Their net effect, along with certain other provisions of the bill, will be to increase the tax burden by approximately $800,000,000. This money will come not only from corporations themselves but from their stockholders as well, both large and small. While it may appear at first blush that this new tax measure is imposed primarily on business, its effect will be felt by every citizen. Simply because the man on the street is not directly taxed by the bill is no assurance that he will not be affected by it. As Candidate Roosevelt said in his Pittsburgh speech during the 1932 campaign:

> Our workers may never see a tax bill, but they pay in deductions from wages, in increased cost of what they buy, or (as now) in broad cessation of employment.

Never was this more true than with respect to the measure just enacted.

It not only increases the tax burden, but by penalizing the accumulation of "rainy day" reserves it tends to weaken the whole business structure, thereby jeopardizing the stability of our economic system and threatening the security of jobs and investments.

IMPORTANCE OF CORPORATE RESERVES

The importance of corporate reserves to business stability and to the maintenance of employment has been clearly demonstrated during the depression. Thousands of businesses were enabled to keep their doors open, maintain employment, and pay dividends because they had built up reserves during good times. If the tax policy prior to the depression had been such as to penalize prudent business management, as does the act just passed, there is no telling how much worse the depression might have been.

According to figures published by the Department of Commerce, American business in the 5-year period from 1930 to 1934, inclusive, distributed in wages, dividends, and so forth, $26,600,000,000 more than it earned. This contribution which business made to recovery was made possible only by drawing upon its savings, which the law just passed would now discourage. No stronger argument could be advanced against the President's unsound plan of penalizing the accumulation of reserves than this.

NEW TAX PLAN WILL HAVE RETARDING EFFECT ON RECOVERY

Not only does the new tax on undistributed earnings discourage prudence and thrift but it also puts a penalty on earnings used for purposes of business expansion and business rehabilitation. This will have a retarding effect upon recovery and reemployment.

The President's new tax plan encourages monopoly by imposing higher taxes on financially weak corporations which are not in a position to distribute all their earnings than on large, strong corporations which have huge reserves on hand and can thus avoid the penalty tax by distributing all current earnings to stockholders. It further encourages monopoly by making it more difficult for new corporations to become established in competition with those already in the field.

The President's new tax plan brings about unequal competitive conditions between corporations by imposing a higher tax on one than on another, even though the net income may be the same.

Corporations which must borrow money to carry on their business are penalized because they must pay a penalty on earnings retained for debt-paying purposes.

ANOTHER EXAMPLE OF REGIMENTED FEDERAL CONTROL

In effect, the undistributed earnings tax is simply the exertion of pressure by the Government, under the guise of the taxing power, to force the distribution of corporate earnings, irrespective of the needs of the business. It substitutes regimented Federal control for the prudent business judgment of the officers and directors of the corporation. Scores of other objections could be cited to this unwise and unsound policy. It will certainly be abolished just as soon as the New Deal theorists and experimenters can be turned out of office.

II. TARIFF REDUCTIONS UNDER THE NEW DEAL

With respect to the tariff question, the issue is clearly drawn between the New Deal and the Republican Party. The New Deal stands for the increased importation of foreign goods that compete with the products of American farmers, manufacturers, and workingmen. The Republican Party, on the other hand, stands for a protective-tariff policy that will insure American agriculture, industry, and labor the first opportunity to supply the goods consumed in the home market and that will maintain American wages and the American standard of living.

NEW DEAL HAS REDUCED TARIFFS ON HUNDREDS OF ITEMS

The New Deal tariff policy is exemplified by its foreign trade treaty program, which is being carried on under the direction of the Secretary of State, an acknowledged low-tariff advocate. Under the 14 trade treaties which thus far have been negotiated, our tariff rates have been drastically lowered on several hundred agricultural and manufactured products. These trade treaties are supposedly reciprocal, but they have had the effect of trading off our rich home market for lean foreign markets. They hold out no hope of any net benefit to this country, since the tariff concessions which we make under a treaty with one country are extended to all other countries in the world, with the exception of Germany, without requiring these other countries to give us reciprocal concessions in return. Thus, to say the least, the treaties are extremely one-sided in favor of foreign countries.

The New Deal platform of 1936 attempts to cover up the administration's disastrous tariff policy of the last 3 years by advocating "adequate protection to our farmers and manufacturers." We are warned by the Good Book that "by their deeds ye shall know them."

We also know that actions speak louder than words. Under its trade-treaty program the administration has carried on a piecemeal destruction of the tariff protection afforded by the Republican Tariff Act of 1930. Following are a few of the agricultural products on which duties have been reduced under the 14 New Deal trade treaties which have been negotiated up to the present time: Cattle, cream, cheese, poultry, honey, pearl barley, corn, apples, cherries, blueberries, grapefruit, lima beans, peas, potatoes, tomatoes, turnips, cucumbers, eggplant, okra, peppers, squash, cabbage, hay, cane and beet sugar, maple sugar, wrapper tobacco, filler tobacco, potato starch, wines, and flax.

The list of manufactured products on which reductions have been made is very long, and it would be difficult to pick out representative items. However, it may be pointed out that numerous reductions are made in each of the 15

dutiable schedules, affecting imported products that compete directly with goods manufactured in this country.

TRADE-TREATY PROGRAM BASED ON FALSE PREMISE

It is thus clear that instead of protecting the home market the New Deal has invited further competition from abroad. Such was its declared purpose when the legislation authorizing the trade-treaty program was passed. It was argued that the only way we could regain our foreign trade was by allowing foreign countries to sell us more of their products. In spite of the fact that two-thirds of our imports, on a value basis, were already free of duty, the New Deal insisted that the gates should be opened wider to foreign goods.

The fallacy of the administration's program has already been demonstrated. Although in 1935 we increased our merchandise imports by $392,000,000 over the previous year, our exports only increased by $149,000,000. In other words, for every $3.92 in additional purchasing power we gave to foreign countries we received back $1.49, leaving us with a net loss of $2.43 on the transaction. When we take into consideration the other items entering into our foreign commerce, such as our gold and silver purchases, tourists' expenditures, immigrant remittances, and so forth, our loss is much greater, and the administration's false theory is more completely exploded. For example, in 1934 these items transformed our favorable balance of merchandise trade into a net unfavorable balance of total trade of $970,000,000. In 1935 the net unfavorable balance was in excess of $2,000,000,000. In 2 years, therefore, we had a net unfavorable balance of total trade of nearly $3,000,000,000. This huge sum represented the excess of dollar credits in the hands of foreigners over the amount necessary to pay for the goods purchased in this country. This net debt was paid to the foreigners not by the sale of more goods but by the transfer of capital assets.

AMERICAN PRODUCERS BEING SOLD OUT UNDER NEW DEAL PROGRAM

These trade treaties do not bind foreign countries to purchase any goods in our markets. What is happening is that they are taking advantage of the opportunity which the New Deal afforded them to sell in the United States, but they are spending their money elsewhere. There is nothing to indicate that a continuation of the New Deal's good-neighbor policy will have any different result. American producers are being sold out and we are receiving no compensating benefits from foreign countries.

FARM EXPORTS DECLINING—FARM IMPORTS INCREASING

Our farmers were promised an outlet for their surplus commodities as soon as the trade-treaty program got under way. Instead they have seen their foreign markets shrink still further. For example, our exports of wheat and wheat flour declined from 36,000,000 bushels in 1934 to 16,000,000 bushels in 1935. In the same period, exports of tobacco declined from 419,000,000 pounds to 381,000,000 pounds. Exports of pork declined from 84,000,000 pounds to 62,000,000 pounds. Exports of lard declined from 431,000,000 pounds to only 96,000,000.

While farm exports have declined, farm imports have tremendously increased. From 1934 to 1935 imports of canned beef rose from 47,000,000 pounds to 76,000,000 pounds; wheat from 8,000,000 bushels to 27,000,000 bushels; corn from 3,000,000 bushels to 43,000,000 bushels; oats from 5,000,000 bushels to 10,000,000 bushels; barley malt from 193,000,000 pounds to 320,000,000 pounds; and egg products from 3,000,000 pounds to nearly 8,000,000 pounds.

EXPANSION OF FOREIGN TRADE NOT A NEW DEAL ACHIEVEMENT

Senator BARKLEY, in his keynote address before the Democratic Convention, sought to give the administration's trade-treaty program sole credit for the increase in our foreign trade from $2,933,000,000 in 1932 to $4,330,000,000 in 1935. As a matter of fact, the trade-treaty legislation was not passed until June 1934, and the first treaty, which was that with Cuba, did not go into effect until September 1934. Only three additional treaties became effective in 1935, that with Belgium on May 1, that with Haiti on June 3, and that with Sweden on August 5.

From 1932 to 1933 our total foreign trade increased from $2,933,000,000 to $3,125,000,000, or by $192,000,000. This increase was wholly under the much-maligned Republican Tariff Act of 1930.

From 1933 to 1934 our total foreign trade increased from $3,125,000,000 to $3,788,000,000, or by $663,000,000. With the exception of the possible limited effect of the Cuban treaty in the last 4 months of 1934, this increase also was entirely under the Republican Tariff Act of 1930.

From 1934 to 1935 our total foreign trade increased from $3,788,000,000 to $4,330,000,000, or by $542,000,000. It is obvious that the greatest part of this increase must have taken place under the Republican Tariff Act of 1930, since trade treaties were in effect only with four small countries, and for only a part of the year in the case of three of them.

IMPORTS INCREASE MORE THAN EXPORTS UNDER TREATY PROGRAM

When we break down our total trade into imports and exports, the effect of the trade-treaty program can be clearly shown. From 1933 to 1934 our exports increased 27 percent, but from 1934 to 1935 they only increased 7 percent. Thus, so far as our export trade is concerned, the rate of increase has been much smaller since the trade-treaty program became effective than before.

In the case of our import trade, however, the situation is just reversed. Our imports increased only 14 percent between 1933 and 1934 as compared with a 24-percent increase from 1934 to 1935.

This comparison of exports and imports before and after the trade-treaty program is proof of my previous statement that we are trading off our rich domestic market for lean foreign markets. I again point out that while a trade treaty with one country only affects our export trade with that one country, our imports from the whole world are affected, because all countries are given the benefit of our reduced duties which we extend to a particular country although we get no concessions from them. Thus the trade treaties result in a disproportionate increase between exports and imports, which adversely affects our domestic producers.

TRADE TREATIES HAVE RESULTED IN ADVANTAGE TO FOREIGN COUNTRIES

Even as regards our trade with particular treaty countries, excluding the adverse effects of generalizing our reductions in favor of other countries, we have come out on the short end of the bargain. This can be proven by reference to the official trade figures. For example, the Department of Commerce, on March 8, 1936, issued a mimeographed pamphlet dealing with our foreign trade in 1935. On page 7 reference is made to the trade treaty with Sweden. Then follows this statement:

> Compared with the corresponding periods of 1934, exports of United States merchandise to Sweden increased 15 percent in the period prior to the effective date of the agreement and 16 percent in the period following the agreement.
>
> Comparing imports during corresponding periods of 1934 and 1935, the value of our imports from Sweden in the period prior to the agreement increased 9 percent and in the period following the agreement increased 34 percent

Thus we have the story: Exports increased from 15 percent to 16 percent; imports from 9 percent to 34 percent. We give much and get little.

This same Department of Commerce publication also refers to our trade with Belgium. It says:

> Our exports to Belgium increased 16 percent over 1934, and our share of Belgium's import trade was larger than in 1934.

It will be noted that the figure is given for the increase in exports, but not for the increase in imports. Perhaps there was a reason. Our imports from Belgium increased from $26,000,000 in 1934 to $40,000,000 in 1935, or by more than 50 percent.

The administration is always publicizing the increase in exports, but it says little, if anything, about the increase in imports. The Secretary of the Treasury, in a press release dated October 31, 1935, perhaps inadvertently showed how the Cuban treaty had adversely affected our domestic producers. Comparing our trade with Cuba in the 12-month period prior to and after the effective date of the Cuban treaty, he pointed out that our exports to Cuba increased only

$21,000,000 as compared with an increase in imports of $103,000,000. In terms of percentages the respective increases were 58.8 percent in the case of exports and 213.3 percent in the case of imports.

It is quite apparent that the trade treaties which have been negotiated have been bad bargains. What makes them appear even worse is the fact that we have increased our exports to nearly all nontreaty countries without giving up any consessions in our home market in return. In the case of the United Kingdom alone our exports in 1935 were $50,000,000 greater than in 1934.

TREATIES NEGOTIATED IN STAR-CHAMBER PROCEEDINGS

One of the most reprehensible features of the trade-treaty program is the fact that the treaties are negotiated with foreign representatives by a group of theorists in the State Department in secret star-chamber proceedings, from which American producers are excluded. No opportunity is afforded for the representatives of American agriculture, industry, or labor to be heard with respect to the treaties once they have been negotiated, nor are the treaties subject to ratification by either House of Congress. Under such procedure, representative government becomes a mockery.

NO PRECEDENT FOR PRESIDENT'S POWERS UNDER TRADE-TREATY LEGISLATION

Senator BARKLEY, in his remarks before the Democratic convention, to which I have already referred, attempted to justify the constitutionality of the trade-treaty legislation by saying that Congress had from time to time ever since 1789 conferred similar authority on the President in the interest of foreign trade. Such, however, is not the case.

The Supreme Court has many times held that Congress cannot delegate its legislative authority to the President. The New Deal Congress, in giving the President the right to reduce tariff rates in pursuance of trade treaties negotiated by him, confers on him legislative authority in violation of the Constitution. It is true that the Supreme Court has upheld the powers given to the President under the so-called flexible tariff provisions of the present tariff act, but in so doing it pointed out that Congress did not give the President discretionary authority, since it laid down a definite rule or yardstick which the President was required to follow in adjusting duties either up or down—namely, the difference in cost of production formula. No such rule or yardstick is laid down in the trade-treaty legislation. The President can use his own discretion both as to the items to be affected and as to the rate to be fixed. The only limitation is that he cannot go beyond 50 percent of the statutory rate, but this merely puts a limit on the amount of discretion he may use. Within that limit he exercises legislative powers.

New Deal orators also attempt to show that under past Republican administrations the President has been empowered to enter into trade treaties. It is true that the President was given certain authority under the tariff acts of 1890 and 1897 respecting reciprocal agreements with foreign countries, but in both instances Congress named a specific list of articles which might be the subject of negotiation, and at the same time determined in advance the precise reductions in duty that might be made or the penalty duties that might be imposed. No President had any discretionary legislative authority under any previous Republican tariff legislation.

Where the President has been given general treaty-making authority in the past, it has always been provided that any trade treaties negotiated under such general power should be ratified by the Senate and approved by the House of Representatives before becoming effective. The New Deal treaties are not even ratified by the Senate, as required by the Constitution.

REPUBLICAN ATTITUDE ON RECIPROCITY

The Republican Party has favored reciprocity in the past, but only under constitutional methods and only when it could be effected consistent with the principles of protection and without injury to American agriculture, American industry, or American labor. That is the policy of the party today.

In this connection I might point out that the reduction of our duties on competitive foreign products is not the only way of securing benefits for our exports in foreign markets. We should keep in mind that the imposition of provisional penalty duties on the tremendous quantity of foreign products now enjoying free access to our market would be an effective method of securing fair treatment for our export products abroad. Provision could be made for the suspension of such penalty duties with respect to imports from all countries which did not discriminate against American commerce.

REPUBLICAN PLATFORM PROMISES REPEAL OF TRADE-TREATY LAW

The Republican platform of 1936 calls for the repeal of the New Deal trade-treaty legislation under which our rich domestic market is being surrendered to foreigners. I have advocated this ever since the law was enacted. I bitterly fought its enactment. It has worked out just as I prophesied, namely, to the great detriment of the country as a whole.

I cannot close this reference to the tariff more appropriately than by quoting the following passage from my remarks of June 14, 1934:

> In the coming elections, the Democrats will have to justify their votes in giving the President this unconstitutional and dictatorial authority over the tariff and over all domestic industries dependent upon tariff protection. They will have to answer for giving him this power to say what our people shall produce at home and what they shall buy abroad. They will have to explain by what principles of fairness and justice one industry may be destroyed in order to benefit another. They will have to demonstrate by what economic laws the importation of foreign agricultural products can rid our farmers of their surpluses; how the importation of more industrial products can reopen our own factories, and how the displacement of American by foreign labor can reduce the army of the unemployed. * * *
>
> The Republican Party awaits with expectancy the opportunity to meet the issues raised by this bill before the American people in November. Having adhered to our traditional position of preserving the home market for American industry, agriculture, and labor, we are confident of the outcome.

III. THE ONE BIG ISSUE OF THE ELECTION CAMPAIGN

For practical purposes, all the various issues of the coming election campaign can be summarized into one: Do the people want 4 more years of the New Deal? On this question I think there can be no doubt but that the great majority of the voters in November will give a negative answer. They were misled in 1932 by the promises of the New Deal candidate and the pledges of the New Deal platform, but they will not be misled again.

In 1932 the New Deal platform said:

> We believe that a party platform is a covenant with the people to be faithfully kept by the party when intrusted with power, and that the people are entitled to know in plain words the terms of the contract to which they are asked to subscribe.

This solemn declaration was followed by specific pledges to reduce expenditures, abolish useless bureaus, eliminate extravagance, balance the Budget, preserve a sound currency, free the tariff from Executive interference, strengthen the antitrust laws, remove the Government from business, prevent the improper and excessive use of money in political activities, and to do a host of other things. The New Deal has deliberately broken faith with the people by failing to keep these "covenants."

NEW DEAL PLEDGES BROKEN

Disregarding its pledges, the New Deal has tremendously increased the cost of government; it has set up a vast bureaucracy by the creation of 60 or 70 new Federal agencies, adding 250,000 of the party faithful to the public pay roll; it has squandered and wasted the people's money; it has unbalanced the Budget more than ever; it has undermined the security of our money; it has delegated tariff- and treaty-making authority to the President; it has nullified the antitrust laws; it has put the Government in competition with private business; it has used the Federal Treasury as a campaign chest to intrench itself in power; and it has in many other respects dishonored the people's trust.

CENTRALIZATION OF POWER UNDER NEW DEAL

Not only has the New Deal administration violated its specific pledges, but it has adopted many policies which were

not mentioned in "plain words" in the so-called "contract" to which the voters in 1932 subscribed. It has put into effect many of the proposals advocated by the Socialist Party in its 1932 platform. But of more consequence are the efforts which the New Deal has made to undermine our Constitution, break down its system of checks and balances, destroy our established institutions, infringe upon the liberties of our people, invade the rights of the States, and set up in Washington an all-powerful bureaucratic dictatorship with the President at its head. Nothing was said in the New Deal platform of 1932 about these revolutionary changes in our governmental system.

NEW DEAL PLATFORM NO LONGER A COVENANT WITH THE PEOPLE

It is not strange that the New Deal platform of 1936 fails to renew the declaration that a party platform is a "covenant with the people to be faithfully kept by the party when entrusted with power." It would only have served to emphasize the broken promises of the last platform. By the omission of this declaration the people are put on notice that the New Deal platform of 1936 is made to run on and not to stand on.

It is very significant that the New Deal platform of 1936 also fails to contain any declaration that the people "are entitled to know in plain words the terms of the contract to which they are asked to subscribe." The planks of the 1936 platform are couched in such general terms that they can be interpreted to mean most anything and to justify most anything.

REELECTION OF ROOSEVELT WOULD BE MANDATE TO GO THE LIMIT

I think there can be no question but what the reelection of President Roosevelt would be interpreted by him as a mandate to "go the limit." The "breathing spell" which he promised last fall would definitely be over. Experimentation with "brain trust" theories would be resumed. There has already been some indication that the N. R. A. might be revived. Doubtless an amendment would be sought to the Constitution extending the Federal powers. Unbridled spending would be continued. It makes one shudder to think of the possibilities.

EFFECT OF ROOSEVELT'S REELECTION ON SUPREME COURT

One thing the people should bear in mind is that if Mr. Roosevelt is reelected he will undoubtedly have the opportunity of naming several members of the Supreme Court. It is only necessary to mention this fact to call to mind the consequences which would follow. The Court of last resort, instead of being an independent tribunal, would become a part of the New Deal. The "bloodless revolution" would continue unabated. No longer would the people be able to say, "Thank God for the Supreme Court."

The President has been unsparing in his criticism of the Supreme Court. He contemptuously referred to its decision in the N. R. A. case as taking the country "back to the horse and buggy days." As a matter of fact, the decision in that case was the best "break" the President had, because if the N. R. A. had been allowed to continue, the opposition to it would alone have been enough to defeat him for reelection. Because of public opposition it was discredited and virtually dead when the Supreme Court, by a unanimous decision, delivered the fatal blow.

NEW DEAL MEASURES HAVE BEEN DRAG ON RECOVERY

The New Deal is making a determined effort to convince the people that it is responsible for the recovery thus far achieved. Most of the recovery has taken place not because of but in spite of the New Deal. It is generally conceded that the bottom of the depression was reached in 1932. Since that time things have been on the upgrade. Most of the New Deal policies, however, have been a definite drag on recovery. Our greatest improvement has occurred since June 1935, following the invalidation of the N. R. A. by the Supreme Court. While the New Deal criticizes the Court for its opinion in that case, it is glad to take unto itself the credit for the upturn in business which that decision caused.

SPENDING PROGRAM HAS BEEN FUTILE

The spending program of the New Deal has been absolutely futile in promoting recovery. According to the daily statement of the Treasury for June 30, 1936, the tremendous sum of $19,140,000,000 has been appropriated for relief and recovery purposes, yet the problem is as great today as ever, with 12,000,000 unemployed walking the streets looking for work and approximately 20,000,000 persons dependent upon the Government for a meager existence. The only solution of the unemployment problem is the recovery of business, but this will never be achieved under the New Deal. If the unemployed want their old jobs back, the New Dealers must be turned out of office. According to a statement appearing in the press a few months ago, American business is ready to expend from fifty to eighty billions of dollars for expansion purposes as soon as the restrictive, costly, and dangerous legislative experiments of the administration are ended. But the New Deal has indicated that its experimental program will be carried forward.

DESTRUCTION AND DROUGHT

While millions have been crying for bread, the New Deal economic planners have plowed under the farmers' crops and destroyed millions of little pigs. In 1934 the country was visited by a devastating drought, which destroyed both crops and livestock and left thousands of farmers destitute. Again this year we are witnessing the ravages of another drought. There are many who believe that these are but the punishment inflicted by an all-wise Providence for the administration's program of destruction.

UNCONSTITUTIONAL LEGISLATION UNDER NEW DEAL

The New Deal platform of 1936 states that the administration has sought and will continue to seek to meet the problems at hand "through legislation within the Constitution." Anyone who is in the least familiar with the record of the New Deal knows that this is a deliberate misstatement at least so far as the past is concerned. We have only to recall President Roosevelt's mandate to Congress to pass the Guffey coal bill notwithstanding "any doubt as to constitutionality, however reasonable", and to record the list of major New Deal measures held unconstitutional by the Supreme Court. This list includes (1) the oil-control section of the National Industrial Recovery Act, (2) the joint resolution of Congress invalidating the gold clause in Government bonds, (3) the Railroad Pension Act, (4) the National Industrial Recovery Act, (5) the Farm Mortgage Moratorium Act, (6) the removal of Federal Trade Commissioner Humphrey, (7) the Agricultural Adjustment Act, (8) the Guffey Coal Act, and (9) the Municipal Corporation Bankruptcy Act.

COUNTRY HAS BEEN MOST PROSPEROUS UNDER REPUBLICAN RULE

Doubtless during the election campaign New Deal orators will spend much of their time asking the voters if they want to go back to the conditions in 1932, and telling them that this is exactly what will happen if the New Deal is repudiated at the polls and the Government turned over to the Republican Party. Of course, no one wants to go back to 1932, and there is no reason for thinking that with the Republican Party in power we would go back to 1932. It should not be forgotten that our most prosperous times have been under Republican administrations. In the 71 years since the Civil War we have had only 16 years of Democratic control under three different Democratic Presidents.

REPUBLICAN PLATFORM OF 1936 PROGRESSIVE AND FORWARD LOOKING

But we are not concerned with the past—only with the future. The world moves forward, not backward. The Republican Party at Cleveland adopted a sound, progressive, and forward-looking platform upon which all who are opposed to the New Deal and all who favor the preservation of the American system of government can unite. The Republican platform assures jobs to the unemployed by encouraging, rather than hampering, legitimate business. It assures nonpartisan relief for the needy. It assures protection against involuntary unemployment and dependency in old age. It assures protection to the rights of labor. It assures agriculture a policy of abundance rather than scarcity. It assures to agriculture, industry, and labor, adequate tariff protection against foreign competition in the home market. It assures the elimination of monopoly. It assures the restoration of the merit system in Government service. It

assures the balancing of the National Budget, not by increased taxes but by reduced spending. It assures a sound currency. It assures a government of laws and not of men. Finally, it gives assurance that the candidates of the party, "as a matter of private honor and public faith", will undertake to be true to the principles and program set forth.

NEW-DEAL PLATFORM INSINCERE

Contrast this platform with the generalities of the New Deal platform; with its false claims, its misleading statements, and its insincere promises. The people will not be fooled by the beautiful word picture of the New Deal which it paints, either as regards the past or the future.

The New Deal platform was drafted at the White House and ratified by the Philadelphia convention. It was almost a sacrilege for the New Deal convention to be held in the city which is "the cradle of American liberty." The aims and principles of the New Deal are as far apart from the aims and principles of those who there drafted the Declaration of Independence and the Constitution as are the North and South Poles from one another. The New Deal platform plagiarizes the words, "We hold these truths to be self-evident", as contained in the Declaration of Independence but it adopted none of the substance of that great document.

ELECTION CAMPAIGN WILL BE FOUGHT OVER PRINCIPLES

The coming election campaign is not a fight between the "ins" and the "outs." It is not a fight between the Republican Party and the Democratic Party, because there is no more Democratic Party as such. The election campaign is really a fight for principles. The New Deal is on one side and the Republican Party, representing all who are opposed to the New Deal, is on the other. The issue is clearly drawn. The verdict of the people is awaited.

NEW DEAL ON THE WAY OUT

Already there is evidence that the new dealers know they are on the way out. It was demonstrated in the apologetic speeches at the Philadelphia convention, and it was most strikingly shown in the insistence of New Deal leaders that the Governor of New York consent to renomination in the hope that thereby he would be able to assist the President to carry his own State.

I am confident that next November the people will decide that they have had enough of the New Deal and that they wish to restore the system of government established by the fathers under a businesslike and progressive administration. Let the slogan be: "Off the rocks with Landon and Knox!"

PRINCIPLES OF THE NATIONAL UNION FOR SOCIAL JUSTICE

Mr. WOLVERTON. Mr. Speaker, the widespread interest that exists with respect to the attitude of Members of Congress toward the 16 principles of the National Union for Social Justice impels me to make known my views, as follows:

Principle 1. I believe in liberty of conscience and liberty of education, not permitting the state to dictate either my worship to my God or my chosen avocation in life.

This principle is fundamental in our form of government. The duty to maintain and support it is an obligation of true citizenship. I am in complete accord with it and could not do otherwise than pledge to it my wholehearted allegiance.

Principle 2. I believe that every citizen willing to work and capable of working shall receive a just, living, annual wage which will enable him both to maintain and educate his family according to the standards of American decency.

This principle is right, just, and proper. To provide such a standard of wage would make a better and more contented Nation. My support has and will continue to be given to such measures as will make possible its fulfillment.

Principle 3. I believe in nationalizing those public resources which by their very nature are too important to be held in the control of private individuals.

The public interest must be considered paramount. This should at all times be the determining factor. Governmental regulation, control, or ownership should be the means to insure the safety of the public interest; and the method to be pursued being that which is most appropriate or necessary.

Principle 4. I believe in private ownership of all other property.

This principle is sound and based upon the custom, law, and experience of the American form of government.

Principle 5. I believe in upholding the right to private property, but in controlling it for the public good.

This principle is in accord with established principles of law. In all well-organized society the right of the individual must be subservient to the public good. The power in the Government to regulate and control, upon a reasonable basis, is just as necessary as that the right to private property shall be recognized and protected by Government.

Principle 6. I believe in the abolition of the privately owned Federal Reserve Banking System and in the establishment of a Government-owned central bank.

There is nothing so vital to the welfare of our people than a banking system that insures stability and complete assurance that its tremendous powers can and will only be utilized in the public interest. Therefore, while there is much to justify the thought that at times the rights and privileges that now exist under the present system can be and have been utilized for private gain, yet there is a corresponding fear that under a Government-owned central bank system there would be a temptation for political control, resulting in political gain in place of private gain under the existing system. Thus the Government-owned central bank can only prove beneficial if a system is devised that will provide a business management in the public interest and preclude all possibility of political control. If this is not accomplished, then the result would be disastrous and our last estate worse than the first. My support of this principle, therefore, is based upon the assumption that there can and will be complete divorcement of politics from the management and control of the bank.

Principle 7. I believe in rescuing from the hands of private owners the right to coin and regulate the value of money, which right must be restored to Congress, where it belongs.

The purpose of this principle is plain. The result to be attained is worth while. I am in full accord with the objective that is sought.

Principle 8. I believe that one of the chief duties of this Government-owned central bank is to maintain the cost of living on an even keel and arrange for the repayment of dollar debts with equal-value dollars.

The fulfillment of this principle would go far to eliminate economic uncertainty and periods of depression, and in the accomplishment of this purpose my support would be given to such measures as would give reasonable assurance thereof.

Principle 9. I believe in the cost of production, plus a fair profit, for the farmer.

This principle is basic to the welfare of the farmer. Without such a return the farmer cannot attain that standard of living to which he and his family are entitled. It is just as necessary for the farmer to have an adequate return for his labor as for the worker to have a just, living, annual wage. Our national welfare is closely linked to the individual welfare of these two classes.

Principle 10. I believe not only in the right of the laboring man to organize in unions but also in the duty of the Government, which that laboring man supports, to protect these organizations against the vested interests of wealth and of intellect.

My favorable attitude toward this declaration of principle has been evidenced by my support of all measures presented to Congress for the accomplishment of this purpose. My continuing interest is assured to the end that there may be the fullest recognition of this principle.

Principle 11. I believe in the recall of all nonproductive bonds and therefore in the alleviation of taxation.

To the extent that I understand what is included in the definition "nonproductive bonds" I am in accord with the principle and the object it seeks to attain.

Principle 12. I believe in the abolition of tax-exempt bonds.

The acceptance of this principle as a Government policy, both Federal and State, would, in my opinion, materially reduce the burden of taxation upon those least able to pay and close a way of escape now available to those most able to pay.

Principle 13. I believe in broadening the base of taxation according to the principles of ownership and the capacity to pay.

The relief of the intolerable tax burden now carried by real estate is a fair example of the need for a remedy that will provide a broadening of the base of taxation into fields where the ability to pay exists. There is no equity in a system that does not base taxation upon the ability to pay.

Principle 14. I believe in the simplification of government and the further lifting of crushing taxation from the slender revenues of the laboring class.

Extravagant expenditures by local, State, and Federal Governments is immediately reflected in the tax burden. This burden in the final analysis falls most heavily upon the laboring class. Frequently those least able to pay are not aware of the extent to which the inequality exists. This result is made possible by reason of the indirect method in which the tax is levied. The extent to which there is simplification of government, producing economy and efficiency, there should be a corresponding reduction of the tax burden, and in any event there must be a recognition of the ability to pay as the only proper basis of taxation. Recognizing this principle, I have opposed the imposition of sales, processing, or any other form of tax that is laid upon the necessities of life or commodities in general use by the laboring class. With any method that will provide simplification of government and relief from crushing taxation I am in entire accord.

Principle 15. I believe that in the event of a war for the defense of our Nation and its liberties there shall be a conscription of wealth as well as conscription of men.

This principle is fundamentally right, just, and sound. There can be no honest difference of opinion with respect to it. To take our boys and exempt our wealth is based upon a false sense of values. Wealth can never be more precious than human life, and to take the latter and leave the former is unthinkable. The experience of the last war provides the reason and the necessity for the acceptance of this principle.

Principle 16. I believe in preferring the sanctity of human rights to the sanctity of property rights, for the chief concern of Government shall be for the poor, because, as it is witnessed, the rich have ample means of their own to care for themselves.

Whenever or in whatever way human rights may come into conflict with property rights there should be no doubt that human rights must prevail. To hold otherwise is to place a higher value upon material things than upon the human or life element. It must ever be the duty of government to protect the weak against the strong.

FRAZIER-LEMKE BILL

Recognizing what I believe to be a fundamental principle of representative government, namely, the right of our people to have important matters of legislation decided in the open, upon the floor of Congress, by all their duly elected Representatives, instead of by a few who hold important committee assignments, I signed the petition to discharge the committee of the House from further consideration of the Frazier-Lemke bill; and, when as a result of the signing of the petition by 218 Members of the House, the motion was made that the committee be discharged, I voted in favor of said motion and thereby brought the bill to the floor of the House.

My support of the measure on final passage was contingent upon the inclusion of certain amendments, which to me seemed vital if full justice was to be done to all classes by the legislation, particularly with respect to the inclusion of city owners as well as farm owners within the benefits of the bill. To provide for one without giving any consideration to the welfare of the other produced an inequality, and was an injustice that in my opinion should have been corrected. I am inclined to believe such an amendment would have helped materially in the passage of the bill.

CONCLUSION

I have sought to give in plain and unmistakable language a frank expression of my views with respect to the important principles advocated by the National Union for Social Justice. I recognize the sincerity of purpose that actuates those who advance such principles, and with like sincerity I have sought to leave no doubt as to my favorable stand with reference thereto.

I am of the opinion that the recognition of these principles as policies of government, without regard to party lines, would tend to make a better and more secure Nation.

HON. JOHN H. HOEPPEL

Mr. DUNN of Pennsylvania. Mr. Speaker, I wish to make a few remarks in behalf of my colleague, Congressman JOHN H. HOEPPEL, who represents the Twelfth District of California.

During the 4 years that Mr. HOEPPEL has been in Congress he sponsored and supported the following legislation: Adequate pensions for the aged, widows with dependent children, and all those who are physically incapacitated; increased compensation for disabled veterans; payment of the adjusted-service certificates; and every other form of legislation from which ex-service men could derive a benefit. He was also very active in behalf of the Townsend old-age pension plan.

Unfortunately Congressman HOEPPEL was accused of a crime which I do not believe he committed; in fact, all of his colleagues, with whom I have discussed the matter, believe that he is innocent of the charges preferred against him. I hope for the sake of Congressman HOEPPEL, his family, and his constituents that he will be exonerated.

If the citizens desire to obtain information concerning their Congressman, I suggest that they read the CONGRESSIONAL RECORD. The RECORD will prove by Congressman HOEPPEL'S speeches and the bills he sponsored and supported that he was a progressive and humanitarian Representative. I am sure that if the citizens of his district will reelect him to the office he now holds he will again represent them as he has done in the 4 years while a Member of Congress.

WORK OF THE COMMITTEE ON THE POST OFFICE AND POST ROADS, HOUSE OF REPRESENTATIVES, DURING THE SEVENTY-FOURTH CONGRESS

Mr. MEAD. Mr. Speaker, so many Members have evinced an interest in postal legislation that I should like to submit a brief summary of the bills reported by our committee during the Seventy-fourth Congress. I am dividing them into groups so that it will be readily apparent just which bills became law and which measures failed of passage.

The first group consists of bills reported favorably by the Committee on the Post Office and Post Roads, passed by the House and Senate, and signed by the President.

POST OFFICE COMMITTEE BILLS ENACTED INTO LAW

H. R. 3612 (Public Law No. 249). To provide for adjusting the compensation of post-office inspectors and inspectors in charge to correspond to the rates established by the Classification Act of 1923, as amended. (Provides a series of salary grades to which post-office inspectors may be allocated on the basis of the work performed.)

H. R. 5049 (Public Law No. 338). Providing punishment for forging or counterfeiting any postmarking stamp. (Safeguards postmarking stamps used by postmasters in canceling stamps on letters.)

H. R. 5159 (Public Law No. 317). To authorize the Postmaster General to contract for air-mail service in Alaska. (Extends air-mail service in Alaska.)

H. R. 5162 (Public Law No. 339). Providing for punishment for attempts to obtain mail by fraud and deception. (Extends the penal law to cover attempts to obtain mail fraudulently.)

H. R. 5218–S. 932 (Public Law No. 12). To postpone the effective date of certain restrictions respecting air-mail contracts. (Extended certain air-mail contracts for 6 months.)

H. R. 5360 (Public Law No. 340). Providing for punishment for the crime of robbing or attempting to rob custodians of Government moneys or property. (Brings within the provisions of the Penal Code the crime of robbing or attempting to rob custodians of Government moneys.)

H. R. 5540 (Public Law No. 341). Excepting the imposition of demurrage charged on collect-on-delivery parcels exchanged between the continental and island possessions. (Extends the free-storage period for collect-on-delivery mail and waives demurrage charges on parcels exchanged between the continental and island possessions.)

H. R. 6374–S. 1539 (Public Law No. 118). Providing compensation for the Post Office Department for the extra work involved in the return of valuable packages from the Dead Letter Office to the writers. (Decreases the cost to the Post Office Department of handling dead letters.)

H. R. 6511 (Public Law No. 270). To amend the air-mail laws and to authorize the extension of the Air Mail Service. (Provides for the extension of the domestic air-mail system and reasonable rates of compensation to the carriers.)

H. R. 6717 (Public Law No. 174). To amend section 1 of the act of July 8, 1932. (Permits prosecution of the senders of extortion letters in the jurisdiction where such mail is delivered.)

H. R. 6990 (Public Law No. 275). To fix the hours of duty of postal employees, and for other purposes. (Establishes a 40-hour workweek for postal employees.)

H. R. 7688, H. R. 12608 (Public Law No. 641). To provide for the appointment of substitute postal employees, and for other purposes. (Establishes the ratio of substitutes to regular employees in post offices and in the Railway Mail Service.)

H. R. 7709 (Public Law No. 366). To provide time credits for substitute laborers in the Post Office when appointed as regular laborer. (Gives watchmen, messengers, and laborers in the Postal Service credit toward promotion for their substitute service.)

H. R. 8790 (Public Law No. 322). To amend section 6 of the act of February 28, 1925. (Reclassifies the salaries of superintendents in the motor-vehicle service.)

H. R. 9496 (Public Law No. 634). To protect the United States against loss in the delivery through the mails of checks in payment of benefits provided for by laws administered by the Veterans' Administration. (Safeguards the delivery of checks issued by the Veterans' Administration and expedites the payment of the soldiers' bonus.)

H. R. 10193 (Public Law No. 575). To amend the act to fix the hours of duty of postal employees. (Restores the salaries of certain per-diem employees at the mail equipment shops.)

H. R. 10267 (Public Law No. 619). To provide for adjusting the compensation of division superintendents, assistant division superintendents, assistant superintendents at large, assistant superintendent in charge of car construction, chief clerk, assistant chief clerks, and clerks in charge of sections in offices of division superintendents in the Railway Mail Service, to correspond to the rates established by the Classification Act of 1923, as amended. (Establishes a wider range of salary grades for supervisory officials in the Railway Mail Service.)

S. J. Res. 92 (Public Resolution No. 24). Making final disposition of records, files, and other property of the Federal Aviation Commission. (Provides for the transfer of the records, etc., of the Federal Aviation Commission to the Interstate Commerce Commission.)

The following Senate bill, which also passed the House, failed of passage:

S. 1439. Amending the postal laws to include as second-class matter religious periodicals publishing local information. (Vetoed, Aug. 20, 1935.)

While we were fortunate in having many of our bills enacted into law during the Congress, the closing days found some of them still pending on the calendars of the House or before the Senate Post Office Committee. I am listing them below. We reported a few resolutions adversely and the measures were tabled by the House.

Three of the bills recommended by our committee were pending on the calendars of the House of Representatives at the close of the Congress, as follows:

BILLS REPORTED AND PENDING IN HOUSE AT ADJOURNMENT

H. R. 2793. To amend the provisions of laws relating to appointment of postmasters. (Permits the Post Office Department to appoint a new postmaster whenever the incumbent's term expires.)

H. R. 6868. To provide time credits for substitutes in the motor-vehicle service. (Gives motor-vehicle employees credit, for the purposes of promotion, for fractional parts of a year's substitute service.)

H. R. 11822. To permit certain special-delivery messengers to acquire a classified status through noncompetitive examinations. (Authorizes noncompetitive examinations for special-delivery messengers who have as much as 5 years' continuous service on the date of approval of the bill, so that they may qualify for the position of substitute clerk, carrier, or laborer.)

The last group of bills consists of those measures which were approved by our committee and the House and referred to the Senate, but were not acted upon by that body prior to adjournment:

BILLS PASSED BY THE HOUSE AND PENDING BEFORE THE SENATE COMMITTEE ON POST OFFICES AND POST ROADS AT ADJOURNMENT

H. R. 1993. Giving superintendents at classified post-office stations credit for substitutes serving under them. (Passed House June 3, 1935.) (Includes substitutes as station employees in determining salaries of superintendents.)

H. R. 4036. For the relief of Ralph C. Irwin. (Passed House May 7, 1935.) (Corrects the records with regard to the appointment of Mr. Irwin as a village letter carrier.)

H. R. 4450. To provide for the purchase of the pneumatic mail-tube systems in New York and Boston. (Passed House Aug. 7, 1935.) (Authorizes an appraisal by competent engineers of the properties comprising the pneumatic mail-tube systems in New York and Boston.)

H. R. 5596. Granting equipment allowance to third-class postmasters. (Passed House June 3, 1935.) (Allows third-class postmasters 50 percent of the box rents at offices where the postmasters furnish the equipment.)

H. R. 5723. To give certain railway postal clerks the same time credits for promotion purposes as were given others who were promoted on July 1 when automatic promotions were restored. (Passed House June 3, 1935.) (Provides for the promotion of terminal clerks whose earned advancement was denied them by the joint action of the Economy and the Terminal Reclassification Acts.)

H. R. 6014. To reclassify the rate of premium on bonds of officers and employees in the motor-vehicle service of the Post Office Department. (Passed House Feb. 17, 1936.) (Limits the premium which may be charged by sureties in bonding officers and employees in the motor-vehicle service.)

H. R. 7506. To provide for a stenographic grade in the offices of the chief clerk and superintendent in the Railway Mail Service. (Passed House July 16, 1935.) (Defines the position of stenographer and provides for the promotion of certain railway postal clerks.)

H. R. 7936. To adjust salaries of rural letter carriers, and for other purposes. (Passed House July 15, 1935.) (Increases the pay of rural letter carriers serving short, heavy routes.)

H. R. 8002. To increase the compensation of letter carriers in the Village Delivery Service. (Passed House July 15, 1935.) (Establishes higher salaries for village letter carriers.)

H. R. 8369. Relating to laborers in the Railway Mail Service and motor-vehicle employees of the Postal Service. (Passed House Aug. 7, 1935.) Protects the rank and pay of laborers and motor-vehicle employees who are surplused and transferred temporarily to another branch of the Postal Service.)

H. R. 8541. For payment of compensation to persons serving as postmaster at third- and fourth-class post offices. (Passed House Feb. 3, 1936.) (Provides compensation for persons serving as postmasters in cases of emergency.)

H. R. 8730. To provide special rates of postage on reading matter and sound-reproduction records for the blind. (Passed House Aug. 7, 1935.) (Provides a special low rate of 1 cent a pound on publications furnished the blind at cost, and continues the free mailing privilege on publications furnished without charge.)

H. R. 8869. To amend sections 181 and 186 of the Criminal Code. (Passed House Aug. 7, 1935.) (Amends the private express statute with regard to the conveyance of letters outside of the mails.)

H. R. 10850. To extend the provisions of the 40-hour law for postal employees to watchmen and messengers in the Postal Service. (Passed House Feb. 17, 1936.) (Establishes a 40-hour workweek for post-office watchmen and messengers.)

H. R. 10930. To credit laborers in the Postal Service with any fractional part of a year's substitute service toward promotion. (Passed House Apr. 6, 1936.) (Gives post-office laborers, watchmen, and messengers credit for any fractional part of a year's substitute service in determining eligibility for promotion to the next higher grade following appointment to a regular position.)

H. R. 11954. To amend the act of February 28, 1925 (43 Stat. 1053), relative to postal rates on third-class mail matter. (Passed House June 1, 1936.) (Classifies bills and statements of account produced by any photographic or mechanical process as first-class mail matter.)

The committee will continue to function throughout the year as, in accordance with House Resolution 551, we will cooperate with the Post Office Department in conducting two surveys: (1) With respect to the equitable compensation of star-route carriers; and (2) with respect to the equitable compensation of fourth-class postmasters.

MY RECORD IN CONGRESS

Mr. ELLENBOGEN. Mr. Speaker, when the present session of the Seventy-fourth Congress adjourns, I will have concluded 4 years of service in Congress as the Representative from the Thirty-third Congressional District of Pennsylvania.

I now present to my constituents an excerpt of my record in Congress. They can check it in the CONGRESSIONAL RECORD, a copy of which is kept in the Carnegie Library in Pittsburgh.

WEEKLY RADIO REPORTS

First, I should like to mention that I was the first and still am the only Member of Congress to make weekly radio reports to his constituents. For 3 years I have come to Pittsburgh every week end at my own expenses to deliver, over station WJAS in Pittsburgh, a report of the activities of the Congress. I invited criticism and comment. I was anxious to know what the people were thinking. I am proud of the great success of these talks. They have been widely commented upon, hailed as a forward step in public enlighten-

ment on issues of the day. They carry out in true democratic spirit the idea that the people should know what their public servants do.

THREE IMPORTANT PROBLEMS

I was first elected to Congress in a period of darkness and despair. They were days when hunger and desolation stalked the streets and homes of our country.

In facing the job which was before me, I saw that three immediate problems cried for solution. They were:

First. Immediate relief for the unemployed.

Second. Saving of the homes and farms of the Nation from foreclosure.

Third. A permanent national program of social security.

The first of these problems—relief for the unemployed—loomed like a dark shadow over the land at the time of my first election in November 1932. The situation had been aggravated because the Hoover administration had definitely and finally refused to extend substantial aid to the unemployed.

I advocated that the Federal Government should make substantial contributions toward unemployment relief. This was done. At the time I was elected local and State governments were forced to carry this entire burden. It was a staggering load, under which many local governments were already crumbling.

FAVORED FEDERAL CONTRIBUTION

That burden was being carried almost entirely by the home owner and farm owner because practically all revenue of local or municipal government is obtained by taxes upon real estate. Therefore, the greater the contribution by local government for relief, the larger the increase of taxation on homes and farms. I was utterly opposed to this system; I fought it as early as 1932.

I advocated the principle of contribution toward unemployment relief from the Federal Government whose chief source of revenue is from graduated income taxes—from sources that are taxed according to their ability to pay. I believed that this was sound policy in the emergency.

I believe in giving employment by public works in preference to the cash dole. Such public works should be useful and of a lasting character.

I voted accordingly.

SPONSORED BILL FOR CENSUS OF JOBLESS

I maintain that in order to deal intelligently with the problem of unemployment we should know the number of unemployed in this country and their occupations and skill. That is necessary to solve the problem of relief and jobs. Therefore, I introduced a bill for an unemployment census. The bill for a national unemployment census passed the House of Representatives on June 7, 1934. Unfortunately, this was in the closing days of the session, and the bill was blocked in the Senate by a Republican filibuster.

I CARRIED OUT MY PLEDGE

I pledged myself to secure Federal contributions toward unemployment relief during the national emergency. I submit that I have faithfully and successfully carried out that pledge.

RELIEF FOR HOME OWNERS

Secondly, I have done much to provide relief for the mortgage-burdened home owners and farmers and to save their homes and farms from foreclosure. The home owner is the backbone of this country and we help to preserve this Nation when we assist him. Thousands of home owners can bear witness of my unceasing efforts in their behalf.

Let me give here a partial résumé of my efforts in behalf of the distressed home owner.

It should be remembered that the original bonds of the Home Owners' Loan Corporation were not guaranteed as to principal. This fact made mortgagees reluctant to accept them, and consequently relief for the home owner was impossible in many cases. Therefore, on January 3 and 8, 1934, I introduced three bills—H. R. 6141, H. R. 6147, and H. R. 6564—to increase the amount of H. O. L. C. bonds to be issued, to guarantee the principal as well as the interest of the bonds, and to use H. O. L. C. funds for new-home construction. On April 13, 1934, I introduced H. R. 8118, to increase by $1,000,000,000 the authorized issuance of H. O. L. C. bonds. On January 3, 1935, I introduced House Resolution 46, which directed the H. O. L. C. to resume consideration of applications for home owners which had been suspended on November 16, 1934. On March 9, 1935, I introduced House Resolution 157, directing the H. O. L. C. to permit the filing of new home-loan applications. On January 9, 1936, I introduced H. R. 9994, to stop the H. O. L. C. from foreclosing on needy home owners who could not meet their payments.

MY POLICIES BECAME LAW

I am glad to say that most of the policies which I advocated became law. Next year, I am confident, I will secure the adoption of the remaining ones.

AID TO THE SMALL-BUSINESS MEN

During the debate on the bill amending the H. O. L. C. on March 8, 1935, I proposed an amendment making homes with one store eligible for home loans. The H. O. L. C. before this had ruled such properties ineligible, so that a small-business man, grocer, tailor, barber, and the like, who conducted his business in the property in which he lived could obtain no relief. My amendment became law, and this injustice to the small-business man was remedied.

TO REDUCE MORTGAGE INTEREST RATES

My bill—H. R. 3974, now known as H. R. 10638—proposes that the interest on H. O. L. C. loans to home owners be reduced to 3½ percent and the period of payment be increased to 25 years. At the present time the interest rate is 5 percent and the period of payment 15 years. Formerly the Home Owners' Loan Corporation paid 4 percent interest on its bonds; now it pays only 2¾ percent. Why not pass this saving on to the home owner?

My bill would reduce the monthly payments from $8 per thousand-dollar-mortgage debt to $5. For instance, on a $3,000 H. O. L. C. mortgage monthly payments would be reduced from $24 to $15 per month. It is a sound bill. It is a fair bill. Its passage is necessary to prevent a repetition of wholesale foreclosures. I hope to secure passage of this bill in the next Congress.

PERSONAL AID TO HOME OWNERS

Let me add, too, that, in addition to this work in the Halls of Congress, I have personally given advice and guidance to several thousand home owners in their dealings with the H. O. L. C. I have made their problems my problems. I have fought against inefficiency and red tape in the H. O. L. C. I have protested when Pennsylvania was behind other States in granting H. O. L. C. loans.

MY PLEDGE TO HOME OWNERS CARRIED OUT

I submit that my pledge for aid to the home owners has been carried out, year after year, untiringly, loyally, successfully.

SOCIAL SECURITY

Third. I pledged myself to work for the enactment of a program of social security. I did my best to bring this about.

OLD-AGE PENSIONS

Let me begin by stating that on February 14, 1934, the House of Representatives, by unanimous vote, passed my resolution, House Resolution 249, directing Congress to make a study of a national contributory system of old-age pensions. I am proud of that resolution, because it represents the first official action ever undertaken by Congress toward setting up a national system of old-age-pension payments. It was the first step toward the social-security bill, passed a year later.

SIGNED BY ROOSEVELT

In my office hang copies of two bills, H. R. 5711 and H. R. 7167. Under each of these bills is the pen which President Roosevelt used to sign them, and make them the law of the land. The one bill, H. R. 5711, provides for pensions for the needy blind of the District of Columbia. The other, H. R. 7167, is the Ellenbogen Unemployment Insurance Act for the

District. My unemployment compensation act has been recognized as one of the most carefully drawn bills on the subject of social security ever enacted. It has been referred to as a model bill—one which is serving as a guide to many States.

Of course, I voted for the Social Security Act. But I did much more than merely vote for this measure. I urged that it be liberalized.

WE NEED CHANGES IN THE SOCIAL SECURITY ACT

Many provisions of the Social Security Act should be changed. I am especially in favor of making more liberal the provisions for old-age pensions. A maximum pension of $30 a month, such as we now have in Pennsylvania, is entirely too low. I have said time and again that the aged people of this country are entitled to a real old-age pension—one sufficient to remove from them forever the dread specter of the almshouse and the poorhouse. I want the aged people of this country to spend the twilight of their lives in peace and tranquillity, secure in the knowledge that their remaining years will be undisturbed and happy.

AGE LIMIT FOR OLD-AGE PENSIONS SHOULD BE REDUCED

Furthermore, I believe that these pensions should begin at 60 years of age and not at 70 and 65, as now provided. Sixty-five years is far too old in these days when the terrific pace of modern industry burns able-bodied men out at 45 and 50 and then tosses them aside like worn-out machinery.

TRUE SOCIAL SECURITY

In the true social security of the future, the ideal will be security of the individual from birth onward. Maternity and infant care will look after him when he is born. Social security would make every possible effort to protect the child from sickness and want. It would provide hospitalization for crippled children, curing those who can be cured, and leading those who are physically handicapped into avenues of usefulness. Vocational training—the use of arts and crafts—these would be available. And, finally, there would be true protection against the hazards of unemployment, and against the misery and uncertainty of insecure old age.

We do not have this yet; but we now have the foundation; we can improve and enlarge from time to time the building which we construct upon that foundation. Let me put it another way: This act is a way station, a part-way stop toward the end of the journey. The end is true social security for all, as I have outlined it, and for which I shall work.

I pledged that I would work and vote for social security.

I submit that I have carried out that pledge.

But I have not stopped here. To me, social legislation also means decent living and working conditions, decent housing, fair wages, maximum-hour standards, abolition of child labor, and everything else which is necessary for the betterment of the conditions of life.

ABOLISH CHILD LABOR

Because of this concept, I have introduced, and worked for, a number of bills touching on these conditions. My bills H. R. 7017 and H. R. 7738 aim to abolish child labor.

THE TEXTILE BILL

Another bill, and one which is in the forefront of public attention at the present time, is my bill H. R. 12285, for the regulation of the textile industry. It outlaws child labor; it sets up minimum wages and maximum hours; it bans cutthroat competition and sweatshop conditions. It has the full support of the American Federation of Labor, of the United Textile Workers of America, and of a large number of manufacturers and dealers. The House Committee on Labor has concluded exhaustive hearings on this bill and reported it out to Congress, recommending its passage.

My textile bill has been acclaimed throughout the United States as the solution for the chaotic conditions in the textile industry. It is expected to pass the Congress and become law next year.

HOUSING LEGISLATION

In any program of social legislation, I include decent, sanitary housing, and particularly housing for those with limited incomes.

For the last 4 years I have worked for the passage of housing legislation. Recently, Senator WAGNER, of New York, and I have jointly introduced in Congress the Wagner-Ellenbogen housing bill, which we believe provides a solution for the housing problem—a problem which everyone recognizes as one of the most important the country faces today.

THE WAGNER-ELLENBOGEN HOUSING BILL

Our bill sets up a permanent agency within the Government to promote and foster low-cost housing. It will provide homes for those families whose incomes are so low that they cannot afford to live decently. The bill will not permit competition with private home construction. On the contrary, it will stimulate business revival in the construction industries, give employment to hundreds of thousands of unemployed workers in the building trades, and provide the impetus for a great and permanent revival in the heavy goods industries.

Few measures which have been proposed in Congress have aroused such Nation-wide and well-nigh universal support as the Wagner-Ellenbogen housing bill.

BUSINESS AND LABOR SUPPORT THE BILL

Outstanding national organizations of business, chambers of commerce, large business and banking institutions are strongly supporting our bill. Labor has hailed the bill as the most important measure necessary for the welfare of the country. The executive council of the American Federation of Labor; Mr. William Green, president of the American Federation of Labor; Mr. John L. Lewis, president of the United Mine Workers; the United Textile Workers of America; the American Federation of Hosiery Workers; the International Garment Workers of America; the Amalgamated Clothing Workers of America are just a few of the endorsements among labor. I do not know of any labor union which is not openly and enthusiastically for this bill.

THE NEWSPAPERS SUPPORT THE WAGNER-ELLENBOGEN BILL

The newspapers of the country have hailed the Wagner-Ellenbogen housing bill as a sound, forward-looking, and as an absolutely necessary piece of legislation. I shall only mention a few of the many newspapers who favor the bill: The Pittsburgh Press, the New York World-Telegram, and the other newspapers belonging to the Scripps-Howard chain; the New York Times, the Christian Science Monitor, the New York Evening Post, the Baltimore Sun, the Philadelphia Record, the Buffalo (N. Y.) Times, and many others all over the United States.

Mr. John H. Fahey, Chairman of the Federal Home Loan Bank Board and of the Home Owners' Loan Corporation; Mr. Stewart McDonald, Federal Housing Administrator; the Honorable Harold L. Ickes, Secretary of the Interior and P. W. A. Administrator; and Miss Frances Perkins, Secretary of Labor, have all warmly endorsed the principles of the bill.

OTHER ENDORSEMENTS

The Pennsylvania House of Representatives and other State legislatures, a large number of city councils, the United Conference of Mayors, a large number of mayors from large and small cities and towns, urban and rural communities have all endorsed this bill. I could go on indefinitely, but I just wanted to add a few more endorsements of outstanding importance: The Federal Council of Churches of Christ in America, the Unitarian Ministerial Union, the National Council of Catholic Charities, the Social Justice Commission of Special Conference of American Rabbis, National Association of Housing Officials, National Public Housing Conference, National Urban League, National Association for the Advancement of Colored People, National Association of Letter Carriers, and the National Board of Young Women's Christian Association.

AN IMPORTANT RECOVERY MEASURE

There is no more important social measure before this session of Congress than the Wagner-Ellenbogen housing bill. It provides, at last, decent living quarters for our low-income groups; it is a blow at the insanitary and crime-breeding slums; it meets the demand, now insistent in this country, for new home construction, of which millions of units are badly needed.

There can be no lasting recovery unless the Wagner-Ellenbogen housing bill is passed. Its passage will give to the children of America the opportunity to grow up to a better life in sanitary and healthy homes, full of light and sunshine; it will permit the parents of America to live in decency and comfort, befitting the American standard of living. The Congress will pass this bill next year.

FLOOD RELIEF

I did not wait for the flood of March 1936 to arouse my interest and convince me of the need for flood-control measures for Pittsburgh and the surrounding territory. Shortly after I assumed my office in the spring of 1933 I appeared before various Federal agencies urging flood relief for the Pittsburgh district. I aided greatly in the passage by the House of Representatives of the omnibus flood-control bill in 1935—a year before the recent flood—a bill which has just become a law and which contains authorization for the construction of the dams and reservoirs to protect Pittsburgh.

March 17, 1936, is a date which will never be forgotten by Pittsburghers. Because of the havoc and desolation which the floodwaters wreaked on Pittsburgh that day, I introduced in the House 2 days later H. R. 11919, appropriating $50,000,000 for the relief of flood victims, and pleaded with my colleagues on the floor of the House for consideration of Pittsburgh's plight. I also asked the heads of W. P. A. in Washington to send W. P. A. workers into the flooded areas at once to facilitate the work of rescue and salvage. Realizing the great damage which had been done to the supplies of merchants during the flood, I introduced a bill to permit $250,000,000 in loans to flood-stricken businessmen.

THE FLAG BILL

I should like to call attention to my bill H. R. 6193, which has been widely endorsed. It prohibits the importation of United States flags made in foreign countries, so that we may no longer have the spectacle of sitting down to the President's birthday banquet and finding on the table American flags labeled "Made in Japan."

TO COLLECT WAR DEBTS

H. R. 10310. To create a debt commission for the purpose of negotiating the payment of war debts with foreign powers. My purpose in introducing this bill was to revive this issue. It is a sorry spectacle indeed that these foreign nations present—a barefaced and shameless repudiation of debts honorably incurred for the carrying on of a war which involved their very existence.

We wanted nothing from that war—no spoils; no territory; no new countries. But we have a right to demand an honest effort to repay the money we so lavishly dealt out. While nations arm to the teeth and spend billions in armament races, they have no right to repudiate the honorable debts of past wars. Of the billions owed us, as much as possible should—indeed, must—be collected, and I am convinced a determined effort on our part will be productive of results.

VETERAN AND BONUS LEGISLATION

I introduced and voted for payments and free hospitalization to disabled veterans and for aid to dependents of veterans who died from service-connected injuries. I voted for the immediate cash payment of the soldiers' adjusted-compensation certificates, commonly misnamed "bonus." I voted to override the President's veto and for every measure which aimed to secure justice for the veterans. I have personally aided thousands of veterans in every matter for which they called on me. The veterans know me as a true friend.

INSURANCE OF BANK DEPOSITS

I voted for the bill to protect the currency system of the United States and to insure bank deposits. Losses of billions of dollars suffered by innocent depositors through bank failures under the former Republican administrations can no longer occur.

I VOTED TO PROTECT INVESTORS AND CONSUMERS

I am proud of my vote in favor of the bill to eliminate the evils of the utility holding company. Despite the existence of a million-dollar lobby, the use of fake telegrams, and false and malicious propaganda, I voted with our great President for what was falsely called the "death sentence" of unnecessary utility holding companies. This bill was desperately needed to protect the investors in the stocks and bonds of utility operating companies against the schemes which robbed them of the profits justly due them and destroyed their investments.

A $16,000,000,000 SWINDLE

During 1929 corporate insiders sold $19,000,000,000 of utility holding company stock to the investing public despite the fact that they only owned actual assets of about $3,000,000,000. When the inflated utility-stock balloon collapsed, investors lost $16,000,000,000 as a result of this criminal oversale of worthless and fraudulent stock.

The utility holding companies were guilty of write-ups and fictitious loans and transfers from operating companies that were added to the rate base to enable them to extort excessive and illegal rates from the public. They siphoned the profits to corporate insiders and denied the widows and orphans, for whom they shed crocodile tears, their just share of the profits.

I voted for the Wheeler-Rayburn bill to eliminate the evils and abuses of unscrupulous utility holding companies. I voted to protect the interests of the consumers, the rate payers, and of the investors.

UTILITY BARONS ARE OPPOSED TO ME

And, because of my votes in the interest of the people and against evils practiced by utilities, I am being opposed by a man who spent most of his professional life fighting for the utilities, by a man who mouths reforms, but who, in every critical hour and in every important battle, has been found in the camp of the special interests and of reaction. Every utility baron and every reactionary enthusiastically supports my opponent. They have confidence in him. They also know that I have proven myself a friend of the people, a friend of the investor, and a friend of honest business.

NO RUBBER STAMP

As a Member of Congress I have supported the policies of our great President, Franklin D. Roosevelt. I voted with the administration on every measure in which I believed, but I voted against the administration whenever my best judgment dictated such a course.

I VOTED AGAINST GAG RULE

Despite strong pressure I voted against the iniquitous gag rule that would have prevented the consideration of independent measures. These gag rules are a violation of the democratic principles of representative government, and I therefore have consistently opposed them. I was not a "rubber stamp" Congressman. I voted independently, according to the dictates of my conscience and according to my best judgment.

I have used every possible device to ascertain the views of my constituents on pending legislation and have been guided accordingly in my votes.

I DEFEATED THE ATTEMPT TO ESTABLISH A SYSTEM OF TOLL BRIDGES AND TOLL HIGHWAYS IN ALLEGHENY COUNTY

I believe it would be disastrous for Allegheny County to return to a system of toll bridges and toll highways. It would substantially depreciate the value of real estate, would undermine business, and would forever destroy the industrial supremacy of Allegheny County. The imposition of tolls would have meant the end of further industrial and financial progress for Allegheny County and would have throttled and choked the business life of the county.

I knew it was a question of life and death for Allegheny County. Therefore I was determined to prevent the imposition of tolls as far as it was within my power to do so.

When the law for the creation of the Allegheny County Authority with its program of tolls was introduced in the State Legislature in Harrisburg, I hurried to Harrisburg, although I was a Member of the National Legislature and not the State legislature, and spent weeks in arguing and fighting against the passage of that law. The Republican-controlled legislature passed the law and created the Allegheny County Authority. I then carried on a consistent and

determined fight against the endless delay and red tape employed by the Allegheny County Authority. I submitted a substitute program which would eliminate tolls and construct all the useful, needed projects. Finally after struggling for several years the substitute program which I had advocated was adopted by a new board of county commissioners. The proposal to impose tolls was scrapped and the Allegheny County Authority is headed for dissolution.

I am very proud of the fact that I was privileged to take a leading part in preventing the imposition of tolls in Allegheny County and thus save every property owner in Allegheny County from depreciation of the value of his property and every businessman from loss of a large part of his business. I am proud that I was able to help to kill the tolls and thus permit the future growth of Pittsburgh and Allegheny County.

Mr. Speaker, this concludes a partial report of my work in Congress.

I HAVE KEPT MY PLEDGES

I have shown that my campaign pledges and my congressional accomplishments square with each other. I have tried to do my job to the best of my ability and in the best interests of those whom I was chosen to serve.

HELPED CONSTITUENTS

I have tried to be helpful to my constituents in the many and various ways which are at the disposal of a congressional office. Although my mail averages 200 letters a day, each one receives a personal answer, and wherever help, assistance, or guidance is requested it is given to the full measure possible.

BROUGHT GOVERNMENT PROBLEMS TO PEOPLE

I have tried, through my radio talks, to bring to the people of my district an appreciation and understanding of the problems of government, and of how the Nation's affairs are handled. I am hopeful that in this process I have been able to contribute, in however slight a degree, to a knowledge of our work as Members of Congress—for only through an enlightened electorate can democracy flourish.

CONFIDENT OF REELECTION

The measure of a man's future accomplishment is his achievement in the past. The past is the yardstick of the future. By this yardstick, I ask that my constituents measure me, and, if they find me worthy, enable me to continue the work I have begun.

LET US HAVE REAL PATRIOTISM RATHER THAN BLIND, SELFISH, AND MACHINE-CONTROLLED PARTISANSHIP IN THE ELECTION OF OUR NATIONAL REPRESENTATIVES

Mr. HOEPPEL. Mr. Speaker, there are two kinds of Congressmen. One is the say-nothing, do-nothing kind who are dictated to by the leaders of their political party. This type can be seen daily, listlessly and unattentive, in the rear of the floor reading newspapers or in the cloakrooms chatting over old times like inmates of the Old Soldiers' Home. When a roll-call vote is to be taken they run into the House Chamber and ask the leaders, "How shall I vote?"; and then like slaves vote as they are instructed without knowing anything as to the merits of the legislation being voted on. It would be just as satisfactory to the people they represent to replace this type of Congressman with a machine which could utter "yea" and "nay", inasmuch as many of these machine Congressmen have served for years and have yet to make a speech on the floor of the House. Nor would they dare stand up and swerve one-thousandth of an inch from the line marked out by their political bosses.

Then there is the other type of Congressman, who does not hesitate to cast his vote in the interest of the people regardless of party criticism. It is this type of Congressmen that I hope will be returned to serve the people. Strange as it may seem, nevertheless my observations disclose that the more independent and fearless a Congressman is in the interest of the people the more difficult it is for him to obtain relection because the machines at home, whose interests he would not serve, organize and use every means posible to defeat him.

The facts are that we will never have national recovery until we have an independent and aggressive Congress. The late beloved Speaker of the House, Mr. Rainey, advised me that I was the most independent Democrat in the Seventy-third Congress; and my record proves that I would not be coerced but voted consistently in the interest of the people. Naturally, with this attitude, I was always quite anxious to observe and advise new Members of Congress to prevent them becoming vassals of the party leaders—thereby submerging their own individuality and losing their effectiveness as Congressmen. It was a pleasure to find that the Seventy-fourth Congress contained more independent-thinking Congressmen than the Seventy-third Congress. Limited time prevents my going into detail on the record of these various Representatives; however, I do wish to make a reference to one of them, a Congressman from Pennsylvania, who has proven himself to be courageous, independent, and sincerely interested in the people he represents. I refer with pleasure to the Honorable THEODORE L. MORITZ, of the Thirty-second Congressional District, who is indeed not a servant of any selfish political or other minority groups.

Congressman MORITZ's first vote upon taking over his duties as a Congressman was a vote against the "gag rule", which he had the courage to oppose against the orders of his political party.

All of Congressman MORITZ's votes, as the CONGRESSIONAL RECORD will disclose, were motivated by how they would benefit the people and not how they would please the political bosses. Time and time again he voted against foolish and excessive appropriations, such as retiring able-bodied Army officers at the age of 37 at $150 and more per month, and such as retiring our Supreme Court judges at $15,000 per year. With his single vote he blocked the creation of additional judgeships because he felt in these critical times that it would be best to legislate in the interest of the people rather than create additional jobs for the political bosses. He helped to defeat the huge appropriation to complete the Mount Rushmore statues because he felt the time was not opportune to spend money for art when the people were hungry.

On the other hand, Congressman MORITZ voted for all measures which he thought would help the rank and file—such as regulation of utility companies, the Tennessee Valley Authority Act, the Railroad Retirement Act, the Guffey Coal Act, the Old-Age Security Act, the Wagner labor relations bill, and the Frazier-Lemke Farm Act. He not only voted for these measures but spoke in support of them, and the CONGRESSIONAL RECORD contains a number of his speeches on these subjects which are masterpieces.

If our country is to prosper and if our country is to get out of the old-time rut of special privilege, it can only be done by sending independent thinkers like THEODORE L. MORITZ to the National Congress.

Mr. Speaker, I should like to say that I am chairman of the Committee on War Claims, one of the few committees in the House with the power to appropriate money, of which Congressman MORITZ is a member. I can truthfully say that no member of my committee has shown the deep interest in and given as much study to legislation before the committee as Congressman MORITZ. We need men of Congressman MORITZ's caliber in the House—men who take an interest in committee work and men who take an interest and make a study of legislation which reaches the floor for consideration.

In Congressman MORITZ's home town he has been buffeted by his own party because he was outspoken and independent minded, but the people are fully aware of his good work. And when the people are for you it makes little matter who is against you. I have watched his work and activities since he became a Member of the House and sincerely hope that the people of his district will arise en masse, throw the gauntlet to the self-seeking bosses, and send Congressman THEODORE L. MORITZ back to Washington, so that he may continue to fight for the people of whom he considers himself a delegate.

The people of the Thirty-second District of Pennsylvania are entitled to know the caliber and stamina which Congressman MORITZ has typified as their Representative, as no doubt the political machines will use hammer and tong in

an effort to defeat him. If the people of his district could only appreciate his independent qualities and fair attitude on legislation in their interest, they would give him an overwhelming vote of confidence and return him to Congress, first, as a reward for his courageous attitude, and, second, as a rebuke to the crooked and too often controlled political machines.

As I am the editor of a national periodical devoted to the interest of all war veterans, and as a past commander of the American Legion, United Spanish War Veterans, and Veterans of Foreign Wars, I have a sympathetic insight and understanding of the problems of our veterans. In this capacity I have always taken a determined attitude on the problems pertaining to our disabled veterans and their dependents. Congressman MORITZ is not a veteran, but he assisted me in every effort and supported me at all times in advancing the interest of the veterans of our wars. World War and Spanish War veterans owe an obligation to Congressman MORITZ and should support him for reelection. The unemployed and so-called underdog owe it to themselves to support a man who has stepped out boldly in advancing their cause.

Unless men of Congressman MORITZ's type are reelected, and their number is increased, we may as well disband the Congress and accept a dictatorship which is so prevalent in many of the European countries where the law-making bodies have been abolished, where freedom of the press is unknown, where religious worship is jeopardized, and the voice of the people is no more than a rubber stamp in the hands of the dictator. Patriotism, rather than politics, should actuate the votes of the people of the Thirty-second District of Pennsylvania and in all other sections of our beloved country. Rubber stampism is alien to American principles. It is destructive to government, and if we are to maintain our high ideals of Americanism it must be done through men of Congressman MORITZ's caliber and not by Congressman hand-picked by political machines—dominated and controlled as they are by the hand of Farley.

RESTORATION AND PRESERVATION OF U. S. FRIGATE "CONSTITUTION", U. S. S. "CONSTELLATION", U. S. S. "HARTFORD", U. S. S. "OLYMPIA", AND U. S. YACHT "AMERICA"

Mr. COCHRAN. Mr. Speaker, I have just introduced a bill, which will be referred to the Committee on Naval Affairs of the House, which provides for the preservation as historical naval relics of the U. S. frigate *Constitution*, the U. S. S. *Constellation*, the U. S. S. *Hartford*, the U. S. S. *Olympia*, and the yacht *America*.

For many years I have been endeavoring to bring to the waters adjacent to the city of Washington the U. S. S. *Olympia*, desiring it to be preserved as a memorial to the men and women who served in the War with Spain. As you know, this vessel was the flagship of Admiral George Dewey in the Battle of Manila Bay. My bill has not only been reported favorably by the Committee on Naval Affairs of the House on several occasions, but it passed the House and was sent to the Senate in the first session of the Seventy-fourth Congress. Unable to secure favorable action in the Senate, due to the fact that I could not secure the approval of the Director of the Budget, I took the matter up with the President and wrote him at length on May 21, 1936.

I am happy to say that I have received from the President the following letter, which indicates he is not only in favor of bringing the U. S. S. *Olympia* to Washington but also the other vessels:

THE WHITE HOUSE,
Washington, June 1, 1936.

Hon. JOHN J. COCHRAN,
House of Representatives, Washington, D. C.

MY DEAR MR. COCHRAN: I have your letter of May 21, 1936, regarding bill H. R. 7220, to provide for establishing in the District of Columbia the old cruiser *Olympia* as a memorial to the men and women who served in the War with Spain.

The *Olympia* is only one of four or five old naval vessels having historical and patriotic tradition, which should be preserved and made available to the public as national shrines.

Several bills have been introduced which propose the restoration and preservation of these old naval vessels at different localities. I have given this matter considerable thought and have come to the conclusion that the *Constitution*, the *Constellation*, the *Hartford*, the *Olympia*, and the *America* should be restored, insofar as practicable, to their original condition and berthed together in the District of Columbia, along the Potomac River, on land belonging to the United States, and maintained as historical naval relics for the inspection and inspiration of all the people of the United States who wish to visit such vessels.

It is now contemplated that preliminary surveys may soon be made and that a comprehensive plan may be developed for the consideration of Congress looking to the gradual and orderly restoration and establishment of these vessels here in Washington, such work and expense to be spread over a period of 4 years. It is difficult to select any one of these vessels as having a better claim for preferential treatment than the others. It is my view that action on bills providing for the restoration and establishment at particular locations of any or all of the old vessels in reference should now be deferred pending the conclusion of the survey and study now contemplated.

I have the assurance of the Navy Department that the *Olympia* is not required to be scrapped by any provisions of existing naval treaties.

Respectfully,

FRANKLIN D. ROOSEVELT.

The fact that people who come to Washington from the Middle West, especially my constituents from St. Louis, have always expressed disappointment over not being able to see a naval vessel while here was one reason that caused me to conceive the idea of bringing the *Olympia* to Washington. The more outstanding reason, however, was that I did not desire to see this historic vessel destroyed, as was recommended by the Navy Board about 8 years ago.

The first report made by the House Committee on Naval Affairs on the bill I introduced to preserve the *Olympia* contained the following:

The preservation of historic treasures has received little attention at the hands of the American people. The historic relics which are preserved in the large cities of Europe are what make these cities so interesting to American visitors.

A wave of resentment, especially among the veterans of the Spanish War, followed in the wake of the decision of naval officers to junk the *Olympia*.

I have received the assurance of Hon. CARL VINSON, chairman of the Naval Affairs Committee of the House, that reports on my bill to preserve these historic vessels will be secured during the vacation period, so that the matter can be taken up by the committee when the Seventy-fifth Congress assembles.

I am submitting a brief history of the vessels mentioned in my bill which the President says should be restored and berthed in Washington:

THE UNITED STATES FRIGATE "CONSTITUTION"

After the close of the Revolutionary War the United States disposed of all her ships until she had no Navy left in 1785. In consequence of this defenseless condition the Barbary powers preyed upon her commerce until it was no longer safe for her merchant ships to display the American flag in the Mediterranean or the waters off Gibraltar.

To meet this state of affairs the construction of six frigates was authorized by act of Congress March 27, 1794. One of these frigates was the *Constitution*, recently restored and now making a tour of the ports of the country.

This famous ship was constructed at Boston, Mass. Her keel was laid in November 1794; she was launched October 21, 1797, and went to sea in August 1798. She was built as a 44-gun ship and carried from 400 to 435 men. She was able to carry stores sufficient for a 6 months' cruise. Much of the timber used in her construction was live oak brought from the State of Georgia in the southern part of the United States. She cost when finished $302,718.84.

Her first service was in the West Indies, 1798–1801, against the French who were committing depredations upon our commerce. She made several captures during this period, including the *Niger*, a privateer of 24 guns and 70 men, which she sent into Norfolk, Va.; the *Spencer*, a British ship, which was a prize of the French frigate *Insurgente*; and the *Sandwich*, which she cut out in the harbor of Port Platte, San Domingo.

At the close of the French (quasi) War the *Constitution* was thoroughly overhauled and fitted out for service in the Mediterranean as the flagship of Commodore Edward Preble.

She left the United States in August 1803, and during the next 4 years she was constantly in service, participating in five attacks on the harbor of Tripoli and capturing three of the enemy's ships. Not only was she employed against the enemy herself, but it was on board her that operations were planned and orders originated for the rest of the squadron. In her cabin the Treaty of Peace with Tripoli was signed June 3, 1805, which ended the paying of tribute to that country. The table on which this treaty was signed can now be seen in the captain's cabin, where it stood during that important event.

It was during our second war with Great Britain, the War of 1812, that the *Constitution* distinguished herself so conspicuously. She was in the Washington Navy Yard when war was declared June 18, 1812. The declaration was read on her deck on the 20th, and she sailed next day to join the American squadron under Commodore John Rodgers at New York. During this cruise her troubles began when she found herself in the midst of a British squadron of five ships just off New York. She finally escaped after a chase of nearly 3 days, by good management and superior seamanship. The story of the escape is one of the most interesting chapters in her history.

During the War of 1812 she ran in and out of Boston seven times, in spite of the fact that it was closely blockaded by a British fleet; she made five cruises, ranging from Halifax, Nova Scotia, on the north to Guiana on the south, and as far east as the coast of Portugal; she captured and burned, or sent in as prizes, nine merchant ships and five British ships of war; and she was shut in Boston Harbor nearly 9 months. The ships of war captured were the *Guerriere,* of 49 guns and 280 men, August 19, 1812; the *Java,* of 49 guns and 422 men, December 29, 1812; the *Pictou,* of 14 guns and 60 men, February 15, 1814; and the *Cyane* and *Levant,* captured in one engagement February 20, 1815. The *Cyane* carried 34 guns and 175 men and the *Levant* 21 guns and 138 men. This last engagement occurred 3 days after the termination of the war.

It was after the engagement with the *Guerriere* that she received the name *Old Ironsides,* because, as her seamen said, the shots of the enemy bounced off her sides as though they were made of iron.

In addition to her participation in the wars mentioned above, the *Constitution* was a very busy peacetime vessel.

She was flagship of the Mediterranean for the protection of our commerce 1821–24, 1824–28, 1835–38, and 1848–50.

She was flagship of the Pacific Squadron, operating on the west coast of South America, 1839–41.

She was employed, 1842–43, for the suppression of piracy in the West Indies.

She circumnavigated the globe, 1844–46. She left New York May 30, 1844, and visited the following places: Madeira and Rio de Janeiro; sailed around the Cape of Good Hope to Madagascar, Mozambique, Sumatra, Singapore, Borneo, China, Manila, Hawaii, San Francisco, Monterey, and Valparaiso; passed around Cape Horn and again visited Rio de Janeiro. From there she set her course for Boston, where she arrived in October 1846, having sailed 52,249 miles. During this cruise she once more found herself suddenly in the midst of a British squadron, but this time they were friends in the need of stores instead of an enemy to be outwitted.

She served as flagship of the African Squadron, 1853–55, sent out to suppress the slave trade. During her stay on the African coast she captured the American schooner *H. N. Gambrill,* suspected of being a slaver, and sent it home to New York. Commodore Isaac Mayo, the flag officer, was instrumental in bringing about peace between various warring tribes of natives along the coast.

During the Civil War, 1861–65, the *Constitution* was used as a training ship for midshipmen in connection with the Naval Academy, which was temporarily at Newport, R. I., and after the war, when the academy was removed to Annapolis, Md., she continued to serve in that capacity until 1871, when she was taken to Philadelphia, Pa., and used as a training ship for naval apprentices.

Her last cruise to a foreign shore was made in 1878, when she carried the American exhibit to France for the Universal Exposition at Paris. When she returned home she was placed out of commission, but was used for awhile as a training ship and later as a receiving ship.

In 1897 she was towed to Boston to help celebrate her one hundredth anniversary, after which she was moored to a wharf in the Boston Navy Yard and used as a naval museum until 1925, when the work of restoring her was commenced.

The *Constitution* has been rebuilt several times, and twice she has been condemned to destruction. The first time was in 1830, when she was saved by the poem Old Ironsides, by the American poet, Oliver Wendell Holmes. The second time she was marked for destruction was in 1900, when it was proposed to tow her to sea and use her for a target. This time she was saved largely through the efforts of a patriotic organization called the Daughters of the War of 1812.

In 1925 the Congress of the United States authorized her complete restoration, but appropriated no funds for it. Instead it was planned to raise the money by private contributions. The sum needed was about $725,000 and it has been raised largely by the sale of pictures of her and small amounts given by American school children. It is estimated that approximately 4,500,000 children contributed.

The list of officers who served on the *Constitution* carries many names famous in American naval history, such as Silas Talbot, Edward Preble, John Rodgers, Stephen Decatur, Isaac Hull, William Bainbridge, Charles Stewart, Jacob Jones, and George Dewey.

U. S. S. "CONSTELLATION"

One of the six frigates authorized by act of Congress of March 27, 1794. Designed by Naval Constructor Joshua Humphreys. Built at the shipyard of Samuel and Joseph Sterrett, Baltimore, Md., under the immediate supervision of Capt. Thomas Truxtun, United States Navy, and Naval Constructor David Stoddard. Materials used in her construction, live oak, cedar, and pine. Keel laid, 1795. Launched, September 7, 1797; the second vessel launched under the reorganization of the United States Navy.

Length, 164 feet; beam, 41 feet; tonnage, 1,278; battery, 36 guns. Complement, 340 men. Cost, $314,212. Sailing qualities so fine that the French called her the "Yankee race horse."

June 1798 sailed from Baltimore on her first cruise under command of Commodore Thomas Truxtun, to protect American commerce in the West Indies in the naval war with France. Made flagship of Commodore Truxtun's squadron.

February 9, 1799, near St. Kitts, West Indies, after a spirited engagement of more than an hour, received the surrender of the French frigate *L'Insurgente.* Later in the same month captured two smaller vessels from the French.

February 2, 1800, received the surrender of the French frigate *La Vengeance* after a running fight of 5 hours. This prize, though badly damaged, managed to escape in the darkness and reached Curaçao in a sinking condition.

1802–05, cruised in the Mediterranean during war with the Barbary powers.

1806–11, laid up at the Washington Navy Yard.

1812, rebuilt; 14 inches added to her beam.

1813–14, blockaded at Norfolk by the British fleet, but her boats took an active part in operations at Craney Island. Assisted in sinking 3 boats, taking 43 prisoners, and killing and wounding 90 of the enemy.

1815–22, cruised in Mediterranean, Brazil, and Pacific Squadrons.

1823–24, out of commission.

1825–44, cruised in the Mediterranean, West Indies, and the coast of Brazil.

1845–53, laid up.

1854, rebuilt at the Norfolk Navy Yard; her battery changed to 22 guns.

1855–58, Mediterranean Squadron.

1859–61, African Squadron.

1862–64, cruising in search of Confederate vessels in European waters.

1865–68, receiving ship, Norfolk and Philadelphia.

1869–71, undergoing repairs at Norfolk, Va.

1872, gunnery ship, Washington Navy Yard.

1873–92, practice ship, Naval Academy, Annapolis, Md.

1893–1933, attached to the training station, Newport, R. I.

The *Constellation* is now used as station ship at Newport, where she is visited by many people every year.

U. S. S. "HARTFORD"

The U. S. S. *Hartford* was a steam sloop of war, launched at the Boston Navy Yard November 22, 1858. Steam sloop, first class; length, 225 feet; beam, 44 feet; depth, 18½ feet; maximum speed, 13½ knots; ordinary speed, 8 to 12 knots. Built of wood; displacement, 2,900 tons; 18 guns. Tonnage and battery were changed when alterations were made in her, and she is entered in the Navy Registers from 1862 to 1865 as of 1,990 tons, and her battery variously given as 22 guns and 26 guns. The latter number of guns she carried in 1862–63.

The first cruise of the *Hartford*, 1859–61, was to the East Indies as flagship of Commodore C. K. Stribling. She returned to the United States at the beginning of the Civil War and was refitted and put in commission January 19, 1862, commanded by Commander Richard Wainwright, and became flagship of Admiral D. G. Farragut in the West Gulf Blockading Squadron. She reached the mouth of the Mississippi River February 20, 1862; March 11 she anchored off Southwest Pass; April 7 to 16 was preparing for the passage of Forts St. Philip and Jackson, below New Orleans. Their bombardment commenced April 18 and lasted until April 24, when the *Hartford* and Farragut's fleet passed the forts; engaged Chalmette batteries on April 25. At 1 p. m. of the same day the *Hartford* anchored before New Orleans; Farragut demanded the surrender of the city through Capt. Theodorus Bailey, second in command, and the next morning the American flag was hoisted on the city hall. From this period until the surrender of Vicksburg July 4, 1863, and Port Hudson July 9, 1863, the *Hartford* was conspicuously engaged, having taken part in the bombardments of those strongholds, the unsuccessful attack on the C. S. ram *Arkansas* July 22, 1862, and at one time blockaded the mouth of Red River.

After the opening of the Mississippi River to Vicksburg was accomplished and the flag hoisted over Port Hudson rest was needed. The *Hartford* returned to New Orleans, and on August 1 sailed for New York, arriving there August 10. She sailed from New York January 3, 1864, under command of Capt. Percival Drayton, with Admiral Farragut on board, reaching Southwest Pass January 21, 1864, where she resumed her duties as the flagship of the West Gulf Squadron.

August 5, 1864, the memorable engagement of Mobile Bay took place, Farragut leading his squadron in his now famous ship, the *Hartford*, part of the time standing in the rigging to obtain a better view of the action, which ended in the surrender of the squadron of Admiral Buchanan and the forts of Mobile Bay. After the active work of the squadron was finished the *Hartford* returned to New York in December, where she was put out of commission long enough to prepare for a cruise in the East Indies which lasted from July 17, 1865, to sometime in 1868.

After this she was repaired and again sent as flagship of the same station, Rear Admiral Jenkins, from 1872 to 1875.

From 1876 to 1877 she was flagship of the North Atlantic Squadron, and under Capt. S. B. Luce began her career as a training ship. From 1877 to 1879 she was on the south Atlantic station.

During 1882 she carried the solar eclipse party around Cape Horn to the Pacific. In 1886 she was in the Pacific and was laid up for repairs at the Mare Island Navy Yard until 1899. October of that year she was recommissioned and sent on special service, and then became a training ship for landsmen, and as such cruised in all parts of the world until 1906, during part of which year and in 1907–11 she was used as practice ship for the midshipmen at the Naval Academy. In 1912–26 she was station ship at Charleston, S. C. November 19, 1904, she took part in the ceremonies at the unveiling of the statue of Frederick the Great at Washington, D. C. Her battery in 1922 was of light rapid-fire guns.

She is still at Charleston, S. C., out of commission.

U. S. S. "OLYMPIA"

A protected cruiser, built at the Union Iron Works, San Francisco, Calif. Authorized September 7, 1888; keel laid in 1890; launched November 25, 1892, and named for the capital city of the State of Washington. Commissioned February 5, 1895.

Length overall, 344 feet 1 inch; breadth on waterline, 53 feet ½ inch; mean draft, 21 feet 6 inches; normal displacement, 5,865 tons; speed, 21.69 knots; armament, ten 5-inch R. F. guns, four 8-inch B. L. R.; complement, 34 officers, 346 men.

After service as the flagship of Rear Admiral F. V. McNair, from 1895 to 1898, cruising in waters of Japan, China, and the Sandwich Islands, the *Olympia* became the flagship of Admiral George Dewey, in command of the Asiatic Squadron, on January 3, 1898, Capt. G. V. Gridley commanding.

On May 1, 1898, at the Battle of Manila Bay, the *Olympia* led the attack on the ships of the Spanish Squadron. Admiral Dewey in his autobiography states:

> At 5.40, when we were within a distance of 5,000 yards, I turned to Captain Gridley, and said, "You may fire when you are ready, Gridley." While I remained on the bridge with Lamberton, Brumby, and Stickney, Gridley took his station in the conning tower and gave the order to the battery. The very first gun to speak was an 8-inch from the forward turret of the *Olympia*, and this was the signal for all the other ships to join in the action.

The action lasted from 5.41 a. m.—with an interruption of 3 hours—until 12.30 p. m., and ended in the destruction of the enemy's vessels.

On account of the ill health of Captain Gridley, Commander B. P. Lamberton was ordered to take command of the *Olympia* in June 1898. The vessel continued with the Asiatic Squadron until she went out of commission November 8, 1898, at the navy yard, Boston, Mass.

In January 1902 the *Olympia* was recommissioned under command of Capt. H. W. Lyon and joined the North Atlantic Squadron as flagship in April 1902.

From December 1903 to April 1904 the *Olympia* was protecting American interests and lives in Panama, going on the same service in June to Smyrna and Turkey. In May 1905 and from July to December 1905 she was on a similar mission in Dominican waters.

This vessel was placed out of commission on April 2, 1906, at the Norfolk Navy Yard, but was recommissioned on May 15, 1907, and cruised with the midshipmen from the Naval Academy. Placed in reserve at Annapolis. In 1912 taken to Charleston, S. C., where she remained in ordinary until 1916.

When the United States entered the World War the *Olympia* was en route from St. Thomas, Virgin Islands, to the Norfolk Navy Yard. A week later she was designated flagship of the United States patrol force, Commander of the Patrol Force Rear Admiral Henry B. Wilson and Capt. Waldo Evans in command of the *Olympia*.

She was employed in patrol duty off the coast of Nova Scotia and as ocean escort for British merchantmen en route to and from New York and the war zone. On April 28, 1918, she sailed from Charleston for Europe, arriving on May 20 at Scapa Flow, Scotland, and arrived at Murmansk, Russia, May 24. She transported Lieutenant General Poole, of the British Army, and a small detachment of troops. They drove off an attack at Pechenga.

On June 8, 1918, the *Olympia* sent a detachment 150 strong to Kandalaska to assist in guarding that point. When the Murmansk government broke with the Bolsheviki allied troops landed in Murmansk. In August a detachment from the *Olympia* under Captain Bierer took part in the successful expedition against Archangel. This same detachment under Lieutenant Hicks bore their share in the pursuit of the retreating Bolshevists to the interior, having some hard fighting.

In December 1918 the *Olympia* became the flagship of the commander, United States naval forces, eastern Mediterranean, visited ports along the Adriatic, and made a cruise of the Black Sea.

In September 1919 was underway for Trau, Dalmatia, having been informed by the Italian senior naval officer present of the occupation of Trau by renegade Italian troops from the Italian occupied zone, which he urged the United States naval authorities to induce to return to the Italian zone prior to an inevitable clash of arms with the Serbian military authorities. Arriving at Trau, disembarked a landing force of 101 men and officers. The mission having been accomplished, the landing force returned to the ship, which returned to Spalato the same evening.

November 7, 1920, assisted in the delivery to the Italian Government of the ex-Austrian battleship *Radetzsky* and ex-Austrian battleship *Zrinyi*. These two vessels held in trust by the United States after the armistice were towed out to sea and delivered to the Italian authorities as per agreement.

At Ragusa, Dalmatia, assisted in caring for refugees who were landed there and were in desperate circumstances due to hunger, lack of shelter, and the outbreak of typhus and smallpox. The ship distributed fuel, soap, clothing, and food and the medical officer cared for the sick.

The *Olympia* remained in European waters until May 4, 1921, when she left for the Philadelphia Navy Yard. She participated in the bombing exercises of the ex-German ships *Frankfort* and *Osterfriesland*.

In September 1921 she was assigned the duty of bringing home for burial in Arlington Cemetery the Unknown Soldier, representative of the heroes of the American forces of the World War. She left the Philadelphia Navy Yard on this mission on October 3, 1921, reaching Plymouth October 16. She arrived at the Washington Navy Yard on November 9, 1921, with the Unknown Soldier, where she was met by representatives of the Army and Navy and the other services.

The *Olympia* was placed out of commission at Philadelphia December 9, 1922. During the Sesquicentennial Exposition at Philadelphia visitors to the exposition were admitted on board as part of the Navy's exhibit at the celebration. She is still at Philadelphia, out of commission—1936.

UNITED STATES YACHT "AMERICA"

The United States yacht *America* was originally the famous American racing vessel that won the trophy known as the *America's* cup from the Royal Yacht Squadron at Cowes, England, August 22, 1851. She was a sailing schooner, built by George Steers, of New York, in 1851. Her dimensions, and so forth, were as follows: Length over all, 111 feet; beam, 25 feet; deck to keelson, 11 feet. Draft: Aft, 12 feet; forward, 7 feet 6 inches. Rate: Fourth. Tonnage, 100.

For the early history of the *America* see the Lawson History of the *America's* Cup, from which the following résumé of events following her victory and prior to her acquisition by the United States Navy is culled:

After sailing a match with the *Titania* off the Isle of Wight, August 28, 1851, the *America* was sold by the American syndicate that owned her to Lohn John de Blanquiers for $25,000. Her masts were shortened and her rigging changed, and in 1852 she was raced in England with moderate success. She cruised in the Mediterranean during the same year, and in 1853 was sold to Lord Templeton, who used her for about a year and then laid her up at Cowes. In 1859 she was sold to the owner of the Northfleet Yard—England—who rebuilt her, making her as good as new. In 1860 she was purchased by H. E. Decie—Lord Decie—who changed her name to *Camilla*, cruised in the West Indies, and upon his return to England raced her with indifferent success. She is next heard from on this side of the water, having been bought from her English owner by some person—name not recorded—in Savannah, Ga., where she arrived in April 1861. At Savannah a gun was mounted on her and she was fitted out as a blockade runner and dispatch boat for the Confederacy under the name of *Memphis*. No connected history of her adventures in this picturesque period of her career has been preserved.

The *Memphis* was finally chased into the St. Johns River, Fla., by a United States blockading vessel and was sunk there by the Confederates. She was discovered in Dunns Lake by a boat expedition commanded by Commander Thomas H. Stevens, United States Navy, in March 1862, was raised by him, and, after being repaired, was taken into the United States Navy under her original name. She was appraised at $6,000 by Rear Admiral S. F. du Pont November 1, 1862, and was purchased from the New York prize court by the Navy Department May 19, 1863, for $700. She served on the South Atlantic Blockading Squadron off Charleston, S. C., until May 1863.

Commander Stevens' version of the *America's* connection with the Confederacy, given in his report of April 23, 1862, to Flag Officer S. F. du Pont, commanding the South Atlantic Blockading Squadron, is as follows:

> The *America* was brought to Jacksonville by a Lord Dacy, and, I am well informed, was sold to the Confederate Government some 4 months ago (at which time she ran the blockade) for the sum of $60,000. It is asserted and generally believed she was bought by the rebels for the purpose of carrying Slidell and Mason to England.

The officers who found and raised the *America* waived all claim to prize money, requesting that she be sent North and used as a practice ship for midshipmen at the Naval Academy. She was ordered to this duty in May 1863, and was the pride of the midshipmen until 1873. She was sold at auction to Gen. Benjamin F. Butler and Col. Jonas H. French, of Boston, June 20, 1873, and used for racing and cruising. She was rebuilt in 1885, and sailed her last race in that year unsuccessfully. In 1917 she passed into the hands of the Eastern Yacht Club of Marblehead, Mass., and was by them and others presented to the Navy in 1921, as follows: She was turned over to the Government at the Naval Academy at Annapolis on October 1, 1921, at 10:30 a. m. for the sum of $1, the presentation being made by Mr. Charles Francis Adams on behalf of the American Restoration Fund and other organizations, and so forth, and taken over by the Navy Department as a relic.

U. S. S. "AMERICA"

Line of battleship; 182½ feet length; 50 feet beam; 1,982 tons; full complement, 626 officers and men. First ship of her class built in America.

Built by order of Congress at Portsmouth, N. H., under the direction of Col. James Hackett. From May 10, 1777, to May 12, 1781, Capt. Tobias Lear superintended the building, and she was completed under the supervision of Capt. John Paul Jones. Commenced in 1777, launched November 5, 1782.

Capt. John Paul Jones was unanimously selected by Congress to command the *America*, but it was decided to present her to France to replace the *Magnifique*, wrecked in Boston Harbor. She was accordingly when launched delivered to the Chevalier de Martigne, late commander of the *Magnifique*. The French Minister at Philadelphia, Chevalier de Luzerne, was directed to receive her for the service of the King of France. Jones was ordered to superintend her fitting out.

She sailed for France and was in active service during 1782 and 1783, then laid up at Brest. In 1786 a commission ordered by the King to examine the *America* found her too much decayed to be repaired; she was ordered to be broken up and a new vessel built to bear the name *America*.

The figurehead of the *America* was designed by John Paul Jones. It was the figure of the Goddess of Liberty crowned with laurel; the right hand raised, forefinger pointing to heaven, on the left arm a shield of blue with 13 silver stars in it.

ROOSEVELT OR LANDON?—BUILDERS VERSUS WRECKERS!

Mr. SADOWSKI. Mr. Speaker, the battle lines are drawn. The war is on. It is Roosevelt and Garner versus Landon and Knox. Progressives, liberals, humanitarians versus old guards, reactionaries, monopolies, Liberty Leaguers.

The one pronounced progressive candidate, Senator BORAH, was so disgusted with the standpat atmosphere of the Republican Cleveland convention that he did not even attend the convention, nor has he endorsed the candidate since.

The outstanding liberal and progressive Republican, Senator NORRIS, of Nebraska, has openly and publicly endorsed President Franklin D. Roosevelt.

THREE LONG YEARS?

They have stressed the 3 long years of Roosevelt. They have said nothing of the 3 long and terrible years under Hoover.

This is not only a mighty interesting comparison but it tells the very heart of the political question confronting every voter when he goes into his voting booth on November 3.

In the first place, think of the Hoover 3 long years from what you yourself saw and experienced—suffering mothers, sweatshops, ragged children, hungry and starving toilers, ground down by the greedy oppressors' heels, 14,000,000 or 15,000,000 unemployed, banks failing everywhere—causing universal ruin and suicides, homes and farms foreclosed by the hundreds of thousands, millions of boys tramping the roads and railroads, drifting hither and yon and headed straight for the devil, businesses going to pot on every hand in every community, farm prices so low that they would not bring enough even to pay interest and taxes, with almost everybody you saw without hope and surrounded in gloom and despair. As you think back, is not this the actual, the unvarnished, picture of the Hoover 3 long years?

And then compare these with the 3 long years under Roosevelt; the hungry fed; sweatshops abolished; many millions given employment; the farm income raised toward a prosperous condition; workers given more decent working and living conditions; bank failures almost entirely stopped; business prosperous everywhere; millions of boys taken from the streets and railroads into the C. C. C. camps and employment; mortgage foreclosures on homes and farms reduced almost to a minimum; stock-market graft wiped out; millions of needy old people, blind, and dependent children helped; spirits revived; and gloom and distress turned into hope and assurance.

We should pick up their slogan and song of 3 long years and bring it, as it actually is, and burn it into the minds of every possible voter in the country. This is the real question between the two parties, Do you want to go back to the Hoover 3 long years or do you want to continue the Roosevelt 3 long years?

The Republican convention's great demonstration, you know, was for Mr. Hoover, and Mr. Hoover heartily approves Governor Landon; therefore, it would seem that Governor Landon typifies the Hoover 3 long years, especially as the Governor so heartily condemns the Roosevelt 3 long years.

ROOSEVELT ACCOMPLISHMENTS

He has turned despair into hope and prosperity for nearly all of the people.

He has provided jobs for many, many millions.

He has fed hungry mouths and has kept great groups of our people from starving and from anarchy.

He has practically doubled the farm income.

During the Hoover administration more than 6,000 banks were closed, with the consequence of disaster and loss almost beyond telling and beyond measuring, while the President has so rearranged the situation that a bank failure is now almost unknown.

He has guaranteed the bank deposits for more than 50,000,000 of American citizens.

He has shifted the money center of America from Wall Street to Washington.

He has saved a million homes from foreclosures through the Home Owners' Loan Corporation.

Farm evictions prior to his administration were at a rate of more than 200,000 a year. He has loaned about $4,000,000,000 and has saved hundreds and hundreds of thousands of farms and farm homes from the continued foreclosures.

He has saved and helped tens of thousands of banks, insurance companies, railroads, and other business institutions through the R. F. C.

He has taken a million and a quarter boys from begging rides from automobiles on the highways and from stealing rides on railroad trains, drifting back and forth aimlessly and heading straight into crime, and has put them into the health-giving, the hope-giving, and the prosperity-giving C. C. C. camps.

He has outlawed the sweatshop and abolished child labor.

He has provided for old-age insurance through cooperation with the States, and has given help to dependent children and the physically incapacitated.

He has given us the Securities Commission, which protects innocent investors from the lying and thieving devices of the unscrupulous confidence men and their worthless stocks.

He has given us the Tennessee Valley electrical yardstick and is bringing electricity into hundreds of thousands of farm homes through the R. E. A., and its efficient chairman, Morris L. Cooke.

He has taken 600,000 farm families—about 3,000,000 people—from relief rolls and put them into self-respecting and self-supporting conditions on farms through the Resettlement Administration.

He has kept tens of thousands of young people in schools and colleges.

Through the Federal Housing Administration he has helped hundreds of thousands of people to build and buy their own homes.

In 1932, 900 corporations made a net profit of $142,000,000. Last year these same corporations made more than 10 times that much profit—$1,568,000,000. On every hand business is better and in some instances is booming.

He has increased our foreign trade with many countries, in some as much as 30 percent.

And there are a lot of other great benefits which his administration has accomplished.

The 3 years under Roosevelt was a people's Government. The 3 years under Hoover was an Andy Mellon-Wall Street Government.

I could go on all day making similar comparisons, but these I have given tell the whole story. There is no question in my mind as to which 3 long years the people will choose.

The Wall Street-Old Guard crowd are about as honest with the people as the hubby was with his wife. He telephoned to her from a night club, "I'm working late at the office, dear." Replied the wife, "Well, you must be made of asbestos. Your office burned down shortly after 5."

DEPRIVED OF LIBERTIES?

Another fearful convention howl was that President Roosevelt is depriving us of many of our liberties. Yes; this is true. He is. There are two kinds of liberties—the kind of liberties we want, and the kind of liberties we do not want.

The kind of liberties that we do not want are those which gave to certain powerful financial interests special privileges to loot and rob the American public at will. Those interests and special privileges regarded these rights which they possessed under the previous Republican administration as their liberties. It was those liberties which wrecked and ruined our Nation. The rules of the game that were established by Andy Mellon and his crowd have been scrapped and discarded and in doing so, the real liberties of the people, as originally contemplated by the fathers of our country and guaranteed by the Declaration of Independence and the Constitution, will again be triumphant in this great land of ours.

LABOR FOR ROOSEVELT

The American Labor movement has abandoned its nonpartisan policy and has taken a definite stand favoring Roosevelt Democratic liberalism. John L. Lewis, head of the Mine Workers' Union, and Maj. George L. Berry, of the Pressman's Union, have pledged to deliver 500,000 members of these organizations to President Roosevelt. The members of the labor organizations are active in their support of the President.

President William Green of the American Federation of Labor, in a speech in Washington last spring heartily endorsed the President and his policies.

WHO IS DISSATISFIED WITH ROOSEVELT?

The Republican newspapers would lead their readers to believe that the people are dissatisfied with President Roosevelt.

Let us tear down their vicious cartoons and libelous articles. Let us analyze those subsidized remarks that appear in the Republican press.

Now who is it, then, that is dissatisfied with the work of the Roosevelt administration? Not those who have been aided by the Agricultural Adjustment Act. Not those whose farms have been saved by the Farm Credit Administration. Not those who have been able to refinance their mortgages at a lessened rate of interest through the activities of the Federal Housing Administration. Not those whose homes have been saved by the Home Owners' Loan Corporation. Not the stockholders or creditors of banks, insurance companies, and railroads that have been rescued by the Reconstruction Finance Corporation.

Surely not those who have received aid or found work through the Public Works Administration or the Works Progress Administration. Not the 1,250,000 boys who were taken from idleness and the streets and given opportunity and training in the Civilian Conservation Corps. Not the 52,000,000 American citizens whose deposits in the banks of the country have been made secure by the act creating the Federal Deposit Insurance Corporation. Not the laboring groups in whose interest the National Recovery Administration established collective bargaining, improved working conditions, outlawed the sweatshop, abolished child labor, and gave to industry an opportunity for constructive leadership.

Not those whose humanitarian instincts approve the Social Security Act and its provisions for old-age insurance and grants to States for widows' pensions, child welfare, and public-health service. Let me say to you at this time that the inadequate old-age pensions now being paid by the State of Michigan is not the Federal Government's fault, but this lies at the door of our Republican Governor who apparently does not believe in fair treatment for the aged of our State and for the widows and for child welfare.

Not those who recognized the need of abolishing holding companies, formerly connected with the banks of our country, which made it possible for reckless or corrupt financiers to speculate with the savings of depositors or waste the funds entrusted to their care. Not those who favor stock-market regulations to protect the public in connection with securities offered for general sale. Not those whose utility rates have been reduced through the activities and influence of the Tennessee Valley Authority.

Not those who wanted to see the price level lifted and the debt burden of the country made bearable. Not those who have followed international developments and have noted the fruitful efforts to expand our markets and to revive foreign trade. In Detroit alone the reciprocal tariff agreements made by our President and our Secretary of State, Hon. Cordell Hull, has increased industrial production and has aided the export trade of automobiles over 100 percent. This in turn aids in increasing employment in our factories and places at work many a person, who prior to these trade agreements was unemployed.

Not those who realize that the American dollar is the soundest money on earth; and that there is a larger metallic reserve behind every Government issue than at any previous time in our history.

Surely not the great masses of the people who see evidence of increasing prosperity upon every hand.

Who, then, I repeat, are dissatisfied? No doubt thwarted political ambitions, unrelenting partisanship, and ultra-conservatism account for the major portion of the forces arrayed against us. These things we understand and accept. There are those who complain that the Budget has not been balanced. If the President had balanced the Budget at the time his critics insisted that he should do so, how many of our citizens would have been forced to go without food? Which was the more important thing to do, balance the Government's Budget or balance the people's budget?

The people of this great country are proud that they had a President and a Congress that thought of them first. Men with a heart, who, seeing and knowing the condition of the people of our country, thought in terms of them. It was impossible to balance the Budget and feed the people at the same time. If it be treason to the doctrines of sound finance to feed and clothe the hungry and naked, then let the critics of the administration make the most of it.

Of course, recovery has cost a great deal of money, but far less than unfriendly critics assume. Nor do the critics allow any credit for the public buildings that have been erected, the great bridges that are being flung across our rivers, the thousands of miles of good roads that are being laid, the dams that are being built, and the innumerable other projects that add to the wealth and well-being of our country. This outpouring of public credit had for its primary object the rescue of millions of Americans from the impossible position in which the economic collapse had placed them. The purpose was to preserve to them their private ownership of property; their right to conduct their enterprises as independent and useful factors in American life and to avoid the processes of liquidation by which the great bulk of our fellow citizens were rapidly being forced into the growing army of the unemployed.

There are still many grave problems yet to be worked out, which must be approached not only with all the intelligence the Nation can summon, but with a devotion amounting to consecration.

Do you suppose for a moment that the Republican Party, as now constituted, or as it is likely to be constituted, would be able to grasp the social consequences involved in these great economic problems or be willing to adopt the measures of relief that existing conditions demand? It would be a vain and futile hope.

The dawning future is aglow with promise and when the history of this era is written, President Roosevelt will be more and more clearly revealed not only as a friend of human justice and social progress, but as the protector and defender of our accredited form of government, which by his genius he has vindicated.

BUILDERS VERSUS WRECKERS

The issue is clear—shall we continue the New Deal which has rescued our country from disaster and despair; or shall the Government be turned back to the old dealers who wrecked and ruined it?

The consequences of the coming election are vital to the future of our Nation. We must do our utmost toward swelling the majority that will testify to the national desire that the processes of recovery, initiated and caused by President Roosevelt, shall not be interrupted.

The verdict must be so overwhelming, so conclusive, so compelling, that nobody can doubt that the country is united in its determination and there shall be no backward step in our progress.

HON. TILMAN BACON PARKS

Mr. BUCHANAN. Mr. Speaker, I should not wish for this session to come to a close without expressing to the House my keen regret over the fact that our beloved colleague, the distinguished gentleman from Arkansas, the Honorable TILMAN BACON PARKS, is voluntarily retiring from membership in this body. Despite the importunities of his many friends in and out of Congress our friend has concluded to terminate his enviable congressional career.

Mr. PARKS took his seat in this House on March 4, 1921, and has served continuously with distinction ever since. But relatively few of the present membership have had longer service. My service antedates Mr. PARKS by 8 years. Therefore, it has been my privilege to know and serve with him throughout his membership. Our association naturally became closer when he became a member of the Committee on Appropriations on December 9, 1931, immediately becoming a member of the important War Department subcommittee, in which he succeeded to the chairmanship at the commencement of the Seventy-fourth Congress. No word of praise from me is necessary of the splendid record he made

in that important post. Every Member here who gives close attention to the national defense will bear witness to the signal contribution he has made in providing us with a better, more effective, and more efficient Military Establishment.

Mr. PARKS' withdrawal can only mean a decided loss to the House, to his great State, and to the Nation; and I am sure there is no man in this body, on either side of the aisle, who does not join me in the earnest wish that his future may be blessed with good health, happiness, and prosperity in abundant measure.

Mr. Speaker, as a part of my remarks I shall include an editorial from the Boston Evening American entitled "A Real Representative." It is a well-deserved tribute to our departing friend:

[From the Boston American]

A REAL REPRESENTATIVE

The retirement from Congress at the expiration of his present term of Representative TILMAN B. PARKS marks the passing from public life, for the present at least, of a statesman who will leave behind him in Washington an enviable record of devoted service to the national defense of his country.

While faithfully representing his own constituents of the Seventh District of Arkansas for the past 15 years, he has been broad enough in his stalwart Americanism to visualize the Nation and its needs as a whole. This is an attribute so rare today as to be deserving of the highest praise.

As chairman of the military subcommittee of the House Committee on Appropriations in his closing term, Mr. PARKS was largely instrumental in bringing before the House, with the full support of his committee, an appropriation bill which for the first time in many years recognized the deplorable state of weakness into which the United States Army had been permitted to sink, and presented an intelligent program for its improvement.

For the first time also in many years, under the leadership of Mr. PARKS, the attention of Congress was directed to the Pacific.

Accompanied by Representative JOHN F. DOCKWEILER, of California, who gave him constant encouragement and support, and by other members of his subcommittee, Mr. PARKS a year ago made a personal examination of the defenses of the west coast from Seattle to San Diego, of the Panama Canal, and of the Hawaiian Islands.

The committee was impressed with the strategic importance of the Pacific, gathered valuable data at first hand, and incorporated the ideas obtained in the Army bill of this year which gives the country its first adequate defense program since the close of the World War.

It is, unhappily, unusual to find a public servant who maintains his enthusiasm to the very close of his appointed term of office. It is a weakness of human nature to lose interest in a duty which is soon to be relinquished.

Mr. PARKS has known for a long time that he would not be a candidate to succeed himself in Congress with the expiration of his present term.

The indefatigability of his zeal for the national defense thus grew from no selfish motive, but from the highest instincts of disinterested love of country.

With his retirement the Army will lose a valued supporter, Arkansas a faithful servant, and the Nation a patriotic and most efficient legislator.

SALARIES

Mr. SABATH. Mr. Speaker, in accordance with leave to extend, I am submitting a statement of salaries paid officials and directors of certain companies and corporations. This list was furnished by the Securities and Exchange Commission on June 15, 1936, and reads as follows:

TABLE 1.—*Total remuneration of officers and directors receiving annually $50,000 or more. Selection limited to domestic corporations with assets of $50,000,000 or greater and having securities permanently registered on national securities exchanges*

Name of company and official	Capacity	Remuneration
Allied Stores Corporation:		
B. Earl Puckett	President and director	$73,147
Richard Mitton	Chairman and director of registrant; officer of 1 subsidiary.	50,235
American Express Co., P. F. Small	President and director	68,665
American Rolling Mill Co.:		
George M. Verity	Chairman and director	63,000
Charles R. Hook	President, general manager, and director.	54,000
American Smelting & Refining Co.:		
Francis H. Brownell	Chairman and director of registrant; president of 1 subsidiary.	100,000
H. G. Guess	Vice president and director	70,000
Simon Guggenheim	President and director	50,000
American Sugar Refining Co., Earl D. Babst.	Chairman and director	77,160
American Telephone & Telegraph Co.:		
W. S. Gifford	President and director	$206,250
C. P. Cooper	Vice president and director	74,250
C. M. Bracelen	Vice president and general counsel	61,875
B. Gheradi	Vice president and chief engineer	61,875
H. D. Pillsbury	President and director of 1 subsidiary.	55,008
Leonard H. Kinnard	Chairman and director of 1 subsidiary.	55,000
American Tobacco Co.:		
George W. Hill	President and director	137,043
James E. Lipscomb, Jr.	Director and president of 1 subsidiary.	100,000
Vincent Riggio	Vice president and director	60,000
Charles F. Neiley	do	60,000
Thomas R. Taylor	do	50,000
Paul M. Hahn	do	50,000
American Water Works & Electric Co., Inc., H. Hobart Porter.	President and director	80,625
American Woolen Co.:		
Lionel J. Noah	do	85,300
Moses Pendleton	Vice president and director	50,300
Anaconda Copper Mining Co.:		
Cornelius F. Kelley	President and director of registrant; president of 8 subsidiaries.	174,504
James R. Hobbins	Vice president and director of registrant; president of 1 subsidiary.	60,574
Associated Gas & Electric Co., J. I. Mange.	President and director	55,572
Atchison, Topeka & Santa Fe Ry. Co., S. T. Bladsoe.	do	55,500
Atlantic Refining Co.:		
J. W. Van Dyke	Chairman and director	100,000
W. M. Irish	President and director	75,000
Baltimore & Ohio R. R. Co., Daniel Willard.	President	60,000
Beneficial Industrial Loan Corporation, Charles H. Watts.	President and director of registrant; officer and director of 5 subsidiaries; director of 45 subsidiaries.	68,585
Bethlehem Steel Corporation:		
Charles M. Schwab	Chairman and director of registrant; officer or director of 1 or more subsidiaries.	230,000
Eugene G. Grace	President and director of registrant; officer or director of 1 or more subsidiaries.	180,000
Quincy Bent	Director of registrant; officer, director, or employee of 1 or more subsidiaries.	90,000
C. Austin Buck	do	90,000
Paul Mackall	do	75,000
R. E. McMath	Vice president, secretary, and director of registrant; officer or director of 1 or more subsidiaries.	58,500
Borden Co., Arthur W. Milburn	President and director	95,000
Boston & Maine R. R., E. S. French.	President and director of registrant; president of 1 subsidiary.	59,000
Brooklyn-Manhattan Transit Corporation, William S. Menden.	President and director	62,189
Brooklyn Union Gas Co., James H. Jourdan.	do	81,092
California Packing Corporation, L. E. Wood.	President and director of registrant; officer or director of various subsidiaries.	50,240
Chicago & North Western Ry. Co., Fred W. Sargent.	President and director	50,000
Chicago, Burlington & Quincy R. R. Co., Ralph Budd.	do	50,000
Coca-Cola Co., R. W. Woodruff	President and director of registrant; director of 1 subsidiary.	100,500
Columbia Gas & Electric Corporation:		
Philip G. Gosler	President and director of registrant; officer or director of various subsidiaries.	91,300
Thomas B. Gregory	Senior vice president and director of registrant; officer or director of various subsidiaries.	51,050
Commercial Credit Co.:		
A. E. Duncan	Chairman and director	55,000
J. P. Maguire	President of subsidiary	55,000
Commonwealth & Southern Corporation, Wendell L. Willkie.	President and director	65,971
Consolidated Gas Co. of New York:		
George B. Cortelyou	President, trustee, and member executive committee of registrant; officer or director of 22 subsidiaries.	108,506
Frank W. Smith	Trustee and member executive committee of registrant; officer or director of 9 subsidiaries.	78,188
Floyd L. Carlisle	Chairman, trustee, and member executive committee of registrant; officer or director of 9 subsidiaries.	57,930
Consolidated Gas, Electric Light & Power Co. of Baltimore, Herbert A. Wagner.	President, member executive committee, and director.	66,640
Continental Oil Co., Dan Moran	President and director	100,000
Corn Products Refining Co.:		
George M. Moffett	do	144,750
Frederick T. Fisher	Vice president, secretary and treasurer, and director.	121,500
George S. Mahana	Vice president and director	121,500

TABLE 1.—*Total remuneration of officers and directors receiving annually $50,000 or more. Selection limited to domestic corporations with assets of $50,000,000 or greater and having securities permanently registered on national securities exchanges*—Con.

Name of company and official	Capacity	Remuneration
Crown Zellerback Corporation, Louis Bloch.	Chairman and director	$67,760
Curtis Publishing Co.:		
G. H. Lorimer	Chairman, president, and director	100,000
P. S. Collins	Vice president and director	60,751
F. A. Healy	do	54,000
Delaware & Hudson Railroad Corporation, L. F. Loree.	President and director	50,000
Delaware, Lackawanna & Western R. R., J. M. Davis.	do	60,000
Detroit Edison Co., Alex Dow	do	75,715
Eastman Kodak Co.:		
Frank W. Lovejoy	do	90,904
William G. Stuber	Chairman and director	61,230
Electric Power & Light Corporation, H. C. Couch.	Director of registrant; officer or director of 8 subsidiaries.	71,335
Erie Railroad Co., C. E. Denney	President and director	53,750
Federal Water Service Corporation, C. T. Chenery.	President and director of registrant; chairman and director of 14 subsidiaries.	56,700
Federated Department Stores, Inc.:		
Simon Lazarus	Vice president and director of registrant; officer or director of 2 subsidiaries.	100,440
Fred Lazarus, Jr	Director of registrant; officer or director of 2 subsidiaries.	100,320
Louis E. Kirstein	do	80,400
Edward J. Frost	Secretary, treasurer, and director of registrant; officer or director of 2 subsidiaries.	80,320
Lincoln Filene	Chairman and director of registrant; chairman and treasurer of subsidiary.	80,140
Samuel J. Bloomingdale	Director of registrant; chairman of 1 subsidiary.	76,201
Edward C. Blum	Assistant secretary and assistant treasurer of registrant; president and director of 1 subsidiary.	57,720
Fidelity-Phenix Fire Insurance Co.:		
Ernest Sturm	Chairman and director of registrant; chairman of 5 associated companies and director of 8 associated companies.	96,597
Bernard M. Culver	President and director of registrant; president of 5 associated companies and director of 8 associated companies.	56,201
General American Transportation Corporation, Max Epstein.	Chairman and director	60,000
General Electric Co.:		
Gerard Swope	President and director	87,260
Owen D. Young	Chairman and director	87,260
General Motors Corporation:		
William S. Knudsen	Executive vice president and director.	211,129
Alfred P. Sloan, Jr	President and director of registrant; director of 1 subsidiary.	201,744
Charles F. Kettering	Vice president and director	140,695
Donaldson Brown	Vice president and director of registrant; director of 1 subsidiary.	134,688
John L. Pratt	Vice president and director	134,528
Lawrence P. Fisher	do	125,219
John Thomas Smith	do	125,213
Richard H. Grant	Vice president	118,802
James D. Mooney	Vice president and director	118,129
William A. Fisher	Vice president	110,569
Albert Bradley	Vice president and director	98,253
Charles E. Wilson	do	98,018
Ormond E. Hunt	Vice President	98,003
Charles T. Fisher	Vice president and director	78,840
John T. Schumann, Jr	Director of registrant; president and director of 1 subsidiary.	71,631
Gimbel Bros., Kenneth Collins	Vice president and director	50,000
B. F. Goodrich Co., J. D. Tew	President, member executive committee, and director.	60,143
Goodyear Tire & Rubber Co., P. W. Litchfield.	Chairman, president, and director	81,000
Great Northern R. R. Co., Wm. P. Kenney.	President and director	60,009
Great Western Sugar Co.:		
W. L. Petrikin	Chairman of board and director	55,000
W. D. Lippitt	President and director	53,363
Houston Oil Co. of Texas, Geo. A. Hill, Jr.	do	51,480
Illinois Central R. R. Co., L. A. Downs.	do	60,000
International Business Machines Corporation:		
Thomas J. Watson	do	365,339
Otto E. Braitmayer	Vice president and director	60,330
International Harvester Co., Addis E. McKinstry.	President and director	60,757
International Paper & Power Co.:		
Archibald R. Graustein	President and director of registrant; president of 2 subsidiaries.	95,696
Frank D. Comerford	Vice president and director of registrant; officer or director of 3 subsidiaries.	73,100
International Paper Co., R. J. Cullen.	Vice president of registrant; officer or director of 2 subsidiaries.	62,880
International Telephone & Telegraph Corporation, Sosthenes Behn.	President and director of registrant; director of 10 subsidiaries; director of foreign subsidiaries not named.	51,648
International Utilities Corporation, P. M. Chandler.	President and director of registrant; officer or director of 7 subsidiaries.	$57,110
Kennecott Copper Corporation:		
D. C. Jackling	Chairman operating committee of registrant; officer or director of 6 subsidiaries.	101,410
E. T. Stannard	President and director	75,820
Stephen Birch	Chairman and director of registrant; director of 1 subsidiary.	75,700
Kroger Grocery & Baking Co., Albert H. Morrill.	President and director	77,756
Lehigh Valley R. R. Co., E. E. Loomis.	do	60,000
Lehman Corporation, A. H. Bunker.	Vice president and director	50,000
P. Lorillard, Benjamin L. Belt	President and director	51,667
R. H. Macy Co.:		
Percy S. Straus	President and director of registrant; vice president of 1 subsidiary.	112,217
Edwin I. Marks	Vice president and director of registrant; vice president of 1 subsidiary.	101,610
William J. Wells	Director of registrant; president of 1 subsidiary.	75,300
Delos Walker	Vice president and director	70,135
Jesse Isador Straus	Vice president and director of registrant; vice president of 1 subsidiary.	61,465
Marshall Field & Co., John McKinley.	President and director	60,000
May Department Stores Co., Morton J. May.	do	100,000
Mid-Continent Petroleum Corporation, Jacob France.	do	81,000
Montgomery Ward & Co., Inc., S. L. Avery.	do	100,180
National Dairy Products Corporation:		
Thos. H. McInnerney	President and director	108,700
L. A. Van Bomel	Vice president and director of registrant; president of 1 subsidiary.	60,800
J. L. Kraft	Director of registrant; president of 1 subsidiary.	56,390
National Distillers Products Corporation, Seton Porter.	President and director	75,400
National Lead Co., William H. Croft.	Director of registrant; president of 1 subsidiary.	88,014
National Steel Corporation:		
Ernest T. Weir	Chairman and director	53,672
John C. Williams	Vice president and director of registrant; president and director of 3 subsidiaries.	53,671
George R. Fink	President and director of registrant; president and director of 1 subsidiary.	53,643
New York Central R. R. Co., F. E. Williamson.	President and director of registrant; officer and director of 4 subsidiaries.	60,000
Norfolk & Western Ry. Co., A. C. Needles.	Chairman, president, and director	60,000
North American Co.:		
Louis H. Egan	Director of registrant; officer or director of 30 subsidiaries.	56,350
James F. Fogarty	President, member executive committee, and director of registrant; director of 16 subsidiaries.	52,108
Harrison Williams	Chairman executive committee and director.	50,260
Owens Illinois Glass Co., Wm. E. Levis.	President, general manager, and director.	100,000
Pacific Gas & Electric Co., A. F. Hockenbeamer.	President and director	70,133
Pan American Petroleum & Transport Co.:		
Louis Blaustein	President and director	65,250
Jacob Blaustein	Executive vice president and director.	55,250
Pennsylvania R. R. Co., W. W. Atterbury.	President and director	60,000
Phelps-Dodge Corporation, Louis S. Cates.	do	76,440
Philadelphia & Reading Coal & Iron Corporation, Andrew J. Maloney.	President and director of registrant; president of 1 subsidiary.	60,717
Philadelphia Electric Co., W. H. Taylor.	President, member executive committee, and director; officer or director of 8 subsidiaries.	61,531
Pittsburgh Coal Co., J. D. A. Morrow.	President and director	74,440
Pittsburgh Plate Glass Co.:		
H. A. Galt	Vice president and director of registrant; president of subsidiary.	72,000
H. S. Wherrett	President and director	63,000
Procter & Gamble Co.:		
Richard K. Deupree	President and director of registrant; officer or director of various subsidiaries.	100,000
Renton K. Brodie	Vice president and director of registrant; officer of various subsidiaries.	60,000
Herbert G. French	Vice president and director of registrant; officer or director of various subsidiaries.	60,000
Floyd M. Barnes	Vice president and director of registrant; officer of various subsidiaries.	55,000

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Name of company and official	Capacity	Remuneration
Public Service Corporation of New Jersey:		
Thomas N. McCarter	President and director of registrant; president and director of 5 subsidiaries.	$150,000
Edmund W. Wakelee	Vice president and director of registrant; vice president and director of 5 subsidiaries.	90,000
Percy S. Young	do	90,000
Pullman, Inc., David A. Crawford	President and director	66,444
Pure Oil Co., Henry M. Dawes	do	55,250
Radio Corporation of America:		
David Sarnoff	President and director of registrant; director of 4 subsidiaries.	52,330
James G. Harbord	Chairman and director of registrant; director of 4 subsidiaries.	50,160
Reading Co., C. H. Ewing	President and director of registrant; president and director of 1 subsidiary.	60,000
Republic Steel Corporation:		
T. M. Girdler	Chairman, president, and director	129,372
B. F. Fairless	Vice president and director	64,692
R. J. Wysor	do	64,692
Myron A. Wick	do	51,744
Reynolds (R. J.) Tobacco Co.:		
S. C. Williams	Vice chairman and director	60,000
Jas. A. Gray	President and director	50,000
Sears, Roebuck & Co.:		
Lessing J. Rosenwald	Chairman and director	85,140
Robert E. Wood	President and director	81,818
Shell Union Oil Corporation, J. C. Van Eck.	Vice chairman and director	60,000
Southern Pacific Co.:		
Hale Holden	Chairman and director	60,000
A. D. MacDonald	President and director	50,000
Paul Shoup	Vice chairman and director	50,000
Southern Ry. Co., Fairfax Harrison	President and director	50,000
Standard Brands, Inc.:		
Joseph Wilshire	President and director of registrant; president of 4 subsidiaries.	152,560
Paul W. Fleischmann	Vice president of registrant; vice president of 2 subsidiaries.	60,050
Hugo A. Oswald	Secretary and treasurer of registrant; secretary and treasurer of 1 subsidiary.	55,660
Standard Oil Co. of California:		
K. R. Kingsbury	President and director	136,418
Oscar Sutro	Vice president and director	90,987
W. H. Berg	do	54,596
H. D. Collier	do	54,546
R. W. Hanna	do	54,546
Standard Oil Co. of Indiana:		
E. G. Seubert	President and director	117,900
Allan Jackson	Vice president and director	64,800
E. J. Bullock	do	60,300
R. H. McElroy	do	54,900
C. J. Barkdull	Executive vice president, treasurer, and director.	51,400
Standard Oil Co. of New Jersey:		
W. C. Teagle	President and director	125,000
W. S. Farish	Chairman and director	112,500
Christy Payne	Vice president, treasurer, and director.	85,000
E. J. Sadler	Vice president and director	85,000
C. O. Swain	General counsel and director	85,000
R. G. Stewart	Director	83,500
G. H. Smith	do	70,000
O. Harden	do	60,000
F. H. Bedford	do	50,000
R. W. Gallagher	do	50,000
Standard Oil Co. (Ohio), W. T. Holliday.	President and director	81,000
Swift & Co.:		
G. F. Swift	do	60,000
William B. Traynor	Vice-president, treasurer, and director.	50,000
Texas Corporation:		
C. B. Ames	Chairman and director	75,000
W. S. S. Rodgers	President and director	50,000
Texas Gulf Sulphur Co., Walter H. Aldridge.	do	50,750
Third Avenue Ry. Co., S. W. Huff	do	60,000
Tide Water Associated Oil Co.:		
W. F. Humphrey	President and director of registrant; president and chairman of 2 subsidiaries.	63,555
E. L. Shea	Vice president and director of registrant; president of subsidiary.	53,278
Union Pacific R. R. Co.:		
F. W. Charske	Chairman executive committee and director.	60,000
C. R. Gray	President and director	60,000
United Corporation, George H. Howard.	President and director of registrant; officer or director of 2 subsidiaries.	75,320
United Drug, Inc., Louis K. Liggett.	Director of registrant; officer or director of 2 subsidiaries.	62,255
United Fruit Co., Francis R. Hart	President and director	58,450
United Gas Improvement Co., John E. Zimmerman.	Chairman, president, and director	100,000
United Light & Power Co.:		
William Chamberlain	Chairman and director of registrant; officer or director of 6 subsidiaries.	63,710
Charles S. McCain	President and director of registrant; officer or director of 5 subsidiaries.	57,000
United States Rubber Co.:		
Francis B. Davis, Jr	Chairman and president	$125,220
William de Krafft	Vice president and director	50,700
United States Smelting, Refining & Mining Co., C. A. Hight.	President and director	55,210
United States Steel Corporation:		
Myron C. Taylor	Chairman and director	161,672
William A. Irvin	President and director of registrant; director of 20 subsidiaries.	102,162
William J. Filbert	Chairman finance committee and director of registrant; director of 19 subsidiaries.	87,942
Utilities Power & Light Corporation, H. L. Clarke.	President and director of registrant; officer or director of 5 subsidiaries.	50,880
Wesson Oil & Snowdrift Co., Inc., A. D. Geoghagen.	President and director	80,116
Western Union Telegraph Co.:		
Newcomb Carleton	Chairman and director	60,000
R. B. White	President and director	60,000
Westinghouse Air Brake Co., A. L. Humphrey.	Chairman and director of registrant; chairman and director of 1 subsidiary.	50,400
Westinghouse Electric & Manufacturing Co.:		
A. W. Robertson	Chairman and director	78,805
F. A. Merrick	President and director	58,764
Wm. Wrigley, Jr., Co., J. Allen Ross.	Vice president and director of registrant; president of 1 subsidiary.	60,000

REPORT TO CONSTITUENTS

Mr. COCHRAN. Mr. Speaker, following the custom adopted at the time I was first elected to Congress, I desire to place in the RECORD a statement concerning my service during the Seventy-fourth Congress, the second session of which has just ended.

When one seeks to again place his candidacy before his constituents it is only proper that he give an accounting of his services in the past.

In the campaigns of 1932 and 1934 Democrats pledged themselves to support Mr. Roosevelt in the event of his election. At that time, due to the failure of the Missouri State Legislature to redistrict the congressional districts of Missouri, I was a candidate at large and was elected by a majority of nearly 500,000 votes, leading the 13 congressional candidates.

We all know the situation that confronted the country and President Roosevelt when he took office on March 4, 1933. Who can help but recall his appeal to the people of the country immediately following his inauguration, when he issued the order that resulted in the so-called bank holiday? The American people, Republicans as well as Democrats, approved the President's course, or at least offered absolutely no objection, because they were aware that our financial system would be destroyed if he had not taken the action.

During the 4 years of the Hoover administration which had just ended, 1,035 national banks had closed their doors. During the administrations of President Coolidge, which just preceded that of Mr. Hoover, covering 4½ years, 533 national banks failed.

During 1933, 3 months of which were under President Hoover, 435 national-bank suspensions occurred prior to or during the bank holiday, while only 3 national banks closed their doors during the remainder of that year. The activities of 250 national banks were suspended during the banking holiday, requiring the appointment of receivers to complete liquidation. These receivers either reorganized the banks or made partial payments to depositors.

The President proceeded with two objects in view—first, to conquer the depression, and second, to prevent a recurrence.

One of the outstanding achievements of the Roosevelt administration was the passage of the so-called Bank Deposit Guaranty Act, which guarantees all deposit accounts up to $5,000. Accounts are now insured by the Federal Deposit Insurance Corporation, created during the Roosevelt administration.

During 1934 and 1935 only five national banks in this country suspended operations, and every depositor whose account was $5,000 or less received his or her money in full. This covered the deposits of over 90 percent of the depositors

in the closed banks. How happy hundreds of thousands of our citizens would be if we had had such a law in force during the Coolidge and Hoover administrations. In 1934 and 1935 five national banks closed their doors, while up to this date in 1936 not one national bank has suspended operations.

SUPPORTED PRESIDENT ROOSEVELT

Any number of outstanding laws were passed during the Seventy-third Congress, which was the first Congress of the Roosevelt administration. I referred to my service in that Congress in a previous report, and I will not go into detail in reference to the meritorious legislation that was passed other than to say that I kept the pledge I made to the people of the State of Missouri during the campaign of 1932 and supported every recommendation the President made to the Congress.

In times of war it has always been the policy of the Congress to delegate unusual powers to the Chief Executive. When the Democratic Party assumed control in March 1933 we were at war—war with the depression or panic, or whatever you might desire to call it—millions of our citizens were without food, clothing, and shelter. Something had to be done immediately, because not only the millions of citizens out of employment were demanding action by the Congress but the businessmen of the country were likewise demanding action. In order to meet this unprecedented situation, Congress did on numerous occasions delegate certain extraordinary powers to the President, and at the time there was no complaint either from the press, the masses of the people, or from the business group. On the contrary, Congress was complimented for expediting relief measures.

Slowly but surely conditions started to improve, and as business became better there was a change of attitude among the leaders of industry, who had previously been appealing for help.

Congress had passed numerous laws extending relief to the unemployed, help to the farmers, and billions of dollars in loans to business. Through the Reconstruction Finance Corporation gigantic corporations, some of our largest banks, and especially the railroads, were saved from bankruptcy. There was no complaint then when business was in distress.

NATIONAL RECOVERY ACT

One of the laws that Congress passed was the National Industrial Recovery Act, the purpose of which was to assist the recovery of business. Under that act business was permitted to organize in groups, adopt codes, and in many instances the antitrust laws of the country were practically suspended.

I do not know where the thought for the enactment of this legislation originally came from, nor do I know who prepared the bill, but I do know that the president of the National Association of Manufacturers who happened at that time to be a resident of the city, a part of which I represent in Congress, St. Louis, came to me and pleaded with me to speak in favor of and vote for that legislation when the President submitted the bill. He pictured the ultimate destruction of business if the Congress did not respond to the appeal of the President for the enactment of the National Industrial Recovery Act. I supported that bill and it proved to be beneficial to hundreds of thousands of businessmen throughout the country, the great majority of which were shocked and disappointed when the Supreme Court declared it unconstitutional.

Business men in groups adopted codes under the N. R. A. and among the agreements was the shortening of the hours of labor. This required additional help. Another agreement was in regard to salaries, the employees benefiting by receiving increases in wages. Shortly after the Court declared Congress had gone beyond its powers under the Constitution, complaints reached the Department of Labor that employers were lengthening working hours and reducing salaries. A survey was made and the result has just been announced. It is estimated that nearly 1,000,000 employees lost their jobs in the 6 months following the decision of the Supreme Court, while the reduction in salaries was great but unestimated. The benefits that accrued by reason of the passage of the act were lost to many of the employees.

NATIONAL RECOVERY ACT WAS BENEFICIAL

After the passage of that law business recovered steadily and then developed the change of attitude, especially among those who had been appealing to the President and the Congress for help, until today we find the National Association of Manufacturers of the United States probably the most outstanding critic of the Roosevelt administration. Among the acts they criticize is the National Industrial Recovery Act which their president urged me to support. They not only abandoned their own child but criticized Congress for enacting the law they urged Congress to pass.

Other critics of the administration are the Liberty League, the Economy League, and other leagues and associations, the wealth of whose members run up into the billions of dollars.

In the final analysis the ultimate conclusion that one must reach is, that they are displeased because the Roosevelt administration has taken from them the special privileges which they so long enjoyed. They know that they will never regain those special privileges while the Democratic Party is in power. While their vile tongues and pens pour forth vituperation, commendation comes from those who seek no special favors and who are grateful for the help that has been extended by the President, a Democratic House and Senate.

As an indication of improvement the report of increases in salaries that have been granted to the executives of the large corporations of the country in the last 2 years is ample proof of the recovery of big business. While they have increased the salaries of their executives, they complain whenever Congress attempts to legislate in a way that will bring about an increase in the salaries of the employees or pass legislation that will put the unemployed to work. The objective of the Roosevelt administration has been to more equally distribute the profits of industry among the workers who are responsible for those profits and not confine the profits and increases to the officials of the corporations.

Under the terms of the National Security Act the Commission has the power to make public the salaries and bonuses of officials of corporations. Just a few days ago one of the many lists was released by the Commission. At the head of that list was the name of a director and member of the executive committee of a large 5- and 10-cent store. His salary and bonus for the year 1935 amounted to $309,880. Eighteen officials of that corporation received in bonus, which was in addition to their salaries, $1,186,053. Would it not make for a better condition if some of that money had been used in increasing the salaries of the underpaid clerks? I doubt if the Governors of the 48 States in the Union receive altogether $300,000 a year.

The answer of big business to criticism of increases in salary and bonus to executives is that the amount paid officials is small in comparison to that paid to employees. Probably if the same percentage of increases were granted employees as was given to executives then there would not be so much discontent among the workers.

It is true that a number of the laws that Congress enacted have been declared unconstitutional by the Supreme Court, but I can say now that is not going to prevent the Congress in the future from trying to write legislation that will be beneficial to the farmers of the country as well as to the laboring man if a way can be found to do so under the Constitution.

WILL REPUBLICANS REPEAL NEW LAWS?

Can anyone conceive that the Republican Party is willing to go on record now as being in favor of the repeal of the Reconstruction Finance Corporation Act, the Home Owners' Loan Corporation Act, the Farm Credit Administration Act, the National Securities Exchange Act, the Federal Bank Deposit Act, the Social Security Act, the Veterans' Act, the National Housing Act, the Railroad Retirement Act, the Federal Alcohol Act, the various laws improving the National Banking Act, the Bankruptcy Act, the Prohibition Act, the restrictive Immigration Act, the act to prevent profiteering in time of war, the Revenue Acts of 1934 and 1935, the act providing for the control of public-utility companies, the Kidnaping Act, the Extortion Act, the Fugitives from Justice Act, and the various acts appropriating money

for relief, as well as dozens more of other outstanding laws passed by the Seventy-third and Seventy-fourth Congresses? They are going to criticize these laws, but ask them to go on record as favoring their repeal.

It might be proper to mention at this point that while the Republicans are now assailing this legislation, which I willingly admit that I supported, the record will show that on an average over one-half of the Republicans of the House voted with the Democrats for the passage of every bill mentioned, and in some instances over 90 of the 120 Republicans and Progressives in the House supported the very laws which they are now criticizing.

I repeat that those who were appealing with tears in their eyes back in 1933 for help now condemn the legislation that was enacted that has brought them back to the point where some of them are now making more money than they ever did in history, but who are now the outstanding critics of the legislation which has proved so beneficial to them.

MILLIONS OF FARMS AND HOMES SAVED

The Roosevelt administration has not only saved millions of farms but 1,019,919 people of the country availed themselves of the Home Owners' Loan Corporation Act, borrowing $3,097,667,903 from that Corporation, thus preventing foreclosure.

We have given temporary employment to millions of our unfortunate citizens, providing them with funds to feed and clothe their families.

While no one could be more anxious to see the unemployed of the country secure work with private industry, nevertheless it may just as well be understood now as later that the unemployment situation is a national problem and must be handled by the National Government so long as it exists. Cooperation between industry and the Government is the road that leads toward recovery, and business will eventually see the wisdom of cooperating with the Government.

I do not propose to enumerate individually the many bills I have supported, but want to make it perfectly plain, and I have no apologies to offer for supporting all legislation I felt would be beneficial and would ultimately lead to recovery. I promised my constituents in the campaign of 1934 that I would follow this procedure and have carried out that promise to the letter.

Just as soon as conditions will permit, if reelected to Congress, I will be strongly in favor of repealing laws that granted extraordinary powers to the executive officials. Had it not been for the great emergency that confronted us, I never would have voted for such legislation. The Constitution places upon Members of Congress certain duties that they and not the Executive should perform, and I will favor restoring to the Congress those powers at the earliest date practicable.

THE NATIONAL DEBT

A great deal has been said in reference to an increase in the national debt. No one realizes more than I do the necessity of the Government balancing its normal Budget, and I will join with others to bring this about if returned to Congress. In regard to the national debt, however, let me say that there is no reason why anyone in the country should be greatly alarmed. While it is true the national debt has been increased, a great deal of this money will be recovered because it is in the form of loans secured by proper collateral. Several billion dollars will not be recovered, as that has been expended for relief purposes.

President Roosevelt has been charged with placing upon the backs of the citizens of this country a national debt of $35,000,000,000. Now, what are the facts? The Treasury statements show the net increase in the national debt since 1933, when President Roosevelt assumed command, is $10,800,000,000. Everyone knows how this came about. The money was used to assist the unemployed, to feed, clothe, and provide shelter for unfortunate citizens who could not secure work. Now, how about the other $25,000,000,000 they have charged to Roosevelt. Every dollar of it was owed by the Government on March 4, 1933, inherited, so to speak, from the previous administrations. President Hoover increased the national debt during his administration by billions of dollars and did not provide for a dollar of assistance to the unemployed. That money went to meet the normal expenses of the Government, because business was so bad the Government did not collect taxes sufficient to meet expenditures, and every year during the Hoover administration there was a deficit, which increased the national debt, because the Government borrowed money to meet its obligations in excess of receipts.

Our bonds have been refinanced by the present administration, saving several hundred million dollars in interest annually.

HELP TO UNEMPLOYED

When it was necessary to create the Civil Works Administration, it was likewise necessary to immediately adopt a program to put the unemployed to work or it would have been necessary to have made weekly payments to those who needed relief. It is likewise true that the projects carried on by the Civil Works Administration were not what might be classed as permanent improvements, but that cannot be said of the Public Works Administration nor the Works Progress Administration, the latter having supplemented the Civil Works Administration. Practically every dollar spent by the Public Works Administration has been for permanent improvements on such projects as new sewers, water systems, utility plants, public buildings, bridges, grade crossings, and so forth. These improvements are permanent and the money has been well spent. It provided work for the unemployed and helped business generally. We have likewise spent a great deal of money improving public highways, rivers and harbors, and erecting Government buildings, not only in Washington but throughout the United States. The money spent for this purpose is classed as liabilities and charged against the public debt.

Whenever a great corporation or a financial institution issues a financial statement you will always find among the assets the real-estate holdings as well as the equipment to offset the liabilities in part. Is there any reason why, in considering the financial statement of the Government, there should not be added to the assets of the Government the permanent improvements that have been brought about by the expenditures of public money? The construction of public buildings reduces the annual rental of the Government for housing Government activities, and while I do not have the exact figures before me, it is reasonable to say that the amount spent for permanent and lasting improvements is several billion dollars. The amount saved in rents runs into the millions annually. Many of these projects are self-liquidating—that is, the amount spent will be saved in rentals over a period of years.

SERVICE TO DISTRICT AND CONSTITUENTS

While the enactment of all laws indirectly affects a Congressman's constituents, naturally there are activities in which he can participate that are beneficial solely to the community he represents. In St. Louis a new Federal building has been constructed; a new post office is under construction; a new Public Health Service hospital and a new post-office garage have been authorized, the money appropriated, the plans are now being drawn, and bids will soon be asked for construction. While it is true these buildings are not in the district I represent, they serve the people of my district and mechanics who do reside in my district have benefited by these projects. The total amount involved in this construction work is over $10,000,000, and I feel I can say without fear of contradiction that I took the lead in advocating the authorization for the construction of these buildings, appearing before committees of Congress, securing the necessary legislation.

Every movement that I felt would be beneficial to those that I represent and to my city has received my support. All mail that has come to me has been promptly answered, and no proper appeal has reached me that I have not at least tried to comply with.

RELIEF JOBS

In regard to the Works Progress Administration, under which relief labor is employed, I have no time since its inception attempted to bring influence to bear in behalf of anyone who has appealed to me. Every letter that has left my office in reply to a request for assistance to secure employment with the Works Progress Administration has contained a paragraph that a letter from a Congressman is not and should not be sufficient to secure work where the money is paid from a relief appropriation. I have given many letters to constituents who have appealed to me to the officials, but have made it plain to those officials in numerous communications I was not endeavoring to influence them in any way and did not want politics to enter relief work. All I requested was that the applicant be considered and, if found to be entitled to recognition under the policy of the Administration, they be given work if it was available. I have never felt that it would be of benefit now or any time to the administration or to the country to permit the use of Federal relief money to further the political interests of any individual or party, and it is my purpose to adhere strictly to that policy in the future as I have in the past.

KIDNAPING AND EXTORTION ACTS

As many of my constituents are aware, I am coauthor of the Federal Kidnaping Act, introduced in the Senate by Senator Patterson and in the House by myself. I am author of the Extortion Act, which makes it a felony to use the mails to extort money under threat of violence. I am proud of the results that have been attained by the enactment of this legislation. While the Kidnaping Act is commonly referred to as the Lindbergh Act, it was introduced long before the Lindbergh baby was kidnaped, because of the numerous kidnapings that had occurred in my own community where the victim had been taken to Illinois and the local police had no power to follow. Up to the time of the passage of the Extortion Act it was not a crime to send a letter through the mail where one threatened to kidnap a child or destroy personal property unless paid certain sums of money. These laws have resulted in the confinement in the Federal penitentiary of gangsters and have practically eliminated organized crime in the Nation.

CHAIRMAN OF COMMITTEE ON EXPENDITURES

I am the only member of the Missouri delegation who is chairman of a committee in the Congress. As chairman of the Committee on Expenditures in the Executive Departments, I preside over a committee of 21 members. It is the duty of this committee to see that the money appropriated by the Congress is spent by the executive branch of the Government for the purpose for which it was appropriated.

During the Seventy-fourth Congress I have taken the lead under instructions from the committee in stopping scores of bills and have saved the Government hundreds of millions of dollars. The outstanding service of the committee was in connection with the Indian claims.

Just before the convening of the present Congress, information reached me regarding Indian claims pending before the Court of Claims. These suits had resulted from Congress passing 114 resolutions setting aside the statute of limitations and permitting Indians or their representatives to sue the Government on claims growing out of treaties, acts of Congress, and Executive orders. There was no limitation, and some of these claims grow out of treaties that were ratified as far back as 1779. After making a thorough investigation of the situation I called a meeting of the committee and had the Assistant Attorney General, Hon. Harry W. Blair, who represents the Government in the Court of Claims in these suits, as well as two assistants and representatives from the Comptroller General present. The Assistant Attorney General, Mr. Blair, stated before the committee that while all the petitions in those suits had not been filed up to that date, the suits filed amounted in claims of over three and one-quarter billion dollars. In some of the resolutions the Government was permitted to offset the claim by showing gratuities and advances that had been made to the various tribes, but in the great majority of the cases this right was not extended to the Government. The Government apparently was helpless.

CHECKED INDIAN TREASURY RAIDS

Our committee was told frankly if Congress did not act it would be impossible to estimate the amount that the Court of Claims would be required to allow the Indians as a result of these suits. The committee came to the conclusion that the only way the Treasury and the taxpayers could be protected was to have a law passed that would be retroactive and would extend to the Government the right to charge off gratuities and advances made to the tribes in all suits pending and in future suits unless the Congress specifically provided that such offsets should not be allowed. Acting under directions of the committee, I placed the matter before the Committee on Appropriations, and Chairman JAMES P. BUCHANAN, of Texas, of that committee, as well as many of his colleagues, both on the Democratic and Republican side, were not only amazed but alarmed over the situation. The suggestion of our committee was when the next deficiency bill was considered the Committee on Appropriations call the judges of the Court of Claims, the Attorney General, and the Comptroller General before them, who would confirm our statement, and then add an amendment to the deficiency bill giving the Government the right to set off the claims of the Indians by showing gratuities and advances that had been made to the tribes. The Appropriations Committee followed this procedure, and as a result we now have the law on the statute books, and while, no doubt, the Indians will recover some money from the Government, the amount will be very small in comparison with the amount of the claims.

Since that amendment was adopted several of the cases have been tried and the court allowed gratuities and advances as a set-off and rendered judgments in favor of the Government. This has resulted in individual resolutions and bills being introduced amending the original jurisdictional act which would deny the Government the right to charge off the gratuities and advances. Many of those resolutions and bills passed the Senate without debate and were favorably reported by the Committee on Indian Affairs of the House. Acting under the instructions of the committee, I have stopped the passage of the bills with the assistance of many members of my committee.

As an example, here is what happened in the last 2 days of the Congress:

The California Indian claims bill was passed, but before it was passed I insisted upon two amendments. One sentence which struck out only four lines in the bill which appeared to be perfectly harmless would have cost the Government, according to the Bureau of the Budget and the Comptroller General of the United States, $15,000,000. This was stricken out, together with an entire section which would also have cost the Government many millions of dollars, if the bill was allowed to pass in the form it passed the Senate.

A second bill called up Saturday was defeated by my objections, and that bill would have extended to the Cherokee Indians certain privileges that would have cost the Government untold millions of dollars if it had been allowed to pass.

In both cases the Court of Claims has already acted upon the matter, as well as has the Supreme Court, and they have ruled against the Indians; but if the jurisdictional acts were changed as the bills provided, a new suit would have been instituted and there would have been nothing that the judges could have done but render an opinion in favor of the Indians and against the Government.

Our committee's contention is when these suits have once been tried and acted upon by the Court of Claims and the Supreme Court they should not be allowed to be returned to the courts.

RUSSIAN SHOE CLAIM

Special attention has been given by our committee to the Private and Consent Calendars.

Throughout the last session, a day or two before omnibus claims bills were passed, I briefed for the membership of the House the important measures to be voted upon. Many bills

listed as unfair to the taxpayers were defeated and every bill the President vetoed, claims bills, had been opposed by me.

Take the so-called Russian shoe claim for $960,000 as an example. When the Congress sent that bill to the White House over my objection I sent a long letter to the Secretary of the Treasury and the Director of the Budget, calling their attention to the bill and proved beyond question by the reports of the State Department and the Comptroller General there was no moral or legal obligation to require the taxpayers to reimburse the claimant. Further I was the one who advanced the argument that the same principle was involved as was involved in the suits against the Government growing out of the revaluation of the gold dollar.

I called at the Treasury and insisted an opinion be secured from the Attorney General. This was done and was included in the report when it was submitted to the President. The President vetoed the bill for that very reason and when the House sustained that veto only four Members voted to override the veto.

I have a letter from the Secretary of the Treasury thanking me for calling his attention to this claim, and I have letters from the President and other Cabinet officers expressing their appreciation for information I had advanced to them where savings to the taxpayers could be accomplished.

RECEIVE 5,000 LETTERS A MONTH

I receive 5,000 letters a month. These letters contain requests of every character. No one who has ever written me can say I have ever made inquiry concerning their politics. I have tried to serve all, regardless of creed, color, or politics, feeling that when a Representative in Congress is elected it is his duty to serve all of his constituents. I have never asked for any reward other than the indorsement of those that I represent, and that is all I ask now. Naturally if my record meets with the approval of the people of the Thirteenth District I would appreciate their indorsement of my service.

Several days before the death of our beloved Speaker, Hon. Joseph W. Byrns, I was appointed by him a member of the select committee of the House, consisting of five members—Hon. JAMES P. BUCHANAN, of Texas, who was elected chairman; Hon. PRENTISS M. BROWN, of Michigan; Hon. J. W. WADSWORTH, Jr., of New York; and Hon. FRED R. LEHLBACH, of New Jersey—to make an investigation with a view to bringing about a reduction in governmental expenditures by the coordination and consolidation of Government agencies where there is now overlapping and duplication of work. Mr. BUCHANAN was required to return to his home, and I have been appointed acting chairman of that committee. This will prevent my return home for several weeks, as there are several conferences to be held and agreements to be reached in reference to investigations that must be made. This House committee will cooperate with a similar Senate committee and a committee appointed to represent the President.

The importance of this work cannot be underestimated. We are in hopes that it will result in large savings to the taxpayers of the country. Just as soon as possible I shall return to St. Louis, to remain until after the November election.

FORWARD WITH ROOSEVELT

Mr. SADOWSKI. Mr. Speaker, since the Democratic and Republican Parties have now met in conventions and adopted their respective platforms, it is well to give some time and study to their declarations.

The Democratic Party has always followed the sound principle that government has a dual function. It must not only furnish a sound and efficient administration and vigorously safeguard the material interests of our country but it must primarily protect and advance the social needs of our people. The Democratic Party has at all times consistently and militantly held to the ideal that the people have the right to live under honest and progressive government and to demand the safeguarding of human rights and values as well as those of property. These principles of government have been firmly embraced and closely adhered to by President Roosevelt.

These principles are likewise stoutly proclaimed in the Democratic platform of 1936 as the policy of the next Democratic administration. The Democratic Party under President Roosevelt has definitely and positively established the principle that is is the function of the Federal Government to assume responsibility for national legislation in the field of unemployment insurance and old-age pensions. We have recognized that this type of social legislation should accrue for the benefit of the people uniformly throughout the Nation.

THE REPUBLICAN PLATFORM WOULD DESTROY FEDERAL UNEMPLOYMENT INSURANCE AND FEDERAL OLD-AGE PENSIONS

The Republican platform adopted in Cleveland contains this deeply significant statement:

> We propose to encourage adoption by the States and Territories of honest and practical measures for meeting the problems of unemployment insurance. The unemployment insurance and old-age annuity sections of the present Social Security Act are unworkable.

These words serve notice to the people of the Nation that if the Republican Party gains control of our Government next November, the Nation-wide establishment of unemployment insurance will be completely destroyed. The Federal act, of course, will be repealed and there will be no chance whatsoever of any substantial number of States adopting unemployment insurance.

The political leaders of the Republican Party, when they wrote those words, knew, as do all of us, that an effective system of unemployment insurance cannot possibly be enacted save on the basis of minimum standards set by the Federal Government for the Nation as a whole.

The very men who now say, "We will encourage the adoption of unemployment insurance by the States and Territories" will be the first to oppose the adoption of unemployment insurance by any single State unless all the other States in the same industrial competitive class have the same statute.

In our own State of Michigan we have seen our Republican leaders practically sabotize Federal and State social and labor legislation. Yet these same men dare to claim that they are concerned with the welfare of the people!

This plank in the Republican platform is full of trickery, particularly so in view of the fact that the New York minimum wage act, adopted under the administration of that great Democratic Governor, Herbert H. Lehman, was declared unconstitutional by the Supreme Court. In view of this decision how can we hope to establish a broad program of social security by purely State or Territorial acts?

The problem of social security is the problem of the Federal Government.

1936 DEMOCRATIC PLATFORM

At this time let me bring to your attention the planks adopted by the Democratic convention at Philadelphia in June 1936.

We hold this truth to be self-evident—that the test of a representative government is its ability to promote the safety and happiness of the people.

We hold this truth to be self-evident—that 12 years of Republican leadership left our Nation sorely stricken in body, mind, and spirit; and that 3 years of Democratic leadership have put it back on the road to restored health and prosperity.

We hold this truth to be self-evident—that 12 years of Republican surrender to the dictatorship of a privilege supplanted by a Democratic leadership which has returned the people themselves to the places of authority, and has revived in them new faith and restored the hope which they had almost lost.

RECOVERY

We hold this truth to be self-evident—that this 3-year recovery in all the basic values of life and the reestablishment of the American way of living has been brought about by humanizing the policies of the Federal Government as they affect the personal, financial, industrial, and agricultural well-being of the American people.

We hold this truth to be self-evident—that government in a modern civilization has certain inescapable obligations to its citizens, among which are:

First. Protection of the family and the home.

Second. Establishment of a democracy of opportunity for all the people.

Third. Aid to those overtaken by disaster.

These obligations, neglected through 12 years of the old leadership, have once more been recognized by American government. Under the new leadership they will never be neglected.

PROTECTION OF HOME AND FAMILY

First. We have begun and shall continue the successful drive to rid our land of kidnapers and bandits. We shall continue to use the powers of government to end the activities of the malefactors of great wealth who defraud and exploit the people.

SAVINGS, INVESTMENTS

Second. We have safeguarded the thrift of our citizens by restraining those who would gamble with other people's savings, requiring truth in the sale of securities; by putting the brakes upon the use of credit for speculation; by outlawing the manipulation of prices in stock and commodity markets; by curbing the overweening power and unholy practices of utility-holding companies; by insuring 50,000,000 bank accounts.

OLD AGE AND SOCIAL SECURITY

Third. We have built foundations for the security of those who are faced with the hazards of unemployment and old age; for the orphaned, the crippled, and the blind. On the foundation of the Social Security Act we are determined to erect a structure of economic security for all our people, making sure that this benefit shall keep step with the ever-increasing capacity of America to provide a high standard of living for all of its citizens.

CONSUMER

Fourth. We will act to secure to the consumer fair value, honest sale, and a decreased spread between the price he pays and the price the producer receives.

RURAL POWER

Fifth. This administration has fostered power-rate yardsticks in the Tennessee Valley and in several other parts of the Nation. As a result electricity has been available to the people at a lower rate. We will continue to promote plans for rural electrification and for cheap power by means of the yardstick.

HOUSING

Sixth. We maintain that our people are entitled to decent, adequate housing at a price which they can afford. In the last 3 years the Federal Government, having saved more than 2,000,000 homes from foreclosure, has taken the first steps in our history to provide decent housing for people of meager incomes. We believe every encouragement should be given to the building of new homes by private enterprise, and that the Government should steadily extend its housing program toward the goal of adequate housing for those forced through economic necessities to live in unhealthy and slum conditions.

VETERANS

Seventh. We shall continue just treatment of our war veterans and their dependents.

AGRICULTURE

We have taken the farms off the road to ruin.

We have kept our pledge to agriculture to use all available means to raise farm incomes toward its pre-war purchasing power. The farmer is no longer suffering from 15-cent corn, 3-cent hogs, 2½-cent beef at the farm, 5-cent wool, 30-cent wheat, 5-cent cotton, and 3-cent sugar.

By Federal legislation we have reduced the farmer's indebtedness and doubled his net income. In cooperation with the States and through the farmer's own committees we are restoring the fertility of his land and checking the erosion of his soil. We are bringing electricity and good roads to his home.

We will continue to improve the soil-conservation and domestic-allotment program with payments to farmers.

We will continue a fair-minded administration of agricultural laws, quick to recognize and meet new problems and conditions. We recognize the gravity of the evils of farm tenancy, and we pledge the full cooperation of the Government in the refinancing of farm indebtedness at the lowest possible rates of interest and over a long term of years.

We favor the production of all the market will absorb, both at home and abroad, plus a reserve supply sufficient to insure fair prices to consumers; we favor judicious commodity loans on seasonal surpluses, and we favor assistance within Federal authority to enable farmers to adjust and balance production with demand at a fair profit to the farmers.

We favor encouragement of sound, practical farm cooperatives.

By the purchase and retirement of 10,000,000 acres of submarginal land and assistance to those attempting to eke out an existence upon it we have made a good beginning toward proper land use and rural inhabitation.

The farmer has been returned to the road to freedom and prosperity. We will keep him on that road.

LABOR

We have given the army of America's industrial workers something more substantial than the Republican's dinner pail full of promises. We have increased the worker's pay and shortened his hours; we have undertaken to put an end to the sweated labor of his wife and children; we have written into the law of the land his right to collective bargaining and self-organization, free from the interference of employers; we have provided Federal machinery for the peaceful settlement of labor disputes.

We will continue to protect the worker and we will guard his rights, both as wage earner and consumer, in the production and consumption of all commodities, including coal and water power and other natural resource products.

The worker has been returned to the road of freedom and prosperity. We will keep him on that road.

BUSINESS

We have taken the American businessman out of the red. We have saved his bank and given it a sounder foundation; we have extended credit; we have lowered interest rates; we have undertaken to free him from the ravages of cutthroat competition.

The American businessman has been returned to the road to freedom and prosperity. We will keep him on that road.

YOUTH

We have aided youth to stay in school; given them constructive occupation; opened the door to opportunity which 12 years of Republican neglect had closed.

Our youth have been returned to the road of freedom and prosperity. We will keep them on that road.

MONOPOLY AND ECONOMIC POWER

Monopolies and their concentration of economic power, the creation of Republican rule and privilege, continue to be the master of the producer, the exploiter of the consumer, and the enemy of the independent operator.

This is a problem challenging the unceasing effort of untrammeled public officials in every branch of the Government. We pledge vigorously and fearlessly to enforce the criminal and civil provisions of the existing antitrust laws, and to the extent that their effectiveness has been weakened by the new corporate devices or judicial construction, we propose by law to restore their efficacy in stamping out monopolistic practices and the concentration of economic power.

AID TO VICTIMS OF DISASTER

We have aided and will continue to aid those who have been visited by widespread drought and floods, and have adopted a Nation-wide flood-control policy.

UNEMPLOYMENT

We believe that unemployment is a national problem and that it is an inescapable obligation of our Government to meet it in a national way. Due to our stimulation of private business, more than 5,000,000 people have been reemployed; and we shall continue to maintain that the first objective of a program of economic security is maximum employment in private industry at adequate wages. Where business fails to

supply such employment, we believe that work at prevailing wages should be provided in cooperation with State and local governments on useful public projects, to the extent that the national wealth may be increased, the skill and energy of the worker may be utilized, his morale maintained, and the unemployed assured the opportunities to earn the necessities of life.

THE CONSTITUTION

The Republican platform proposes to meet many pressing national problems solely by action of the separate States. We know that drought, dust storms, floods, minimum wages, maximum hours, child labor and working conditions in industry, monopolistic and unfair business practices cannot be adequately handled exclusively by 48 separate State legislatures, 48 separate State administrations, and 48 separate State courts. Transactions and activities which inevitably overflow State boundaries call for both State and Federal treatment.

We have sought and will continue to seek to meet these problems through legislation within the Constitution.

If these problems cannot be effectively solved by legislation within the Constitution, we shall seek such clarifying amendment as will assure to the legislatures of the several States and to the Congress of the United States, each within its proper jurisdiction, the power to enact those laws which the State and Federal legislatures, within their respective spheres, shall find necessary, in order adequately to regulate commerce, protect public health and safety, and safeguard economic security. Thus, we propose to maintain the letter and spirit of the Constitution.

MERIT SYSTEM IN GOVERNMENT

For the protection of Government itself and promotion of its efficiency we pledge immediate extension of the merit system through the classified civil service—which was first established and fostered under Democratic auspices—to all non-policy-making positions in the Federal service.

We shall subject to the civil-service law all continuing positions which, because of the emergency, have been exempt from its operation.

CIVIL LIBERTIES

We shall continue to guard freedom of speech, press, radio, religion, and assembly which our Constitution guarantees; with equal rights to all and special privileges to none.

GOVERNMENT FINANCE

The administration has stopped deflation, restored values, and enabled business to go ahead with confidence.

When national income shrinks, Government income is imperiled. In reviving national income, we have fortified Government finance. We have raised the public credit to a position of unsurpassed security. The interest rates on Government bonds has been reduced to the lowest point in 28 years. The same Government bonds which in 1932 sold under 83 are now selling over 104.

We approve the objective of a permanently sound currency so stabilized as to prevent the former wide fluctuations in value which injured in turn producers, debtors, and property owners on the one hand and the wage earners and creditors on the other, a currency which will permit full utilization of the country's resources. We assert that today we have the soundest currency in the world.

We are determined to reduce the expenses of government. We are being aided therein by the recession in unemployment. As the requirements of relief decline and national income advances, an increasing percentage of Federal expenditures can and will be met from current revenues, secured from taxes levied in accordance with ability to pay. Our retrenchment, tax, and recovery programs thus reflect our firm determination to achieve a balanced Budget and reduction of the national debt at the earliest possible moment.

FOREIGN POLICY

In our relationship with other nations, this Government will continue to extend the policy of good neighbor. We reaffirm our opposition to war as an instrument of national policy, and declare that disputes between nations should be settled by peaceful means. We shall continue to observe a true neutrality in the disputes of others; to be prepared resolutely to resist aggression against ourselves; to work for peace and to take the profits out of war; to guard against being drawn by political commitments, international banking, or private trading into any war which may develop anywhere.

We shall continue to foster the increase in our foreign trade which has been achieved by this administration; to seek by mutual agreement lowering of those tariff barriers, quotas, and embargoes which have been raised against our exports of agricultural and industrial products; but continue as in the past to give adequate protection to our farmers and manufacturers against unfair competition or the dumping on our shores of commodities and goods produced abroad by cheap labor or subsidized by foreign governments.

EQUAL ECONOMIC OPPORTUNITY

The issue in this election is plain. The American people are called upon to choose between a Republican administration that has and would again regiment them in the service of privileged groups and a Democratic administration dedicated to the establishment of equal economic opportunity for all our people.

We have faith in the destiny of our Nation. We are sufficiently endowed with natural resources and with productive capacity to provide for all a quality of life that meets the standard of real Americanism.

Dedicated to a government of liberal American principles, we are determined to oppose equally the despotism of communism and the menace of concealed fascism.

We hold this final truth to be self-evident—that the interests, the security, and the happiness of the people of the United States of America can be perpetuated only under Democratic government as conceived by the founders of our Nation.

This platform will provide for the President a vehicle on which he may travel without fear or hesitation and with the assurance that the American people are steadfastly bound unto his strong and courageous leadership—leadership that would again bring confidence to the hearts and minds of the people and instill in them renewed courage.

This platform definitely points the way for a more prosperous, more secure, more equitable, and more satisfying and hopeful life for the generations to come.

PRESIDENT ROOSEVELT'S ACCEPTANCE SPEECH

On June 27, 1936, President Roosevelt, in his acceptance speech, said as follows:

Senator ROBINSON, members of the Democratic convention, my friends, we meet at a time of great moment to the future of the Nation. It is an occasion to be dedicated to the simple and sincere expression of an attitude toward problems, the determination of which will profoundly affect America.

I come not only as the leader of a party—not only as a candidate for high office, but as one upon whom many critical hours have imposed and still impose a grave responsibility.

For the sympathy, help, and confidence with which Americans have sustained me in my task I am grateful. For their loyalty I salute the members of our great party, in and out of official life in every part of the Union. I salute those of other parties, especially those in the Congress, who on so many occasions put partisanship aside. I thank the Governors of the several States, their legislatures, their State and local officials who participated unselfishly and regardless of party in our efforts to achieve recovery and destroy abuses. Above all, I thank the millions of Americans who have borne disaster bravely and have dared to smile through the storm.

CALLS RESCUE CONCERN OF ALL

America will not forget these recent years—will not forget that the rescue was not a mere party task—it was the concern of all of us. In our strength we rose together, rallied our energies together, applied the old rules of common sense, and together survived.

In those days we feared fear. That was why we fought fear. And today, my friends, we have won against the most dangerous of our foes—we have conquered fear.

But I cannot, with candor, tell you that all is well with the world. Clouds of suspicion, tides of ill will and intolerance gather darkly in many places. In our own land we enjoy indeed a fullness of life greater than that of most nations. But the rush of modern civilization itself has raised for us new difficulties, new problems which must be solved if we are to preserve to the United States the political and economic freedom for which Washington and Jefferson planned and fought.

Philadelphia is a good city in which to write American history. This is fitting ground on which to reaffirm the faith of our fathers; to pledge ourselves to restore to the people a wider freedom—to give to 1936 as the founders gave to 1776—an American way of life.

The very word freedom in itself and of necessity suggests freedom from some restraining power. In 1776 we sought freedom from the tryranny of a political autocracy—from the eighteenth century royalists who held special privileges from the crown. It was to perpetuate their privilege that they governed without the consent of the governed; that they denied the right of free assembly and free speech; that they restricted the worship of God; that they put the average man's property and the average man's life in pawn to the mercenaries of dynastic power—that they regimented the people.

And so it was to win freedom from the tyranny of political autocracy that the American Revolution was fought. That victory gave the business of governing into the hands of the average man, who won the right with his neighbors to make and order his own destiny through his own government. Political tyranny was wiped out at Philadelphia on July 4, 1776.

PEOPLES' LIVES REORDERED

Since that struggle, however, man's inventive genius released new forces in our land which reordered the lives of our people. The age of machinery, of railroads, of steam, and electricity; the telegraph and the radio, mass production, mass distribution—all of these combined to bring forward a new civilization and with it a new problem for those who would remain free.

For out of this modern civilization economic royalists carved new dynasties. New kingdoms were built upon concentration of control over material things. Through new uses of corporations, bank and securities, new machinery of industry and agriculture, of labor and capital—all undreamed of by the fathers—the whole structure of modern life was impressed into this royal service.

There was no place among this royalty for our many thousands of small-business men and merchants who sought to make a worthy use of the American system of initiative and profit. They were no more free than the worker or the farmer. Even honest and progressive-minded men of wealth, aware of their obligation to their generation, could never know just where they fitted into this dynastic scheme of things.

It was natural and perhaps human that the privileged princes of these new economic dynasties, thirsting for power, reached out for control over government itself. They created a new despotism and wrapped it in the robes of legal sanction. In its service new mercenaries sought to regiment the people, their labor, and their properties. And as a result the average man once more confronts the problem that faced the minuteman.

REMOTE CONTROL OVER FARMERS

The hours men and women worked, the wages they received, the conditions of their labor—these had passed beyond the control of the people, and were imposed by this new industrial dictatorship. The savings of the average family, the capital of the small-business man, the investments set aside for old age—other people's money—these were tools which the new economic royalty used to dig itself in.

Those who tilled the soil no longer reaped the rewards which were their right. The small measure of their gains was decreed by men in distant cities.

Throughout the Nation opportunity was limited by monopoly. Individual initiative was crushed in the cogs of a great machine. The field open for free business was more and more restricted. Private enterprise became too private. It became privileged enterprise, not free enterprise.

An old English judge once said: "Necessitous men are not free men. Liberty requires opportunity to make a living—a living decent according to the standard of the time, a living which gives man not only enough to live by but something to live for."

For too many of us the political equality we once had won was meaningless in the face of economic inequality. A small group had concentrated into their own hands an almost complete control over other people's property, other people's money, other people's labor, other people's lives. For too many of us life was no longer free; liberty no longer real; men could no longer follow the pursuit of happiness.

Against economic tyranny such as this, the citizen could only appeal to the organized power of government. The collapse of 1929 showed up the despotism for what it was. The election of 1932 was the people's mandate to end it. Under that mandate it is being ended.

ONE HUNDRED-PERCENT LIBERTY FOR THE PEOPLE

The royalists of the economic order have conceded that political freedom was the business of the Government, but they have maintained that economic slavery was nobody's business. They granted that the Government could protect the citizen in his right to vote, but they denied that the Government could do anything to protect the citizen in his right to work and live.

Today we stand committed to the proposition that freedom is no half-and-half affair. If the average citizen is guaranteed equal opportunity in the polling place, he must have equal opportunity in the market place.

The economic royalists complain that we seek to overthrow the institutions of America. What they really complain of is that we seek to take away their power. Our allegiance to American institutions requires the overthrow of this kind of power. In vain they seek to hide behind the flag and the Constitution. In their blindness they forget what the flag and the Constitution stand for. Now, as always, the flag and the Constitution stand for democracy, not tyranny; for freedom, not subjection; and against a dictatorship by mob rule and the overprivileged alike.

The brave and clear platform adopted by this convention, to which I heartily subscribe, sets forth that Government in a modern civilization has certain inescapable obligations to its citizens, among which are protection of the family and the home, the establishment of a democracy of opportunity, and aid to those overtaken by disaster.

But the resolute enemy within our gates is ever ready to beat down our words unless in greater courage we will fight for them.

PLEDGES FIGHT WILL CONTINUE

For more than 3 years we have fought for them. This convention in every word and deed has pledged that that fight will go on.

The defeats and victories of these years have given to us as a people a new understanding of our Government and of ourselves. Never since the early days of the New England town meeting have the affairs of government been so widely discussed and so clearly appreciated. It has been brought home to us that the only effective guide for the safety of this most worldly of worlds is moral principle.

We do not see faith, hope, and charity as unattainable ideals, but we use them as stout supports of a nation fighting the fight for freedom in a modern civilization.

Faith—in the soundness of democracy in the midst of dictatorships.

Hope—renewed because we know so well the progress we have made.

Charity—in the true spirit of that grand old word. For charity, literally translated from the original, means love, the love that understands, that does not merely share the wealth of the giver, but in true sympathy and wisdom helps men to help themselves.

We seek not merely to make government a mechanical implement, but to give it the vibrant personal character that is the embodiment of human charity.

We are poor indeed if this Nation cannot afford to lift from every recess of American life the dread fear of the unemployed that they are not needed in the world. We cannot afford to accumulate a deficit in the books of human fortitude.

In the place of the palace of privilege we seek to build a temple out of faith and hope and charity.

It is a sobering thing to be a servant of this great cause. We try in our daily work to remember that the cause belongs not to us but to the people. The standard is not in the hands of you and me alone. It is carried by America. We seek daily to profit from experience, to learn to do better as our task proceeds.

TELLS CONTRAST OF GOVERNMENTS

Governments can err, presidents do make mistakes, but the immortal Dante tells us that divine justice weighs the sins of the cold-blooded and the sins of the warm-hearted in different scales.

Better the occasional faults of a government that lives in a spirit of charity than the consistent omissions of a government frozen in the ice of its own indifference.

There is a mysterious cycle in human events. To some generations much is given. Of others much is expected. This generation of Americans has a rendezvous with destiny.

In this world of ours in other lands, there are some people, who, in times past, have lived and fought for freedom, and seem to have grown too weary to carry on the fight. They have sold their heritage of freedom for the illusion of a living. They have yielded their democracy.

I believe in my heart that only our success can stir their ancient hope. They begin to know that here in America we are waging a great war. It is not alone a war against want and destitution and economic demoralization. It is a war for the survival of democracy. We are fighting to save a great and precious form of government for ourselves and for the world.

I accept the commission you have tendered me. I join with you. I am enlisted for the duration of the war.

The President's humanity has enriched the rights of the common man. His progressive and liberal policies have brought fresh hope and determination to our young men and women, to our boys and girls.

SOCIAL UNREST MEANS GROWTH

Mr. FLETCHER. Mr. Speaker, the rising tide of intolerance in the United States is giving serious-minded Americans great concern.

The tragedy of it is that this spirit is being manifested among all classes of men and women and in every department of our national life.

It is revealed not only in the war between the classes, although there are still many who would try to have you believe there are no classes in our country. But that we do have classes is evident in the relations between men and women even of the same class group.

THE COMMON MAN COMING INTO HIS OWN

In spite of intolerance, the spirit of democracy is steadily growing. The development of this spirit is to be commended, but it carries with it certain elements which create social unrest.

This is the era of the common man.

Slowly but surely the masses are coming into their own.

No human power can stop their onward march and no divine power will.

First came the struggle for educational democracy. At one time only the leisured classes were considered worth educating.

Today it is true that not only may every boy and girl have an education, but we insist by law that they must have an education.

VICTORY FOR WOMEN

In former days the vote was limited to those who were property owners. Today, for the most part, the ballot which determines our political destiny is in the hands of every adult.

Closely related to this manifestation of political democracy is the newly acquired right of women to vote—to stand side by side with the men of the Nation in selecting our officials and in making our laws. The restlessness and discontent of women dissatisfied with things as they are is significant and encouraging.

Some men say they gave the women the right to vote; but this is not true. Women, discontented with their economic status, would have taken the right anyway, because they were entitled to it.

Wholesome social unrest is being produced by public libraries, by education, by newspapers, magazines, and publications of all kinds that bring ideas, facts, and truth to eager-minded students of our times.

If you were to visit the readers' room of our American libraries, you would discover that the young men and women who are seated at the tables are engaged in reading books on history, economics, sociology, and other serious subjects.

The readers of these books are discovering that the world is a bigger, more wonderful place than they ever dreamed it to be, and it makes them eager to know more, have more, and be more.

DESIRE FOR CULTURE

Our public schools and colleges are responsible for wholesome social unrest in that they bring knowledge, ideas, and better understanding of what life is all about, thus making people dissatisfied with their own inefficiency and out-of-dateness.

Classes and curriculum, dealing with economic subjects, are the most popular in our institutions of learning.

The graduates of these institutions are better informed as to what is going on in the world and they are learning how they may be better fitted into the world so far as their skill and knowledge are concerned.

Art galleries are also responsible for social unrest.

When men and women with imagination spend a few hours viewing the wonderful works which are displayed in our great museums and art galleries, does anyone suppose that they are the same persons when they pass out of the main entrances of these institutions? One result which follows the study of literature, music, art, and beauty, in whatever form, is to make those people fortunate enough to have these cultural experiences, dissatisfied with crude, ugly, vulgar things that make life sordid and wretched and creates in them a desire to introduce into their lives more of beauty, culture, and refinement.

All this eventually may mean shorter hours so that people may enjoy more leisure, more wages, and have more happiness in their lives.

DISCONTENT A BUSINESS ASSET

Big business, through its great advertising campaigns, is causing social unrest.

By every device of typography and art work and through the skill of the highest-priced writers in the world, business attracts attention, creates new desire, and tries to lead to action the readers of their costly magazine and newspaper advertising pages so that they may purchase the goods or the services which big business has to sell.

Business aims to make the average person forever dissatisfied with the old radio or old automobile, or his present grade of tobacco or chewing gum, ice-cream freezer, or watch, or any possession with which he has thus far been quite contented.

WE ADVANCE TOWARD IDEALISM

Strange as it may seem, the church is responsible for wholesome social unrest which, after all, means social and spiritual advancement. The church sends the finest flower of its colleges and seminaries out into mission fields at home and abroad, holding up standards of life, physical, mental, and moral, as well as spiritual, toward which the church rightly urges the masses of the people to aspire.

The church points out the low condition under which many people are compelled to live, declaring that only through the application of the Gospel, which it teaches, will they ever reach the summit of the higher and nobler life.

For creating this kind of discontent the church is greatly to be commended.

It will be seen, therefore, that through literature and education, art, and the presentation of modern, mechanized equipment, and religion, desirable social unrest is being created—the logical result of the finest idealism that the world has ever known.

Such desirable social unrest cannot and should not be retarded. It would be useless to try to do so. It involves the growth and the progress of the human race.

GOOD NEIGHBOR IDEA THE HOPE OF HUMANITY

But all this relates largely to the development of the individual.

It makes the individual richer, better, and more appreciative of the finer things of life. It creates new inspirations that lead to new aspirations and to new achievements.

But unfortunately it frequently fails to give to the individual a sense of responsibility to and for others.

The church more nearly fulfills its responsibility in this direction, but even so what religionist would insist that the social responsibility of his church is being fully or even approximately met. The great peril in America today is the lack of the neighborly spirit, as the President has repeatedly stated.

What our country needs—what every country needs—is the development of the "good neighbor" idea to which I referred in a recent speech I delivered in the House when considering legislation authorizing Federal cooperation with the States for the purpose of protecting people from the life-destroying menace of stream pollution.

In that speech I endeavored to present convincing facts in proof of the proposition that what our country needs and what every country needs is the development of the "good neighbor" idea as an antidote to selfishness, class hatred, and the destructive menace of intolerance.

Of all the great messages broadcast to the world by President Roosevelt, none outrivaled in importance that great speech President Roosevelt delivered in his home community at Hyde Park, expressing the philosophy of "the good neighbor idea."

INTOLERANCE INSPIRED BY FEAR

The rising tide of intolerance in this country, in politics, in business, in industry, and even in religion itself, is due largely to the fact that while we have grown marvelously in many other directions, we have failed dismally in developing that spirit of neighborliness to which the President refers.

When men hate each other, it is usually because they do not know each other. The French have a saying that "To know all is to forgive all." It is this ignorance of our fellowmen which causes our fear of them and it creates in our hearts a suspicion that is not justified. Fear is at the bottom of much of the intolerance that plagues the world, causes rebellion among classes and wars between nations.

THE PRICE WE PAY FOR IGNORANCE

The ignorance of labor, regarding the problems of capital and the ignorance of capital in regard to the needs of labor are types of ignorance which produce a goodly share of the present industrial situation.

The ignorance of the whole history and the great accomplishments of many religious groups is responsible for much of the misunderstanding between these groups.

The ignorance of governmental functions, motives, accomplishments, and personnel, creates unjustifiable bitterness in political life on the part of many Americans.

The ignorance of the conditions from which many of the masses are suffering and for the alleviation and cure of which conditions sincere-minded men and women are earnestly struggling, causes hatred of them by smugly comfortable and complacent people who can see in these efforts merely a gross and often a crass revolutionary movement.

LET US GET ACQUAINTED WITH ONE ANOTHER

To relieve this situation will require better acquaintance with our neighbors and the enlargement of the number of these neighbors—locally, nationally, and internationally.

This widening knowledge and acquaintance will help settle the labor problems, the racial problems, the religious problems, and the poltical problems which face America today.

To this end we should encourage freedom of speech instead of its limitation, so that we may know what is on the minds of the people. We should support the open forum where "men may shake out their hearts."

But most of all, we should know men and women in a more personal way, so that we may become acquainted with their characters, their asperations, their purposes, their plans, and their problems.

AMERICA CAN LEAD THE WAY

It was the Great Teacher Himself who once told an earnest inquirer who sought to know the "good way" that he must "love his neighbor as he loves himself." And what the inquirer asked Him: "Who then, is my neighbor?" The Teacher told him the classical story of "the Good Samaritan." To be a "good neighbor" in the sense proclaimed by President Roosevelt in his Hyde Park speech, is to be a "Good Samaritan" in every relationship with humanity, everywhere.

We have a right to be proud of our culture, our knowledge, and our accomplishments in these United States. In spite of all that the world has passed through in recent years, we are still the undisputed leader among the nations, both from the standpoint of our natural resources and from the standpoint of the perpetuation of the spirit of democracy.

No longer can we afford to misunderstand and fight one another. From now on we are compelled to know one another, understand one another, and cooperate with one another in self-defense. Our survival depends upon our capacity for mutual aid.

LIBERTY, HUMAN RIGHTS, AND THE NEW DEAL

Mr. ECKERT. Mr. Speaker, "Hold fast that which is good" is a bit of Biblical counsel that might well be heeded by the common people of the Nation during the pending campaign. The enemies of the present administration are seeking to discredit the New Deal and all its works. To this end, all manner of extravagant and baseless statements find their way into the press, on the air, and wherever the Roosevelt administration happens to be the topic of conversation.

The object, of course, is quite plain. If the New Deal can be discredited in the eyes of the voters, the chances of defeating President Roosevelt at the November election will be enhanced, and inasmuch as privilege is on the defensive, and making a last stand for its life, the mere misstatement of facts concerning the New Deal will not disturb the conscience or the slumbers of the antinew dealers.

But while this reckless disregard of truth is being exhibited, let those who toil and labor for a livelihood pause and reflect on the advice of Saint Paul.

The New Deal came into being in response to the call of the people for action and change in politics and government. It symbolizes the urge of the people for freer and better economic opportunities. It is the sign of the liberal and progressive movement in America.

The New Deal is in the making. It is not a fixed and static thing. It is a living and changing thing, unfolding and developing with the demands of the times. The legislation that was first enacted in the name of the New Deal was intended to meet a grave crisis. After the ravages of the depression were arrested, legislation of a permanent nature followed, and as the needs of the future demand additional legislation that also will be enacted in due course. The progress of the New Deal will advance or retard in exact proportion to the loyalty or disloyalty of the people. If the enemies of the New Deal succeed in disintegrating the forces back of President Roosevelt, its success will be jeopardized, the advances already made dissipated, and the cause of liberalism irreparably damaged. If, however, the masses will stand shoulder to shoulder and rally to the call of their Commander in Chief, its success is assured, and a better and brighter day for American toilers and American business will come to pass. Therefore, friends of the New Deal must hold fast to what has already been accomplished and in solid phalanx struggle on for greater achievements.

A brief survey of what has been done in the name of the New Deal discloses the great strides made by the Roosevelt administration. It will be recalled that among the first acts of Franklin D. Roosevelt after assuming the office as Chief Executive was to call the Seventy-third Congress into extraordinary session, and for a period of 100 days the Congress passed an array of emergency legislation that not only surprised but revived and stimulated the spirit of a discouraged people and restored their faith and confidence in the Government. Only brief reference can be made to the various acts passed by the Congress. The following is a list of the most important legislation:

Act of March 9, 1933: Emergency Banking Act, to provide relief in the existing national emergency in banking.

Act of March 20, 1933: Economy Act, to maintain the credit of the United States Government.

Act of March 24, 1933: Emergency Banking Act of March 9, 1933, above, amended to authorize direct loans by Federal Reserve banks to State banks and trust companies.

Act of March 31, 1933: Reforestation Act.

Act of May 12, 1933: Farm Relief Inflation Act. Title I provides for the acquisition of cotton by the Secretary of Agriculture.

Title II, entitled the "Emergency Farm Mortgage Act of 1933", provides for the issuance of bonds by Federal land banks, and so forth.

Title III authorizes the President to direct the Secretary of the Treasury to purchase and hold Treasury bills or other obligations of the United States Government from the Federal Reserve banks up to $3,000,000,000; to direct the Secretary of the Treasury to issue United States notes up to $3,000,000,000 to meet maturing Federal obligations, and so forth; by proclamation to fix the weight of the gold and silver dollar; to accept silver in payment of debts due from foreign governments.

Act of May 12, 1933: Federal Emergency Relief Act of 1933, authorizing a grant of $500,000,000 from funds of the Reconstruction Finance Corporation.

Act of May 18, 1933: Tennessee Valley Authority—Muscle Shoals—Act of 1933.

Act of May 27, 1933: Securities Act of 1933, prohibiting the sale or offering for sale in interstate commerce of any securities not registered with the Federal Trade Commission.

Joint resolution of June 5, 1933: Gold clause repeal.

Act of June 6, 1933: National Employment System Act.

Act of June 13, 1933: Home Owners' Loan Act of 1933, authorizing and directing the Federal Home Loan Bank Board to create a Home Owners' Loan Corporation, which is authorized to issue bonds up to $2,000,000,000.

Act of June 16, 1933: Glass-Steagall Banking Act of 1933. This act requires a limited insurance of deposits from a fund to which all member banks of the Federal Reserve System must contribute.

Act of June 16, 1933: National Industrial Recovery Act.

Act of June 16, 1933: Emergency Railroad Transportation Act, 1933, creating office of Federal Coordinator of Transportation.

Act of June 16, 1933: Farm Credit Act of 1933. This act directs the Governor of the Farm Credit Administration to organize 12 production credit associations from which farmers may borrow money; also 12 banks for cooperatives which are to make loans to cooperative associations for any of the purposes and subject to the conditions and limitations set forth in the Agricultural Marketing Act.

Act of January 30, 1934: Gold Reserve Act of 1934. All property rights in gold to be transferred from Federal Reserve banks, etc., to the United States; no gold to be coined, and no redemptions of currency to be made into gold.

Two billion dollars is appropriated for dealing in gold, foreign exchange, etc., by the President to stabilize the exchange value of the dollar.

Act of January 31, 1934: Federal Farm Mortgage Corporation Act. Federal Farm Mortgage Corporation created with a capital of $200,000,000, to issue bonds, purchase farm-loan bonds, make loans to Federal land banks, and invest its funds in mortgage loans made under section 32 of the Emergency Farm Mortgage Act of 1933.

Act of February 15, 1934: This act appropriates $950,000,000 additional for carrying out the Federal Emergency Relief Act of 1933 and for continuing the civil-works program.

Act of February 23, 1934: Authorizes the Farm Credit Administration to make loans to farmers during 1934 for crop production, planting, fallowing, and cultivation, and, up to $1,000,000, for feed for livestock in drought- and storm-stricken areas.

Act of March 24, 1934: Philippine Independence Act.

Act of March 28, 1934: Independent Offices Appropriation Act. Title II amends the Economy Act of March 20, 1933.

Act of April 7, 1934: Agricultural Adjustment Act amended so as to include cattle as a basic agricultural commodity.

Act of April 13, 1934: Johnson Act, prohibiting financial transactions with any foreign government in default on its obligations to the United States.

Act of April 21, 1934: Cotton Control Act.

Act of April 27, 1934: Home Owners' Loan Act of 1933 amended by guaranteeing fully and unconditionally principal as well as interest of bonds of the Corporation.

Act of May 10, 1934: Revenue Act of 1934. Under this act the normal income tax is 4 percent; the maximum surtax is 59 percent on net incomes in excess of $1,000,000; the maximum estate tax is 60 percent on net estates in excess of $10,000,000.

Act of May 21, 1934: Subsidizing of vocational education in the States and Territories by $3,000,000 for each of the next 3 fiscal years authorized.

Act of June 6, 1934: Securities Exchange Act of 1934, requiring licensing of stock exchange and registration of listed securities with a Securities and Exchange Commission.

Act of June 12, 1934: Air Mail Act, revising air-mail legislation.

Act of June 12, 1934: Reciprocal Tariff Act.

Act of June 18, 1934: To increase employment by authorizing certain appropriations.

Act of June 19, 1934: Emergency Appropriation Act, authorizing appropriation for relief.

Act of June 19, 1934: Communications Act, creating Federal Communications Commission to regulate interstate and foreign commerce in communication by wire and radio.

Act of June 19, 1934: Loans to Industries Act, authorizing Federal Reserve banks to make loans, and so forth.

Act of June 19, 1934: Silver Purchase Act, directing the Secretary of the Treasury to purchase silver on certain conditions.

Joint resolution of June 19, 1934: Authorizing the President to establish boards to investigate practices of employers and employees in controversies arising under section 7a of the National Industrial Recovery Act or which are burdening the free flow of interstate commerce, and so forth.

Act of June 21, 1934: Railway Labor Disputes Act (amending the Railway Labor Act of 1926), establishing a National Railroad Adjustment Board and a National Mediation Board to aid in the prompt settlement of disputes between railroads and their employees.

Act of June 26, 1934: Federal Credit Union Act, providing for the incorporation of Federal credit unions.

Act of June 27, 1934: National Housing Act, authorizing the President to create a Federal Housing Administration.

Act of June 27, 1934: Railroad Employees' Retirement Act, providing for the compulsory retirement of railway employees at the age of 65.

Act of June 28, 1934 (Frazier-Lemke): Farm Moratorium Act.

Act of January 31, 1935: Reconstruction Finance Corporation authorized to continue its functions until February 1, 1937.

Joint resolution of February 13, 1935: Additional appropriations. Section 2 restores full pay to Federal employees, effective April 1, 1935.

Act of February 20, 1935: Loans up to a total of $60,000,000 to farmers for crop production, and so forth.

Joint resolution of March 15, 1935: Investigation of American Telephone & Telegraph Co., and so forth, by Federal Communications Commission.

Joint resolution of April 8, 1935: Relief appropriations of $4,880,000,000 for public works, and so forth.

Act of April 27, 1935: Provisions for protection against soil erosion.

Act of June 14, 1935: Provision for distribution of sound-reproduction records for the blind.

Act of June 29, 1935: Provision for research into basic laws and principles relating to agriculture; additional support of agricultural colleges and experiment stations.

Act of July 5, 1935: National Labor Relations Act, for settlement of labor disputes.

Act of August 9, 1935: Motor Carrier Act, placing interstate and foreign motor carriers under regulatory power of Interstate Commerce Commission.

Act of August 14, 1935: Social Security Act, providing for old-age assistance, unemployment compensation, aid to dependent children, maternal and child welfare, public-health work, aid to the blind, and taxes on employers and wage earners to finance unemployment compensation.

Act of August 23, 1935: Banking Act of 1935, making numerous amendments to the Federal Reserve Act and other banking laws.

Act of August 23, 1935: Establishment of tobacco classification standards, with provision for inspection service, etc.

Act of August 26, 1935: Regulation of public-utility holding companies, including modified "death sentence" provision, which requires simplification of holding company systems by January 1, 1938.

Act of August 29, 1935: Provisions for retirement of railway employees.

Act of August 30, 1935: Guffey Act, for stabilization of bituminous coal industry.

Act of August 30, 1935: Revenue Act of 1935.

Act of August 31, 1935: Amendments to Tennessee Valley Act, giving the Tennessee Valley Authority additional power to sell electricity, etc.

Joint Resolution of August 31, 1935: Neutrality provisions, including embargo on exportation of arms, etc.

Act of January 27, 1936: Payment of adjusted-service certificates.

Act of February 11, 1936: Supplemental Appropriation Act of 1936, carrying funds for Social Security Act, and for payment on contracts under A. A. A.

Joint resolution of February 29, 1936: Extends until May 1, 1937, the embargo provisions of the neutrality resolution of 1935.

Act of February 29, 1936: Soil Conservation and Domestic Allotment Act, authorizes the Secretary of Agriculture to make benefit payments totaling $500,000,000 to farmers who take land out of production for soil-conservation purposes.

After 1938 the conservation program shall be administered by the States, aided by Federal grants.

Act of March 31, 1936: Continues the Electric Home and Farm Authority until February 1, 1937.

Act of April 3, 1936: Extends for another year the authority of the National Housing Administration to insure private financial institutions against losses on loans made for improvement of realty, etc.

Act of April 10, 1936: Authorizes increase of $97,000,000 in capital stock of Commodity Credit Corporation.

Joint resolution of April 21, 1936: Extends for a period of 2 years, i. e., until July 1, 1938, the provisions of the Federal Deposit Insurance Act (U. S. C. Supp. 12: 264 (n) (4)) authorizing the Corporation to make loans to or purchase assets of open or closed insured banks in order to reduce or avert threatened losses to the Corporation, or to facilitate merger of insured banks or sale of assets and liabilities to other insured banks.

Act of April 25, 1936: Authorizes negotiation of interstate compacts for controlling production of and commerce in flue-cured burley, fire-cured and cigar-filler binder and wrapper tobaccos.

Act of May 1, 1936: Whaling Treaty Act for effectuating the Whaling Convention of 1931.

Act of May 20, 1936: Enacts in substance the terms of Executive Order No. 7037 of May 11, 1935, under which the Rural Electrification Administration was established. Authorizes loans up to $50,000,000 a year by Reconstruction Finance Corporation to Rural Electrification Administration for 1937 and 1938 and direct appropriations of $40,000,000 for 1939–46.

Act of June 8, 1936: Additional appropriations for allotment among States in furtherance of vocational education; $12,000,000 for teachers of agricultural, home economics, and industrial subjects; $1,200,000 for distributive occupational subjects—to be matched by the States progressively, reaching 100 percent in 1947—and $1,000,000 for teacher training.

Act of June 15, 1936: Broadens the Grain Futures Act into a Commodity Exchange Act by including within its scope cotton, rice, millfeed, butter and eggs, potatoes, as well as grains. The Government is authorized to control speculation, manipulation, unreasonable price fluctuations, and cornering, by setting quantity limits on futures trading, and so forth.

Act of June 15, 1936: Authorizes $272,000,000 for carrying out modified Mississippi flood-control project.

Act of June 16, 1936: Penalizes—maximum fine $5,000—any person—including shippers, brokers, or their employees, and so forth—who (a) by false billing, and so forth, knowingly and willfully, directly or indirectly, and whether with or without the consent or connivance of the carrier or its agents, obtains transportation for property by a common carrier subject to the shipping act at less than regular rates; or (b) by false representations, and so forth, similarly obtains any refund or other payment whereby the compensation of the carrier is made less than or different from the regular rates or charges.

Act of June 16, 1936: Additional annual authorizations for roads, fiscal years 1938 and 1939, as follows: $125,000,000 for interstate highways; $14,000,000 for forest roads; $2,500,000 for roads through public lands, and so forth; $7,500,000 for roads in national parks and $10,000,000 for approach roads; $4,000,000 for roads in Indian reservations; $25,000,000 for feeder roads; $50,000,000 for elimination of grade crossings.

Act of June 19, 1936: Amends the Clayton Antitrust Act by prohibiting price discrimination tending to lessen competition or to create monopolies, allowing differential on account of differences in cost of manufacture, sale, or delivery. Prohibits discriminatory rebates or discounts for purpose of eliminating competitors.

Act of June 22, 1936: Flood Control Act—adopting and authorizing prosecution of approximately 223 enumerated projects of river and harbor improvement for flood-control and erosion-prevention purposes, with provision for future hydroelectric development. In general, the States or local agencies are to provide necessary land, pay any damages, and maintain the completed works. Cost is set at $310,000,000 for construction and $10,000,000 for examinations and surveys—not more than $50,000 to be expended in 1937.

Act of June 22, 1936: First Deficiency Appropriation Act of June 1936—carrying in title II, $1,425,000,000 for relief and work relief, as follows: Roads, $413,250,000; public buildings, $156,750,000; parks, and so forth, $156,750,000; public utilities, $171,000,000; flood control, and so forth, $128,250,000; "white-collar relief", $85,500,000; women's projects, $85,500,000; miscellaneous, $71,250,000; National Youth Administration, $71,250,000, rural rehabilitation, $85,500,000.

Act of June 22, 1936: Revenue Act of 1936 (a) increases surtaxes on individual net incomes from present maximum—$533,000 on $1,000,000 income, plus 59 percent of excess over $1,000,000—up to a new maximum of $3,591,440 on $5,000,000, plus 75 percent of excess; (b) splits up the tax on corporate incomes—8 percent on first $2,000, 11 percent on next $13,000, 13 percent on next $25,000, and 15 percent on excess over $40,000—instead of former flat 13¾ percent; (c) surtax on undistributed profits of corporations, 7 percent on first 10 percent of retained income, 12 percent on next 10 percent, 17 percent on next 20 percent, 22 percent on next 20 percent, and 27 percent of amount over 60 percent.

This brief survey of the New Deal tells the story of the achievements—though very inadequately—of the Roosevelt administration. Through it all there runs but one single purpose. The entire program is intended to arrest the devastating forces of the depression, restore faith and confidence in the Government, and pave the way for the establishment of an era of social justice. There is no trace of evil design or selfishness in the long list of legislative enactments. Which of the legislative enactments ought not to have been enacted or which ought to be repealed? Which of the list has not met some present need or aided in restoring confidence and faith in the Government?

The New Deal is glorified with true patriotism and nobility of purpose and the results are reassuring. Hope, faith, confidence have supplanted despair, fear, uncertainty. The people and the Nation, under the salutary influence of the New Deal are rapidly emerging from the slough of despond in which the American people found themselves on that eventful 4th day of March 1933. In the light of the progress of the past, the future is full of promise that the American people will steadfastly continue in the path typified by the New Deal and amplify, develop, and perfect it as the exigencies of the future demand.

A partial analysis of the New Deal enactments reveals the magnitude and comprehensive character of the program. Banking, transportation, labor, agriculture, industry, social security, housing, rural electrification, slum clearance, relief, unemployment, public utilities, power, farm credit, home owners' credit, and other items of public concern are embraced in the New Deal program. The legislation enumerated indicates the wide sweep of the program. It anticipates the objective of the New Deal which President Roosevelt has declared again and again to be that which any honest government of any country would do—try to increase the security and the happiness of the people in all occupations of life and in all parts of the country; to give them more of the good things of life; to give them a greater distribution, not only of wealth in the narrow terms but of wealth in the wider terms; to give them places to go in the summertime—recreation; to give them assurance that they are not going to starve in their old age; to give honest business a chance to go ahead and to make a reasonable profit and to give everyone a chance to make a living. This in the President's own words is the task ahead. The achievement of this objective in its fullness, means a long and weary struggle, a struggle that cannot stop short of the abolition of legal privilege. Privilege is an attribute of aristocracy and has no place in a democracy, which Lincoln defined as "A government of the people, by the people, and for the people."

Woodrow Wilson said:

The reason that America was set up so that she might be different from all the nations of the world is this: That the strong could not put the weak to the wall; that the strong could not prevent the weak from entering the race. America stands for opportunity. America stands for a free field and no favors.

This implies an America free from privilege. The true purpose of the founders of the American Republic has never been achieved, for at no time in the history of our country have the people enjoyed "a free field and no favors." There have always been the few who enjoyed favors at the expense of the many. These favors are legal privileges and constitute the instruments by which the possessors thereof exploit the masses.

Until the New Deal is amplified, developed, and perfected so that the America of Woodrow Wilson, wherein private privilege in all its ramifications is destroyed, the mission of the New Deal will not be fulfilled. For the ultimate objective is to bring into force and effect the doctrine of "Equal rights to all, special privileges to none."

The word is being sedulously spread abroad that the New Deal is an invasion of liberty. This propaganda emanates mainly from the privileged few. That of itself is ominous, yet it ought to put the people on inquiry, for liberty is a coveted right. It has been the quest of man from time immemorial and man is still in pursuit. The goal has not yet been attained, notwithstanding the fact that those who assail the New Deal as an encroachment of liberty, assume that America is a land of full and complete liberty. Be not deceived! Neither in America nor any other land has there been that recognition of human rights upon which liberty in its true sense is predicated. We in America, in the early days of the Republic, enjoyed a larger degree of liberty than any other people of modern times, but with the monopolization of the natural resources that came with the settlement and development of the Republic, the open door of equal economic opportunity gradually closed and the liberty that was once enjoyed vanished.

Then again, there are those who, though most bitter in their denunciations, sound the praises of liberty, but the liberty which they invoke is the liberty to exploit the producers of wealth. "O Liberty! Liberty! How many crimes are committed in thy name?" They would have us believe that if the New Deal were discarded, liberty's beneficent rays would shine upon us in all its glory. Dismiss the thought. The New Deal is not invading the substantial liberty of the American people. The liberty that was America's declined with the close of our public domain. As long as land was to be had for the mere asking America enjoyed a high degree of freedom. The moment, however, that the last acre of free land passed out of the picture, the glory of America's freedom began to fade, until today the economic freedom enjoyed by the great mass of our people is to beg, beseech, and implore the lords of privilege for a chance to earn a living. This is not the liberty in which the Nation was conceived, nor the freedom for which the fathers fought, but the liberty in which it was conceived and for which the fathers fought must be restored if popular government is to endure.

We hold these truths to be self-evident: that all men are created equal; that they are endowed by their creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness.

To assure these rights to the people of America is in its deeper aspect the meaning and mission of the New Deal.

Hold fast that which is good.

THE BONUS—TAXATION—AND THE TARIFF

Mr. BACHARACH. Mr. Speaker, in addition to attending the sessions of the House, attending to departmental matters for constituents, and answering a large volume of correspondence, a Congressman's time is to a very great extent taken up by his committee work.

For the past 19 years I have been a member of the important Ways and Means Committee, which considers all tax and tariff legislation, in addition to many other matters which incidentally affect the revenue. During the session just closed, the committee has been occupied with the consideration of several major bills and a great number of minor bills.

PAYMENT OF THE BONUS

The first major bill considered by the committee was that providing for the immediate payment of the soldiers' bonus. It will be recalled that last year Congress passed a bill providing for payment of the bonus which was vetoed by the President. While the House voted to override the veto, it was sustained in the Senate, and the bill failed of enactment.

This year another bonus bill was passed providing for a different method of payment. It was also vetoed by the President, but this time both the Senate and House overrode the veto, and the bill became a law. I voted in favor of the legislation when it was before the House and also voted to override the veto.

REVENUE ACT OF 1936

Another major piece of legislation considered during the past session was the so-called Revenue Act of 1936, which was passed by the subservient New Deal Congress in response to the President's request. Along with my Republican colleagues in the House, I opposed this measure.

As originally proposed by the President, the new law would have repealed all existing taxes on corporations and substituted a graduated penalty tax based solely on the earnings not distributed to stockholders. While the House passed a bill in substantial conformity with the President's plan the Senate refused to accept it, and as a final compromise it was agreed to retain the present corporate taxes at slightly lower rates and superimpose a modified penalty tax on amounts not distributed to stockholders.

While ostensibly for revenue-raising purposes the new tax law is actually aimed at forcing the distribution of corporate earnings without respect to the financial needs of the corporation. It therefore constitutes a direct and unwarranted interference with business by substituting Government dictation for sound discretion in the management of the fiscal affairs of a corporation. At the same time, by penalizing and discouraging the accumulation of reserves for bad times, the new law threatens the very stability of business, and with it the stability of employment and investments, as well as the Federal revenue. Financially weak corporations which must repair their capital structure are penalized, while large, well-financed corporations which are so situated as to declare out all their earnings may escape the penalty tax altogether. This is not only oppressive and unjust to corporations which are struggling to stay on their feet but it creates unfair competitive conditions between different corporations in the same line of business.

The new law even penalizes the payment of debts by imposing the penalty tax on amounts reserved for that purpose. It discourages rehabilitation and expansion by penalizing amounts retained for these purposes. This will result in retarding recovery and reemployment.

Many other objections to the new law could be cited. It is universally opposed by business and is advocated by no one of experience or ability in the field of taxation. It is a product of the "brain trust", none of whom have ever had to meet a Saturday-night pay roll, and constitutes another ill-advised step in the administration's program of regimentation. Every unemployed man, every man who wants to keep his job, every investor, and everyone interested in recovery and business stability should urge its speedy repeal.

THE LIQUOR TAX ADMINISTRATION ACT

A third major piece of legislation considered by the Ways and Means Committee was the so-called Liquor Tax Admintration Act, which makes certain changes in the administrative provisions of the laws relating to the collection of liquor taxes. In addition it provides a 50-percent reduction in the existing internal-revenue taxes on wines, which will be of great benefit to the grape industry of New Jersey. This same act also makes an independent agency out of the Federal Alcohol Administration, which is now under the Treasury Department.

At the last session of Congress, when similar legislation was under consideration, an effort was made to amend the liquor laws so as to permit so-called "bulk sales" in barrels. Over my bitter opposition, this amendment was passed in the House, but we were able to have it eliminated in the Senate. Had bulk sales in barrels been permitted, it would have resulted in serious injury to the glass-bottle industry in south Jersey and other States.

TARIFF REDUCTIONS UNDER THE NEW DEAL

While no tariff legislation has been enacted during the past session, I wish to say a few words about the trade treaties negotiated by the President under the Reciprocal Trade Agreements Act of 1934, which was enacted by the New Deal Congress over solid Republican opposition.

Some 14 trade treaties have thus far been negotiated, and many more are in the process of negotiation. Those negotiated up to the present time and their effective dates are as follows:

Cuba, September 3, 1934.
Belgium, May 1, 1935.
Haiti, June 3, 1935.
Sweden, August 5, 1935.
Brazil, January 1, 1936.
Canada, January 1, 1936.
Netherlands, February 1, 1936.
Switzerland, February 15, 1936.
Honduras, March 2, 1936.
Colombia, May 20, 1936.
Guatemala, June 15, 1936.
France, June 15, 1936.
Nicaragua—not yet ratified by Nicaragua.
Finland—not yet ratified by Finland.

It is to be noted that two of the treaties have not yet been ratified by the countries concerned. A number of the treaties now in effect were subject to ratification by the foreign country before becoming effective. So far as our own Congress is concerned, however, it has no opportunity to approve or reject the treaties. They are not even approved by the Senate, as required by the Constitution.

The treaties are negotiated in secret with representatives of foreign countries. A small group of impractical theorists in the State Department sit down with these foreign representatives to decide upon the tariff concessions to be made by each country. American producers are not even given a hearing with respect to the proposed treaty once the terms have been agreed upon. The first time they have any definite knowledge of its provisions is after it has been concluded and announced by the President. Under this method of procedure, foreign countries are given an opportunity to help decide what our tariff rates are to be, while American producers and the United States Congress are not even given a look-in.

The Cuban treaty is the only one of the 14 that is strictly bilateral—that is, where the concessions made are extended only to the countries signatory to the treaty. In the case of the other 13 the duty concessions which we extend to one country in return for supposedly reciprocal concessions from it are gratuitously extended to all other countries, Germany alone excepted, without requiring them to give us any concessions in return. Thus the effect of a treaty is just the same as if Congress had passed a law reducing the duties on the products concerned with respect to imports from all countries. This "good neighbor" policy on the part of the New Deal is one of the reasons why the trade-treaty program is resulting in such a disadvantage to American producers. The New Deal is surrendering our home market to foreign competition, but is not gaining much in the way of foreign markets for our surpluses. Every time a treaty is negotiated we get a small market for some of our products in one country, but surrender our market for certain products to the whole world. That is the kind of "Simple Simon" foreign trades the New Deal is making. Not only are our foreign-market advantages limited to the one country with whom we negotiate a treaty, but our ability to take advantage of the concessions extended depends upon whether our exporters can undersell the rest of the world. So far as the home market is concerned, our producers are already having a difficult enough time meeting foreign competition without having the tariff rates reduced still further.

Let us see to what extent the New Deal has reduced tariff duties under some of the treaties negotiated to date. I shall refer principally to those items in which my own State of New Jersey is vitally interested.

Under the Cuban treaty, reductions of up to 50 percent were made in the duties on the following products among others: Lima beans, potatoes, tomatoes, cucumbers, eggplant, okra, peppers, squash, honey, jellies, fish, and numerous other commodities. These reductions applied only to imports from Cuba and in the case of the vegetables named only during the winter season.

Under the 13 other treaties, reductions of up to 50 percent, applying to commerce from all countries except Germany, were made in the duties on hundreds of products, including the following:

Belgian treaty: Cement, glass (silica) sand, plate glass, sheet glass, laminated glass, various iron and steel products, asbestos building materials, and whiting.

Swedish treaty: Various iron and steel products, various manufactures of iron and steel such as saws, pliers, files, and so forth, calculating machines, vacuum cleaners, and safety matches.

Canadian treaty: Cream, Cheddar cheese, poultry, fish, canned razor clams, apples, strawberries, blueberries, cherries, seed potatoes, and turnips.

Netherlands treaty: Edam cheese, pickled onions, gin, and cordage.

Switzerland treaty: Dyes, certain machinery, Swiss cheese, certain cotton and silk cloths, knit underwear of cotton, wool, silk, rayon, machine embroideries, and lace handkerchiefs.

French treaty: Certain articles of carbon and graphite, perfume bottles, watch crystals, cast-iron pipe, Roquefort cheese, mushrooms, wines, silk and rayon fabrics, certain cotton and silk apparel, laces, and wool-knit fabrics.

I want to emphasize that these are only a few of the hundreds of items affected by the various treaties which have been negotiated. To give a complete list would take up many pages.

Just as an example of how the reductions in duty adversely affect our American producers, let me cite the case of glass or silica sand, the duty on which was reduced under the Belgian treaty from $2 to $1 per ton. Imports in 1934 were 21,889 tons, all of which came from Belgium. In 1935, with the Belgian treaty in effect for 8 months, imports rose to 39,546 tons. Doubtless they will rise still further during the present year. Every additional ton imported from abroad means that much less of our own consumed. By reducing the duty on glass sand, the New Deal has struck a blow at one of the important industries of my own district. A great deal of glass sand is found in the southern portion of New Jersey.

The reductions made in the duties on various agricultural commodities have had a most detrimental effect upon the producers of my district. For example, imports of tomatoes have jumped from 55,000,000 pounds in 1934 to 79,000,000 pounds in 1935.

As the trade treaties gradually come into operation, foreign competition on all fronts will continue to increase. New Jersey poultry raisers were given a blow by the administration by virtue of the 40-percent reduction in the duty on dressed poultry and the 50-percent reduction in the duty on live poultry under the Canadian treaty. This reduction has been in effect since the 1st day of January of this year.

The cement industry has also been adversely affected by New Deal trade treaties. This is strikingly shown in the increase in imports from 1934 to 1935. In 1934 imports were around 94,000,000 pounds. In 1935 they rose to 232,000,000 pounds, an increase of 138,000,000 pounds under the stimulus of the 25-percent reduction in duty under the Belgian treaty. The domestic industry can thank the New Deal for depriving them of the home market to this extent.

The New Weal tries to justify its trade-treaty program on the theory that by hurting some American industries it

benefits others by providing increased export markets for them. Even if this result were being accomplished, I could not agree with a philosophy which denies equal opportunity to domestic producers. But what makes matters worse is that after striking down certain of our industries the New Deal has failed to provide corresponding increases in the foreign markets of other domestic industries.

The failure of the New Deal program is best illustrated by a comparison of the increase in imports and exports from 1934 to 1935. Imports increased 24 percent, but exports only increased 7 percent. Our favorable balance of trade shrank from $478,000,000 in 1934 to only $235,000,000 in 1935. In the first 5 months of the present year our favorable balance of trade disappeared altogether, with imports of $972,000,000 and exports of only $969,000,000.

While some few industries may have been benefited by the trade treaties as a result of increased exports, the general effect on the country as a whole has been adverse. We have surrendered more than we have gained, and as time goes on the ratio of losses to gains increases. When the trade-treaty legislation was enacted it was said that it was necessary to restore our foreign trade, even though at that time it was rapidly increasing from the low point of 1932.

Our foreign trade has continued to increase, even with countries with whom no treaties are in effect. It would therefore appear that the New Deal is giving away our home market unnecessarily.

It is said that we must buy abroad if we wish to sell abroad. This may be true, but we do not have to buy those things which we can and do produce at home. There are plenty of things which we must buy that do not come in competition with the products of our own people. Already two-thirds of our imports come in free of duty, and if we must bargain with foreign countries to secure additional markets, let us bargain with the free list, rather than with the dutiable list. We can force other countries to give fair treatment to our products by threatening the imposition of penalty duties on products now enjoying free entry into our market.

TARIFF PLANK OF REPUBLICAN PLATFORM OF 1936

I shall close these remarks by quoting the tariff plank in the Republican platform of 1936, with which I am in complete accord. It follows:

Tariff

Nearly 60 percent of all imports into the United States are now free of duty. The other 40 percent of imports compete directly with the product of our industry. We would keep on the free list all products not grown or produced in the United States in commercial quantities.

As to all commodities that commercially compete with our farms, our forests, our mines, our fisheries, our oil wells, our labor, and our industries, sufficient protection should be maintained at all times to defend the American farmer and the American wage earner from the destructive competition emanating from the subsidies of foreign governments and the imports from low-wage and depreciated-currency countries.

We will repeal the present reciprocal trade agreement law. It is futile and dangerous. Its effect on agriculture and industry has been destructive. Its continuation would work to the detriment of the wage earner and the farmer.

We will restore the principle of the flexible tariff in order to meet changing economic conditions here and abroad and broaden by careful definition the powers of the Tariff Commission in order to extend this policy along nonpartisan lines.

We will adjust tariffs with a view to promoting international trade, the stabilization of currencies, and the attainment of a proper balance between agriculture and industry.

We condemn the secret negotiation of reciprocal-trade treaties without public hearing or legislative approval.

THE ROOSEVELT NEW DEAL AND THE COLORED CITIZEN

Mr. QUINN. Mr. Speaker, President Roosevelt in a recent speech said:

There are none of us who do not hope that our children get a better break than we had. * * * We want them to have an opportunity for profitable character building—decent, wholesome living—good work and good play.

This statement is exemplary of the inclusiveness of the spirit and practice of the Roosevelt New Deal administration.

June 26, 1935, by Executive Order 7036, the President created the National Youth Administration. August 1, 1935, Mrs. Mary McLeod Bethune, of Daytona, Fla., for many years one of the leading educators of the colored race, and Dr. Mordecai W. Johnson, president of Howard University, Washington, D. C., were appointed as members of the N. Y. A. national advisory committee by the President.

April 29, 1936, in the drawing room of the White House from 9 p. m. until nearly midnight, President Roosevelt sat down with the members of the N. Y. A. national advisory committee to review at first hand the phenomenal progress made to date in this new social endeavor.

Aubrey Williams, the inspired genius and executive secretary of the N. Y. A., presented each member of the committee to the President. In her turn Mrs. Bethune recited the accomplishments of the colored youth as reflected in the statistical records of the organization, which were in brief as follows:

Twenty-eight colored leaders are members of the State N. Y. A. advisory committees, North and South. An equal number of colored assistant State directors and trained college men and women of the colored race are filling high executive positions in New York, Pennsylvania, Florida, Virginia, Kentucky, Illinois, Tennessee, Indiana, Ohio, Missouri, Michigan, Kansas, Georgia, Colorado, California, and Texas, which State programs have had the largest participation of young colored men and women.

The National Youth Administration is helping approximately 26,000 colored youth to continue in school through payments for part-time work under supervision of school authorities. These young people range in age from 16 to 25. There are approximately 5,000 of these colored students in the undergraduate class and 70 graduate college students in both the strictly Negro institutions and the leading universities. The average monthly rate per college student is $15, while the graduate students receive from $25 to $30 monthly. Those students of high-school class are being paid a maximum of $6 per month.

Of the $50,000,000 expended by the N. Y. A. organization during the past year, it is conservatively estimated that the financial benefits to the colored youth of the Nation has been proportionate to their population ratio and particular needs.

Mrs. Franklin Delano Roosevelt, addressing a group of colored educators under the auspices of the national conference to discuss Fundamentals in the Education of Negroes, at Washington, D. C., on May 9, 1936, said:

I noticed in the papers this morning the figures given of the cost in certain States per capita for education of a colored child and of a white child, and I could not help but think as I read that item how stupid we are in some ways, for of course in any democracy the one important thing is to see as far as possible that every child receives at least the best education that that child is able to assimilate. * * * I feel that while we have been fortunate in this country in having many fine men and women interested in the education of the Negro race, we have also been slow, many of us who are of the white race, in realizing how important to our race, that you should have the best educational advantages.

I believe that the Negro race has tremendous gifts to bring to this country in the way of artistic development. I think things come by nature to many of them that we have to acquire, such as an appreciation of art and of music and of rhythm, which we really have to gain very often through education. I think that those things should be utilized for the good of the whole Nation, that you should be allowed to make your greatest contribution along the lines that you want and that give you joy. And, therefore, I am very happy to see this conference, and I have the hope that out of it will come a realization not only to you who are here, but to all the people throughout the country who may be listening in today and who may later come in contact with those of you who are here, that we as a democracy in these times must be able to grasp our problems, must have sufficient general education to know not only what our difficulties are but what the Government is trying to do to help us meet those difficulties. Without that ability in our people and without the willingness to sacrifice on the part of the people as a whole, in order that the younger generation may develop this ability, I think we have harder times ahead of us than we have had in the past. I think the day of selfishness is over; the day of really working together has come, and we must learn to work together, all of us, regardless of race, or creed, or color; we must wipe out, wherever we find it, any feeling that grows up of intolerance, of belief that any one group can go ahead alone. We go ahead together, or we go down together, and so may you profit now and for the future by all that you do in this conference.

Dr. Ambrose Caliver, former dean of Fisk University, sponsor of the above-mentioned conference and specialist in Negro education, United States Office of Education, Department of the Interior, was subsequently loaned to the Federal Emergency Relief Administration. He recommends the appointment to Administrator Harry L. Hopkins of James A. Atkins, as full-time assistant to direct the field activities of the emergency education program, adult education, nursery schools, and workers' education camps for colored men and women.

It is important to note here that recent surveys reveal that the educational facilities, length of school term, and salaries of colored teachers in the South have been advanced more than 30 percent since the Federal Government stepped into this program and the advent of the Roosevelt New Deal.

The physical equipment and health benefits to the colored race and the Nation as the result of the erection of new school buildings, playgrounds, swimming pools, gymnasiums, auditoriums, and recreation centers under the P. W. A., F. E. R. A., and W. P. A. programs are incalculable to present and future generations. Millions of dollars in wages have come to colored workmen and great stimulus has been given to the heavy industries and business has picked up generally through purchases of materials by the Government for this emergency construction. In production plants, steel mills, and factories thousands of negroes have again been gainfully employed.

It is estimated that nearly 30,000 otherwise unemployed colored school teachers have been given work in all parts of the country. Better salaries, especially in the South, have been reported. It should be noted that the minimum salary rate approved by Administrator Hopkins for all W. P. A. workers has meant payment of a much higher scale of wages for the hundreds of thousands of colored persons on State and Federal projects. The largest number of colored citizens have been employed under the Federal Government's emergency public-works program in capacities commensurate with their specialized training than heretofore in private industry.

Hundreds of research technicians, administrative officials, supervisors, skilled workmen, foremen, and other white-collar workers of the Negro race have had equal opportunity under the Roosevelt administration.

Nearly $2,000,000 was specially earmarked by President Roosevelt for surveys on the occupational opportunities for Negroes, State vocational and educational aid, and a Nation-wide household workers' project to train the tens of thousands of persons now on relief for gainful employment. Colored instructors and personnel workers, men and women, have been employed to prosecute this important job of training and placing competent household workers.

Reflecting the general improvement in conditions throughout the country among colored people is the statement of Dr. J. E. Walker, president of a life-insurance company of Memphis, Tenn. Practically all of the business of the company is among colored people in Mississippi, Arkansas, Louisiana, Texas, and Tennessee. The company suffered the usual loss of business during the dark days prior to 1932. In 1933 officials were forced to borrow from the Reconstruction Finance Corporation to continue in business. Early in 1932 Dr. Walker reports, it was found necessary to take over a number of farms on which the company held mortgages. Things were dark, indeed. But to quote Dr. Walker:

> Better conditions were reflected shortly after the beginning of the A. A. A. program and have continued to improve. In 1934, in fact, our business was better than in any year of the existence of our company. In March 1935 we were able to pay our loan to the R. F. C. due to payments made by colored farmers on their indebtedness.

C. C. Spaulding, president of the North Carolina Mutual Insurance Co., and Harry A. Pace, president of the Supreme Liberty Life Insurance Co. of Illinois, and F. B. Ransom, head of the Mme. C. J. Walker Manufacturing Co., of Indianapolis, Ind., are other Negro leaders who have reported improved business conditions during the past 3 years.

In a recent letter received by Robert Fechner, Director of the Emergency Conservation Work, John L. Webb, Hot Springs, Ark., grand master of the Free and Accepted Masons, jurisdiction of Mississippi, wrote:

> Mr. Roosevelt is going to be very hard for anybody to beat, because of the fine service he has rendered. He has done more for the Negroes than any other President of the past 10 years or more, and because of his enlarged program, helping the youth in the N. Y. A., in the C. C. C., and the other departments, I am looking for him to be reelected by a large majority.

John R. Hawkins, secretary and treasurer of the African Methodist Episcopal Church, in reporting receipts before the thirtieth general conference in New York City, May 6, 1936, indicated that church dollar money throughout the connection had increased approximately $350,000 in the past quadrennium.

Marion Anderson, of Philadelphia; Etta Moten, of Chicago, the great leading colored contraltos; and Mme. Lillian Evanti, of Washington, the leading colored coloratura, have all been honored by the President and Mrs. Roosevelt and their guests at the White House.

The paintings of Sam Brown, of Philadelphia, have elicited special public citation by the first lady.

Housing conferences have been attended by Mrs. Roosevelt at Howard University and Miner Teachers College. Colored women representatives of Greek letter sororities have been invited to conferences at 1600 Pennsylvania Avenue.

One of the Easter dresses of Mrs. Roosevelt was the prize-winning design of a colored New York high-school girl.

Mrs. Roosevelt, like the President, has given new meaning to the creed of service to all mankind regardless of race or color.

In the Post Office Department, which gives permanent employment to the largest number of colored workers in the United States classified civil service, notable progress has been made under Postmaster General James A. Farley, both in status and working conditions. Hundreds of additional colored eligibles have secured permanent appointments and received promotions in the service. St. Louis, Philadelphia, Pittsburgh, and New York now have colored branch managers. Postmaster General Farley appointed Sydney M. Jackson, secretary of the Colored Employees Postal Alliance, as special clerk at large in the Post Office Department at Washington, D. C.

The Civilian Conservation Corps was established by President Roosevelt on April 5, 1933. On the same day Robert Fechner was named director.

The purpose of Emergency Conservation Work—the C. C. C.—is to relieve acute conditions of distress and unemployment in the United States and to provide for the restoration of the country's natural resources and the advancement of an orderly program of useful public works.

Civilian Conservation Corps enrollees are selected on a State-quota basis by the Labor Department from the public-relief rolls. Veterans are selected by the Veterans' Bureau.

From the beginning of the C. C. C., colored youths have shared in the program. At the peak strength of the C. C. C., reached in August 1935, there were 506,000 young men and war veterans enrolled. Of this number, approximately 50,000 were colored.

Today there are approximately 350,000 men in the Civilian Conservation Corps. Of this number, 35,000 are colored enrollees, selected from every State in the Union. They are engaged on numerous conservation projects which are of present and future benefit to our country. At present there are 37 colored C. C. C. companies engaged in soil-conservation projects. Other colored companies are carrying on reforestation and forest-protection work, recreational development, levee, drainage, flood control, and other projects. Millions of dollars have been saved for the country by the conservation activities of the Civilian Conservation Corps. About 2,500 colored enrollees are assigned to C. C. C. projects in the State of Texas.

Approximately $700,000 is sent back home to their parents and dependents by colored C. C. C. enrollees each month out of their earnings. At the time they enter the corps these young men arrange to send approximately five-sixths of their

monthly cash allowances directly to their families. The C. C. C. enrollees receive a basic cash allowance of $30 a month board and keep. This means that approximately $25 a month is allotted home by each enrollee. This money has been of great assistance to the dependent families of the boys. Often these C. C. C. men are the chief breadwinners for their families. The enrollees' ability to help support their dependents increases their self-respect and their pride of accomplishment.

Mindful of the health of these colored boys, medical officers from the United States Army Reserve Corps have been assigned to look after their physical well-being. Fourteen colored medical officers are now on active duty at C. C. C. camps throughout the country. Each company is provided with a first-aid building, company hospital, or dispensary, with a medical officer in charge. Orderlies are appointed from among the enrollees.

The United States Office of Education has acted in an advisory capacity to the War Department in working out an educational and recreational program. Each company has an educational adviser who develops a program suited to the individual needs of each camp. College graduates are appointed to fill these positions. Many enrollees who were illiterate have been taught to read and write in classes offered by the C. C. C. camps. There are today 132 colored men serving the C. C. C. camps as educational advisers, according to Edgar G. Brown, special assistant to the Director of the E. C. W. organization. Most of the educational work is carried on at the camp. Arrangements are often made, however, for enrollees to carry on additional school work in public-school evening classes in nearby cities. The camp educational programs offer instruction in carpentry, shorthand, typing, forestry, auto mechanics, landscaping, and numerous other vocational subjects. While attendance at classes is voluntary, approximately 75 percent of the enrollees attend. Classes in first aid, safety, morale, guidance, leadership, and hygiene have been well attended. While at work C. C. C. enrollees are given practical instruction on the job by the project superintendent and the technical staff.

Baseball and soft-ball diamonds, tennis courts, and basketball courts have been laid out to provide recreational facilities at the camps. Some of the camps have produced championship teams in baseball and other sports. Current movies, health education films, lectures on geography, conservation, history, and other topics, and plays are included in the camp educational and entertainment program. Trips to nearby museums and other points of interest are frequently scheduled.

Eight colored chaplains of the United States Army Reserve Corps direct the religious activities in a number of the colored camps. They are aided by ministers from nearby communities.

Through the experience and training received in the C. C. C., boys learn how to live together and work together amicably. Experience and training afforded by the C. C. C. has helped many boys to secure employment. The specialized knowledge gained by filling such positions as mess sergeant, company clerk, assistant educational adviser, leaders, store clerk and manager, foreman, and first-aid men has proved valuable to these enrollees in the Civilian Conservation Corps. At present regular employment is given to 1,200 colored cooks and 300 colored typists in the C. C. C.

In Boston, March 29 of this year, Dr. Robert C. Weaver, Negro adviser to the Secretary of the Interior, Hon. Harold L. Ickes, also Administrator of Federal Emergency Public Works, gave a departmental estimate of $25,000,000 expended under the Federal Government in cooperation with local communities through P. W. A. loans and grants for the erection of 215 colored elementary and high-school buildings. This program added 1,165 new educational classrooms and accommodations for approximately 50,000 colored students.

In Jefferson Davis and Lee Counties, Miss., $135,000 was expended under the New Deal administration for colored schools.

In Missouri an estimated expenditure of $2,000,000 for a new colored high school and repairs on 13 existing structures resulted from P. W. A. financial aid.

In Baltimore, Md., a half million was granted by P. W. A. officials in Washington for school buildings to serve colored students. A like sum was made available for completion of the Wendell Phillips High School in Chicago, Ill.

A $3,000,000 school-building program was made possible by P. W. A. funds in the State of Texas to increase the educational facilities for colored children.

Howard University has received $5,000,000 from the Public Works Administration in loans and grants for the Frederick Douglass Hall, new library and dormitories, and the Freedmen's Hospital.

The new city hospital sought for the past decade by colored citizens of St. Louis, Mo., has been completed through P. W. A. financial support.

The veterans' hospital in Tuskegee and the Joseph B. Knowles Home for the Aged in Nashville, Tenn., have likewise been provided with new additions and repairs through the P. W. A. program of the Roosevelt New Deal administration.

Out of a total of 40 low-cost housing project managers assembled in Washington by the P. W. A. Housing Division, 14 were colored men and women. They were recommended by local advisory housing committees composed of leaders in welfare work of both races. Cleveland, Nashville, Atlanta, New York, Detroit, Indianapolis, Washington, and other cities will benefit by these large-scale slum-clearance projects under the P. W. A. housing program. Colored architects and builders and consultants have had a conspicuous part in drafting and the prosecution of the program in all its ramifications. Dewey R. Jones, associate advisor to Dr. Weaver; Hilyard Robinson, of Howard University, a noted architect; and John Langford, well-known colored builder, have been in the forefront of the program. In the legal division of P. W. A., Theopolus Mann, a colored lawyer of Chicago, has made an enviable record. John Lewis Wilson, another colored architect, served as associate architect on the Harlem housing project of New York. This particular model received honorable mention in the leading technical journals of the country.

In the building of these Federal slum-clearance projects during the past year, close to 30 percent of the wages for skilled and unskilled labor has gone to colored workmen, a sum estimated at close to a half million dollars, as a result of the strict adherence to the letter and spirit of the congressional amendment and Presidential rules and regulations specifically stating there was to be no discrimination on these jobs because of race or color. In many cases it was necessary to grant colored workmen temporary "union" cards in order to permit their immediate employment on these P. W. A. projects. In following through on these contracts the office of the Adviser on Negro Affairs and P. W. A. authorities had working agreements with all private contractors which permitted check-ups made in the field monthly. This rigid departmental policy has resulted in a most satisfactory participation of colored labor in every section of the country.

Employment opportunities for colored workers have been initiated also by the Interior Department and the Tennessee Valley Authority on the large Federal power-development projects, such as Grand Coulee Dam, Boulder Dam, and T. V. A.

Reports received by H. A. Hunt, Negro assistant to the Governor of the Farm Credit Adiministration indicate not only colored farmers are receiving this important Federal service, but that they are paying back and meeting their obligations promptly and fully. It is important also to note that, without exception, the annual conference of the local and State associations are attended by the farmers in the South of both races. The local borrowers from the F. C. A. automatically become members of the association.

Credit unions under the jurisdiction of the Farm Credit Administration not only appeal to rural communities but also to urban sections, and here, too, the participation of colored citizens in such group organizations as the railway clerks, waiters, school teachers, and so forth, are general, and many colored officers are represented on the governing boards of these organizations in all sections of the country. Nothing

could be more revealing as to the forces at work for mutual understanding and progress under the Roosevelt New Deal than the unanimous confirmation by the Senate of the colored Presidential appointees: Hon. William J. Thompkins, Kansas City, Mo., for recorder of deeds of the District of Columbia; Hon. Lester Walton, of New York, as Minister to Liberia; and Hon. Armond W. Scott for judge of the municipal court, District of Columbia, were among this number. It is significant also to note that the other two colored lawyers serving as municipal court judges in the United States, Hon. James Watson and Hon. Charles Toney, of New York City, were elected as a result of the law signed by President Roosevelt during his tenure of office as Governor of New York State, which created two judicial districts in Harlem. This law, though passed several times by the New York Legislature, had, up to this time, always met with executive veto, both at the hands of a Democratic and Republican Governor.

The allocation of $100,000 to the Negro division of the Department of Commerce for an exhibit and building of Negro progress in Dallas, Tex., headed by Hon. Eugene Kinckle Jones, executive secretary of the National Urban League and chairman of the Texas Negro Centennial Committee; by Vice President Garner, Secretary Roper, Secretary Perkins, Secretary Wallace, members of the President's Cabinet, and the others of the Texas Centennial Commission, is evidence of the Federal Government's plan and program of equal representation. The other members of the Texas Centennial Committee headed by Mr. Jones are Robert L. Vann, Dr. F. D. Patterson, Mrs. Sadie Alexander, Dr. M. O. Bousfield, William Banks, and Jesse O. Thomas, general manager, and Maceo Smith, assistant general manager.

The recent conference held in Washington of colored leaders in field and extension work headed by T. Y. Campbell of Tuskegee and J. B. Pierce of Hampton Institute, under the Department of Agriculture, called by Director C. A. Cobb, of the Cotton Allotment and Soil Conservation, is indicative of the liberal policy of the Roosevelt administration in its efforts to treat intelligently, fairly, and scientifically the problems of all alike engaged in the great farming industry of the country, North and South.

Charles Hall, specialist in Negro statistics, United States Bureau of the Census, Department of Commerce, pointed out in a recent speech at the Cheyney Normal School of Pennsylvania that despite a decrease of 35,570 colored owners of farm property in the South from 1920 to 1930, in this same section during the past few years there has been an increase of 4,046 colored farm owners, bringing the total to 186,065 colored farm owners in 1935. It is estimated by Mr. Hall that approximately 25,000 colored retail merchants do an annual gross business of $101,000,000, giving direct employment to about 40,000 colored men and women.

Joseph H. B. Evans, administrative assistant in the Rural Resettlement Administration under Dr. Guy Tugwell, on leave at President Roosevelt's special request, from Columbia University for another year, in a review of the activities of this department of the New Deal administration before the Capitol Club of Washington, revealed an interesting picture. Mr. Evans is a colored leader, long active in the business development of colored people in the North and South. He received his Phi Beta Kappa Key at Michigan University at the age of 20 in 1914.

There are, according to Mr. Evans, more than a hundred colored employes in the R. A. office in Washington, 30 percent of them are on technical and white-collar jobs.

Charles S. Duke, of Chicago, a Harvard graduate and a colored architect and engineer, is the R. A. progress engineer who is directing the Newport News, Va., project of a hundred and fifty homes for colored farmers of that section. This rural resettlement community will be ready for occupancy in the fall. Joseph H. Rousseau, a colored general contractor has a force of nearly 250 colored skilled and unskilled workmen engaged at the present time on the construction work.

President Roosevelt declared at the outset of his administration:

> In the field of world policy I would dedicate this Nation to the policy of the good neighbor—the neighbor who resolutely respects himself and, because he does so, respects the rights of others.

That this policy has been inclusive of all nations on the basis of equality is attested by the removal of the marines from Haiti and the recognition of this sister republic's independence by the Roosevelt administration after the visit of President Stenio Vincent to the White House in 1934. Cuba, Puerto Rico, and the Virgin Islands, too, have felt the beneficence of the good-neighbor policy of the Roosevelt administration.

The consummation of the Philippine Islands' independence during the past year is likewise noteworthy.

President Roosevelt has stated further:

> * * * The people of America and the Government of those people intend and expect to remain at peace with the world.

President Roosevelt is the living embodiment and spirit of an American concerned for spiritual ascendency and power. In a recent Sunday evening appeal over the ether waves he pictured the glorious salvation of a people who are building a heaven on earth; he said:

> You have come through the threshold of a new era in which your churches and the other churches recognize and stand ready to lead in a new war of peace—the war for social justice.
>
> If I were asked to state the great objective which church and state are both demanding for the sake of every man and woman and child in this country, I would say that that great objective is "a more abundant life."
>
> Yet I do not look upon these United States as a finished product. We are still in the making. The vision of the early days still requires the same qualities of faith in God and man for its fulfillment.
>
> No greater thing could come to our land today than revival of the spirit of religion—a revival that would sweep through the homes of the Nation and stir the hearts of men and women of all faiths to a reassertion of their belief in God and their dedication to His will for themselves and their world. I doubt if there is any problem—social, political, or economic—that would not melt away under the fire of such a spiritual awakening. At our neighbor's fireside we may find new fuel for the fires of faith at our own hearthside.
>
> The social objective, I should say, remains just what it was, which is to do what any honest government of any country would do—to try to increase the security and happiness of a larger number of people in all occupations of life and in all parts of the country; to give them more of the good things of life; to give them a greater distribution, not only of wealth in the narrow terms but of wealth in the wider terms; to give them places to go in the summertime, recreation; to give them assurance that they are not going to starve in their old age; to give honest business a chance to go ahead and make a reasonable profit; and to give everyone a chance to earn a living. (President Roosevelt, June 7, 1935.)

The following news story was published in Negro newspapers throughout the country following the Democratic national convention in Philadelphia, June 23–27, 1936.

DEMOCRATIC FIRSTS

1. First to institute Negro Press Conference.
2. First to seat a Negro woman as a regular delegate to a major-party convention.
3. First to seat a Negro in the general press box.
4. First to open convention with invocation by Negro.
5. First time in history to seat 10 delegates and 22 alternates (Negro).
6. First time a Negro addressed a convention (Congressman MITCHELL of Illinois).

JUSTICE FOR THE NEGRO

Mr. FENERTY. Mr. Speaker, the final session of this Congress has come to a close and there still remain in the hands of the Judiciary Committee no less than 33 bills against lynching, not one of which has become law at this session, or, indeed, will at any time while the Democratic Party is in control of the National Government.

Having introduced one of these antilynching bills myself, I find it difficult to understand the persistent unwillingness of the Democratic Party to do justice to the people of a great race. In a Nation which is admittedly the land of the free a party calling itself "Democratic" makes no secret of its hostility to granting freedom in its complete sense to many millions of Negro Americans. It is a deep blot upon the honor of America that lynching is thus not only permitted to continue but apparently given the stamp of approval by the political party which dominates our Southern States.

This attitude was evident at the Democratic convention in Philadelphia, when Democratic leaders strategically retreated whenever they were asked what they intended to do about the

evil of lynching. As Chesly Manly stated in the Chicago Daily Tribune for June 27:

> Democratic leaders at the convention here have exuded a spirit of racial tolerance and brotherly love, particularly the eminent Jeffersonians from New York, Pennsylvania, and Illinois, where the colored vote is worth going after, but when you ask them about a constitutional amendment to permit Federal antilynching legislation they become extremely preoccupied with the business of running the convention. * * *
>
> The Senator gasped as if stunned by the question, and, upon regaining his composure, declared:
>
> "I'm not going to say anything about that now—not till this convention is over. There's plenty of time for that!"
>
> There was a note of finality in the Senator's voice which indicated plainly that it would be futile to pursue the matter.
>
> The beaming Jim Farley, Postmaster General, national chairman, and New York State chairman of his party, was sitting over in a box, talking garrulously about the incredible majority by which President Roosevelt would be reelected. But when approached on the subject of antilynching legislation he had no time for meditation and no disposition to talk. He explained apologetically that the stupendous task of running a convention left little time for thoughts of legislative policy, remarked he might make some comment later and suggested "seeing some of the boys."
>
> The solicitude of the Democratic Party for the colored vote and the almost religious zeal with which the leaders make their professions of humanitarian liberalism have been exemplified not only at this convention but in the New Deal Senate of the Seventy-fourth Congress, when the Wagner-Costigan antilynching bill was filibustered to prenatal death on the calendar.

As far as I can remember, Mr. Speaker, the only time that such a measure passed this House was upon the recommendation of a Republican President, Warren G. Harding, to a Republican Congress. At that time, of the 234 Republicans, 221 voted for the antilynching bill, while of the 155 Democrats, only 8 voted for justice to the Negro. And yet the Democratic Party professes to be liberal.

At the present time there are 315 Democrats and only 103 Republicans in the House of Representatives, and there are 70 Democrats and only 23 Republicans in the Senate. On the Committee on the Judiciary, which has the antilynching bills under consideration, there are 18 Democrats and only 7 Republicans. It is, therefore, obvious that if the Democratic Party were as friendly to the Negro as some of its spokesmen pretend this salutary legislation, which would so effectively safeguard the Negro people, would not be buried in committee.

There is only one thing that today prevents justice to the Negro by the passage of an antilynching bill, and that is the determined and unreasonable opposition of leaders in the Democratic Party. I have been amazed lately to hear Democratic speakers insult the Negro by saying that he can be bought by a Democratic dole or an empty Democratic political promise. The Democrats who assert this have a very poor conception of the honor of the Negro. Go among these people whose skin wears a darker shade than ours only because their fathers labored under a hotter sun, and ask them if they can be purchased by Democratic bribery, and your question will receive an unmistakable answer. Ask them whether they owe their freedom to a Democrat or to the great-souled Abraham Lincoln. Ask them if today they are permitted to vote in the Democratic States in the South, as they can in the Republican States of the North. Ask them if, in the Southern Democratic States, they have the rights to which their citizenship should entitle them—the right to serve on a jury, the right to protection against a bloodthirsty mob, the right of equal opportunity and justice under the law, and the hundreds of other rights which have been denied to the Negro by the Democratic Party for three-quarters of a century. Ask them who it was who wrote into the Constitution the amendments which guaranteed freedom to the Negroes and gave them the right to vote.

When Democratic leaders today impudently intimate that the Negro can be bought by a Democratic dole, they dishonestly imply that the Negro is forgetful of the sacrifices of his fathers. They insult the intelligence of the Negro people by insinuating that our colored citizens have forgotten the blood which Democratic hands have shed in the lynching murders of the South. The crack of the whip, the cry of the child torn from the mother's breast, the agonizing prayers in the huts of bondage, the terrifying sight of a bullet-ridden body hanging indistinct in the moonlight from the limb of a tree by the roadside, have seared the Negro heart so deeply that this heartless Democratic injustice will not go unremembered.

For the Democrats to say that Negroes are an inferior people is false and slanderous. Today Negroes own 700,000 homes and 20,000 farms, and they operate an additional 700,000 farms as renters and tenants throughout the United States. They own more than 22,000,000 acres of land, an area larger than the five States of New Hampshire, Vermont, Massachusetts, Connecticut, and Rhode Island. It is estimated that they have an aggregate wealth of over $2,000,000,000. Thousands are employed in skilled labor; the Negro professional men and women have amazingly increased from 34,000 in 1890 to 135,000 in 1930. There are 70,000 business enterprises conducted by Negroes in over 200 different lines. In 1930 there were 51 Negro banks doing an average business of $75,000,000. In the United States there are 68 towns and many villages and settlements populated and governed entirely by Negroes. In spite of unjust discrimination, in spite of hampering traditions from the cruelty of slave days, in spite of the recent unfairness of the N. R. A. codes in the South, where wage differentials were sought in favor of white labor for the same work in the same occupations, in spite of restricted opportunities, the progress of the Negro race is remarkable and impressive. In the arts and the sciences, in literature and medicine and law, the Negro people have so enriched culture and human thought that their contribution cannot be over-estimated. Like slavery, the curse of lynching places its stigma not upon the enslaved, but upon the oppressor. While lynching is a terrible ordeal for the victim, it is much worse for the mobs of white men who stultify their natures by gloating over fiendish and inhuman torture. The danger of lynching is not so much to the injury of the unfortunates who are thus murdered, as in the effect on the social institutions which permit these nauseous carnivals of intolerance, cruelty, and crime. As the eminent Booker T. Washington succinctly and significantly stated, "You cannot hold a Negro in the gutter, unless some white man stays in the gutter to hold him there."

I, therefore, urge upon the Members of Congress, Mr. Speaker, that they give greater attention to the question of justice to this persecuted people. Abraham Lincoln once said that the Nation could not exist half slave and half free. It is equally true that no nation can progress when one political party, the Republican, is attempting to go forward with the Negro, while, at the same time, another party, the Democratic, is seeking to hold the Negro back.

In spite of Democratic opposition, there are some of us who will not be silent concerning the wrongs of an injured people. America must face the problem of lynching without further delay. Convinced of the soundness and justice of this cause, I intend to lend my voice and my efforts to its accomplishment. Let it not again be said of America, as was once uttered by a great American, when he contemplated the existence of slavery in the land:

> I tremble for my country when I reflect that God is just!

KERR BILL AND PALMISANO RESOLUTION

Mr. DICKSTEIN. Mr. Speaker, under the general permission granted to all Members to extend their remarks in the RECORD I desire to quote, as inherent parts of my remarks, some very essential resolutions and some important endorsements favorable to the Kerr-Coolidge deportation bill and to the Palmisano stay-of-deportation resolution, and to briefly comment upon the failure of either of these important measures to be passed by the House during the closing days of this session of Congress.

Mr. Speaker, I wish to address myself to the peculiar situation which presented itself to Congress on the eve of its adjournment with reference to the so-called Kerr-Coolidge bill—S. 2969 and H. R. 8163—which is so close to my heart because of its beneficial features, to deport undesirable aliens and to relieve the hardship desirable aliens will suffer if the provisions of this bill are not enacted into law.

On June 18 last the Honorable Daniel W. MacCormack, Commissioner of the Immigration and Naturalization Service,

addressed a letter to the Speaker of the House, which reads as follows:

JUNE 18, 1936.

Hon. WILLIAM B. BANKHEAD,
House of Representatives, Washington, D. C.

MY DEAR MR. BANKHEAD: May I set before you the situation which will result if there is adverse action or if there is no action before the adjournment of Congress on the Kerr-Coolidge bill (S. 2969 and H. R. 8163), which has been approved by the President, the Secretary of State, the Attorney General, and the Secretary of Labor.

(1) More than 3,000 aliens of good character will be separated from their families and deported.

They will leave behind more than 7,000 members of their immediate families, including more than 5,000 American citizens—wives and children—who will for the most part become public charges.

(2) Every month's delay in strengthening the present law means that more than 500 alien criminals and illegal entries escape deportation.

At least 15,000 criminals and illegal entries have escaped during more than 2 years the passage of this legislation has been delayed. If there is no action in the present Congress, this number will probably have reached 20,000 or more before legislation can be introduced and enacted in the next session.

If, however, corrective legislation is enacted at this session, we will be able to avoid a mass deportation which will be an outrage to our civilization and a scandal and disgrace to America in the eyes of the world. We will also be able to deport more than three times as many alien criminals as can be deported under the present law.

Very sincerely yours,

D. W. MACCORMACK, *Commissioner.*

A partial list of organizations which have endorsed the bill are the following:

American Bar Association.
American Citizenship League, Pittsburgh, Pa.
American Federation of Labor.
American Friends Committee.
Association of the Bar of the City of New York.
Board of Social Service of the Episcopal Diocese of Newark, N. J.
Committee of Fifty for Social Action in the Passaic (N. J.) Valley.
Department of Social Service of the Episcopal Diocese of Albany, N. Y.
Federal Council of the Churches of Christ in America.
Federation of Hungarian Churches and Societies of Los Angeles, Calif.
Foreign Language Information Service.
Immigrants Protective League.
Indiana State Senate.
International Association of Chiefs of Police.
International Association of Catholic Alumnae.
International Institute, Young Women's Christian Association.
International Migration Service.
National Council of Jewish Women.
National Catholic Welfare Conference.
National Crime Commission.
National Institute of Immigrant Welfare.
National League for American Citizenship.
Northwest International Anti-Crime Conference (Washington, Oregon, California, Idaho, and Montana).
Norwegian-American Civic Committee.
Oregon League of Women Voters.
Polish Association of America.
Second Baptist and First Methodist Churches of Edmeston, N. Y.
Southeastern Michigan Association of Chiefs of Police.
Southeastern Missouri Council of Churches.
State of Illinois Committee on Citizenship and Naturalization.
Toledo Federation of Women's Clubs.
Travelers Aid Society.
United German Societies of Greater New York.
Washington, Iowa, City Ministerial Association.
Young Women's Christian Association, National Board.

The National Catholic Welfare Conference, representing the Catholic bishops and clergy of the United States, has endorsed the bill, and more than 2,200 of the leading Protestant bishops and clergy of the country have likewise given it their approval.

Special resolutions in support of the bill were passed by the American Bar Association and the National Association of Chiefs of Police. These resolutions read as follows:

AMERICAN BAR ASSOCIATION

At a meeting of the executive committee of the American Bar Association held at Washington, D. C., on May 6–9, 1935, upon motion, duly carried, the following resolution was adopted, with the understanding that the bill was to be amended so as to provide for an interdepartmental committee or board composed of representatives of the Departments of State, Justice, and Labor to pass upon cases involving extraordinary hardships:

"*Resolved,* That the executive committee of the American Bar Association favors the enactment into law of H. R. 6795, introduced in the Seventy-fourth Congress by Congressman KERR, of North Carolina, which is intended to increase the classes of undesirable aliens, particularly criminals, subject to deportation; to strengthen the Government's authority to effect deportations; and permit alleviation of certain extraordinary hardships such as separation of families or enforced termination of long-established residence in cases of aliens of good character."

Resolution adopted at the Forty-second Annual Convention of the International Association of Chiefs of Police, Ambassador Hotel, Atlantic City, N. J., July 11, 1935

RESOLUTION REGARDING DEPORTATION OF ALIENS

Whereas the Immigration and Naturalization Service of the United States Department of Labor has been for the past 2 years engaged in an intensive study of the deportation laws and their enforcement; and

Whereas the results of this study reveal that it is imperative to give the Department of Labor powers that it now lacks, and badly needs, for the apprehension of aliens who have entered the country illegally; to make possible the deportation of many alien criminals who cannot be reached under existing laws; and to authorize the Secretary of Labor to exercise limited discretionary power in certain deportation cases, in which extreme hardship to individuals, often including American-born wives and children, is not justified or compensated by any corresponding public advantage; and

Whereas bill H. R. 8163, introduced by Congressman KERR and referred to the Committee on Immigration and Naturalization, provides for the foregoing recommendations, and renders violators of State narcotic laws subject to deportation in the same manner as violators of Federal narcotic statutes; and further provides for the deportation of any alien who has been convicted in the United States within 5 years, of the institution of deportation proceedings against him of a crime involving moral turpitude, even if the alien is not sentenced to imprisonment, as required under existing law, and if the deportation of the alien who has been convicted in the United States within 5 years of the institution of deportation proceedings against him of a crime involving moral turpitude, even if the alien is not sentenced to imprisonment, as required under existing law, and if the deportation of the alien who has been convicted in the United States within 5 years of the institution of deportation proceedings against him of the crime of possessing or carrying any concealed or dangerous weapon, if the deportation of such alien is in the public interest; and

Whereas the members of this association consider the above proposals necessary for the welfare and protection of the people of the United States: Now, therefore, be it

Resolved, That the International Association of Chiefs of Police requests the Congress of the United States to enact the provisions of bill H. R. 8163, and that the secretary of the association send a copy of this resolution to the chairman of the Committee on Immigration and Naturalization.

National organizations not mentioning the Kerr-Coolidge bill but urging immediate action on the alien problem are the Chamber of Commerce of the United States, the General Federation of Women's Clubs, and the executive committee of the American Legion. Resolutions by these organizations read as follows:

Resolutions adopted at Twenty-fourth Annual Meeting, Chamber of Commerce of the United States, Washington, D. C., April 28–30, 1936

CRIME AND DEPORTATION

Definite action should be taken to free the country of alien criminals. There should be immediate extension of provisions of law for deportation to include all classes of criminal aliens, convicted within 5 years of any crime involving moral turpitude, even if there was not sentence of imprisonment, aliens violating State narcotic laws, alien smugglers, and aliens convicted of possessing or carrying concealed or dangerous weapons.

On the other hand, there should be such amendment to existing law as to prevent deportation from being visited suddenly upon law-abiding aliens who have been resident in the United States for many years. There should be provision which would allow such aliens, upon a proper showing of their good character and useful lives, to remain. Any such provision, however, should contain such limitations that it may not be utilized upon behalf of any alien Communist, anarchist, criminal, or member of the immoral classes.

The General Federation of Women's Clubs, which includes more than 14,000 women's organizations throughout the country, and has a membership of more than 2,000,000, at the annual council meeting on April 30, 1936, passed the following resolution:

"That the General Federation of Women's Clubs petition the Congress of the United States to pass legislation during the present session, which shall strengthen the existing laws relating to the deportation of criminal aliens, making it mandatory that those aliens shall be deported who have been convicted of violating the narcotic laws, State or Federal statutes; of illegal smuggling of aliens into this country, or who shall have been convicted of crimes importing moral turpitude carrying with it a sentence of imprisonment of a year or more, as well as those known to be habitual criminals."

Executive committee of the American Legion, meeting at Indianapolis, May 4, 1936

RESOLUTION ON IMMIGRATION LEGISLATION

Whereas there are pending before Congress different measures dealing with the subject of immigration; and

Whereas numerous amendments have been proposed to the pending measures by Congressmen and Senators of divergent views; and

Whereas the matter of tightening our immigration restrictions and securing stricter and more efficacious enforcement of immigration law has been at a standstill through several sessions of Congress by reason of the widely divergent views of Congressmen and Senators and the diversion of strength among opposing groups; and

Whereas it appears certain the stalemate will continue and no beneficial immigration legislation will be obtained at this session of Congress if the American Legion continues to insist upon the passage of legislation embodying the full program endorsed at the St. Louis national convention; and

Whereas it appears that urgently needed restrictions and enforcement measures can be obtained if the American Legion yields in part and urges a compromise; and

Whereas the Americanism commission has reached the conclusions above recited, after hearing the subject discussed at length by E. J. Shaughnessy, Deputy Commissioner of Immigration and Naturalization, Department of Labor, the national commander, and the national legislative director: Now, therefore, be it

Resolved, That the national Americanism commission recommends to the national executive committee that the legislative director of the American Legion be authorized and directed to endeavor to secure at this session of Congress the passage of an immigration act embodying so much of the program endorsed at the St. Louis convention as will not bar immediate passage, and which act, in his judgment, will effect a substantial betterment of existing law.

A partial list of newspapers throughout the country supporting the Kerr-Coolidge bill are the following:

Albany (N. Y.) Knickerbocker Press.
Atlanta (Ga.) Constitution.
Atlanta (Ga.) Journal.
Bethlehem (Pa.) Globe-Times.
Birmingham (Ala.) News.
Birmingham (Ala.) Post.
Bisbee (Ariz.) Daily Review.
Boston (Mass.) Globe.
Boston (Mass.) Herald.
Boston (Mass.) Post.
Brooklyn (N. Y.) Eagle.
Buffalo (N. Y.) Courier-Express.
Buffalo (N. Y.) Times.
Canton (Ohio) Repository.
Charlotte (N. C.) News.
Chicago (Ill.) Daily News.
Chicago (Ill.) Tribune.
Cleveland (Ohio) Press.
Davenport (Iowa) Times.
Dayton (Ohio) News.
Denver (Colo.) Rocky Mountain News.
Detroit (Mich.) News.
Duluth (Minn.) Herald.
El Paso (Tex.) Herald-Post.
El Paso (Tex.) Times.
Evansville (Ind.) Courier.
Fresno (Calif.) Bee.
Fort Worth (Tex.) Star-Telegram.
Galveston (Tex.) News.
Grand Rapids (Mich.) Herald.
Greensboro (N. C.) News.
Gulfport (Miss.) Daily Herald.
Hamilton (Ohio) Journal-News.
Hartford (Conn.) Courant.
Helena (Mont.) Independent.
Houston (Tex.) Press.
Jackson (Miss.) Clarion Ledger.
Jacksonville (Fla.) Florida Times-Union.
Kansas City (Mo.) Star.
Kenosha (Wis.) News.
Little Rock (Ark.) Democrat.
Louisville (Ky.) Courier-Journal.
Lowell (Mass.) Sun.
Lynn (Mass.) Telegram-News.
McKeesport (Pa.) News.
Memphis (Tenn.) Commercial Appeal.
Miami (Fla.) News.
Miami (Fla.) Herald.
Minneapolis (Minn.) Star.
Minot (N. Dak.) News.
Modesto (Calif.) Bee.
Montgomery (Ala.) Advertiser.
Nashville (Tenn.) Banner.
New Haven (Conn.) Journal-Courier.
New York (N. Y.) Herald Tribune.
New York (N. Y.) Times.
New York (N. Y.) World-Telegram.
Niagara Falls (N. Y.) Gazette.
Olympia (Wash.) Olympian.
Pawtucket (R. I.) Times.
Paterson (N. J.) Call.
Pittsburgh (Pa.) Post-Gazette.
Pittsburgh (Pa.) Press.
Pontiac (Mich.) Press.
Port Huron (Mich.) Times-Herald.
Providence (R. I.) Evening Bulletin.
Racine (Wis.) Journal-Times.
Raleigh (N. C.) News and Observer.
Rochester (N. Y.) Democrat and Chronicle.
Saginaw (Mich.) News.
St. Louis (Mo.) Post-Dispatch.
St. Paul (Minn.) Dispatch.
St. Paul (Minn.) Pioneer Press.
Salt Lake City (Utah) Deseret News.
San Diego (Calif.) Evening Tribune.
San Francisco (Calif.) Chronicle.
San Francisco (Calif.) News.
Scranton (Pa.) Times.
Seattle (Wash.) Times.
Springfield (Ohio) News-Sun.
Savannah (Ga.) News.
Syracuse (N. Y.) Herald.
Syracuse (N. Y.) Post-Standard.
Tacoma (Wash.) Ledger.
Toledo (Ohio) Blade.
Troy (N. Y.) Times-Record.
Tulsa (Okla.) World.
Utica (N. Y.) Press.
Washington (D. C.) Daily News.
Washington (D. C.) Post.
Waterbury (Conn.) Democrat.
Wheeling (W. Va.) Intelligencer.
Wilkes-Barre (Pa.) Record.
Youngstown (Ohio) Telegram.
Youngstown (Ohio) Vindicator.

So it will be seen that public organizations of importance and consequence, representative bodies of the American people throughout the country and press generally have fully, completely, and generously endorsed this bill.

The reason for such universal support is simple.

The bill, if enacted, would not have added one single undesirable alien to our present alien population; on the contrary, the provisions of the bill would have resulted in the deportation from this country of many aliens not deportable under present law who are a menace to our communities. Furthermore, this bill would afford needed relief to law-abiding aliens in this country whose only offense is that they are here in technical violation of some statutory provision of our immigration laws with no evidence of any criminal activities. Unless the relief afforded by this bill is enacted into law, these aliens in many cases will be forced to separate from their homes and their kindred, and for no good reason their American families will be thrown as new burdens on our relief agencies.

Changes and amendments to the bill were suggested from time to time by persons and organizations opposed to the provisions of the bill as it was originally reported from committees to both Houses of Congress. I was willing to accept all offered amendments, providing only that the primary purposes of the bill were carried into effective law; but in spite of my willingness to cooperate, efforts to have this legislation enacted was not successful.

I have no doubt about the outcome if the House had been given an opportunity to act on the reported bill; and if the Committee on Rules had been more cooperative, the Kerr-Coolidge bill would have been passed by the House before the adjournment of Congress.

However, something should have been done by the House leaders to permit the House to consider and pass the joint resolution (H. J. Res. 632), which was temporary legislation.

The gentleman from Maryland [Mr. PALMISANO] on June 16, 1936, introduced this House joint resolution as a temporary law, in the event the Kerr-Coolidge bill could not be enacted before adjournment. The text of House Joint Resolution 632, as introduced, reads as follows:

Whereas, under existing provisions of the immigration laws, there is no statutory requirement that aliens found to be subject to deportation shall be immediately deported by the Secretary of Labor forthwith upon determination that the facts in any case justify deportation pursuant to law; and

Whereas, having knowledge of this implied discretion as to the date upon which actual deportation shall be effective, the Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, has heretofore delayed the execution of deportation orders against approximately 2,860 aliens of the noncriminal classes whose deportations have been ordered on grounds of technical violations of the immigration laws rather than on grounds involving violations of law for which penalties in addition to and more severe than deportation is provided by statute; and

Whereas the continued delay of actual deportation in cases of such noncriminal aliens has been heretofore predicated upon requests for such delayed action made upon the Commissioner of Immigration and Naturalization and upon the Secretary of Labor (1) by committee resolution adopted by the House Committee on

Immigration and Naturalization, which appeared in the CONGRESSIONAL RECORD of House proceedings on June 18, 1934; and (2) by House resolution adopted by the House of Representatives as shown in the CONGRESSIONAL RECORD of House proceedings on August 23, 1935; and

Whereas the Commissioner of Immigration and Naturalization has officially stated that the actual deportation of the aliens involved in this group of approximately 2,860 cases would thereby create immediate and unusual hardship within fireside families established, probably causing native-born American children and other citizen fireside relatives to be left behind in this country without adequate means of support and objects of public and private charitable support and that the number of such native-born American children and other citizen fireside dependent relatives likely to be left behind is over twice the number of these noncriminal aliens whose actual deportations have been thus delayed; and

Whereas a primary reason for the exercise of the above referred to implied authority to delay the actual deportation heretofore ordered in these cases has been the humane desire of the Commissioner of Immigration and Naturalization to obviate, if possible, the added hardship of permanent separation of these noncriminal aliens of good moral character from the citizen members of their fireside family established in the United States, which would be the result in many cases if the alien member of the family is actually deported, until Congress has been advised of the situation and had concluded its consideration of remedial legislative measures; and

Whereas legislative measures proposed by the Department of Labor and the Immigration and Naturalization Service calculated, when enacted, to provide authority for administrative extension of permanent relief in such noncriminal alien deportation cases, within certain defined limitations, have received favorable consideration by, and have been reported from, both the House Committee on Immigration and Naturalization and the Senate Committee on Immigration; and

Whereas Congress has not concluded orderly consideration of these favorably reported measures just referred to and there probably will be insufficient time for final legislative action thereon prior to the sine-die adjournment of the Seventy-fourth Congress; and

Whereas the Commissioner of Immigration and Naturalization and the Secretary of Labor should have some effective expression from this Congress, regarding the further delay of actual deportations of these cases and similar hardship cases or regarding the immediate execution of the orders for deportation in such cases, for their official guidance during the period following final adjournment of this Congress and the convening of the next Congress: Therefore be it

Resolved, etc., That the Secretary of Labor be, and hereby is, authorized to stay the execution of orders for deportation, upon the recommendation of the Commissioner of Immigration and Naturalization, until April 1, 1937, of aliens in the following general groups in cases where deportation has heretofore been ordered or hereafter ordered and stayed pursuant to this resolution:

(a) The group of aliens, numbering approximately 2,860, whose deportation has heretofore been delayed and in whose cases the records have been transmitted to the House of Representatives under date of January 15, 1936, and referred to in the printed House Document No. 392 of the Seventy-fourth Congress, second session: *Provided*, That any alien in this group shall be deported forthwith if the Commissioner of Immigration and Naturalization hereafter finds, upon further examination, that the facts in the case of such alien do not justify further delay of actual deportation;

(b) The group of aliens, approximately 150 in number, who have heretofore been recorded as lawfully admitted to the United States and some of whom have proceeded toward naturalization, in whose cases deportation has been ordered, held in abeyance, or is likely to be ordered and held in abeyance, on grounds predicated upon an opinion by the Attorney General of the United States issued subsequent to the admission of such aliens to the United States which held that an offense, to which it has been interpreted these aliens may have been guilty participants, should be considered as within the purview of "Crimes involving moral turpitude, namely, perjury or forgery." Approximately 50 or 60 private bills for the relief of aliens in this group have been introduced in the House, but consideration of them has not been concluded by the House Committee on Immigration and Naturalization; and

(c) An additional group of aliens, which may be hereafter segregated in the records of the Immigration and Naturalization Service, in whose cases deportation may be hereafter ordered "solely" on the grounds that any such alien "Is in the United States in violation of the immigration law in that he or she entered the United States without inspection or when not in possession of an unexpired valid immigration visa", whenever an examination of the facts of any such case convinces the Commissioner of Immigration and Naturalization that the immediate deportation of such alien would operate an unusual hardship upon citizen members of an established American family who are dependent, in part or wholly, upon the alien found subject to deportation.

On June 18, 1936, the committee amended this resolution by striking out the "whereas" clauses of the preamble and reported the resolution to simply provide for relief until April 1, 1937, to the aliens mentioned in this resolution.

After the committee had reported this resolution the American Federation of Labor through its president, William Green, sent a letter to the gentleman from Massachusetts [Mr. CONNERY], which reads as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., June 20, 1936.

Hon. WILLIAM P. CONNERY,
Member, House of Representatives,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: I am writing to advise you that the American Federation of Labor endorses and approves the adoption of a joint resolution by Congress providing for a stay in the execution of deportation proceedings in hardship cases until an opportunity is extended to enact remedial legislation dealing with this particular matter at the next session of Congress.

It is my opinion that not only for humanitarian, but in addition, for practical purposes the joint resolution providing for a stay in deportation proceedings in the classified hardship cases which have been reported to Congress should be adopted before Congress adjourns.

Very sincerely yours,

W. GREEN,
President, American Federation of Labor.

However, we were confronted with a practical situation. The Congress was coming to a close, and no legislation could be passed during the concluding days of the session unless a special rule was provided for the consideration of a bill, or permission was granted to suspend the rules for the purpose of passage of a bill. Even then consideration of a bill under either a rule or suspension of the rules did not mean passage.

The Speaker definitely told me that he had been informed that the resolution was highly controversial, having no chance for passage, and therefore he would not recognize me for any suspension of the rules. My only recourse, therefore, was to appeal for assistance to the Committee on Rules and ask them to report out a special rule for the consideration of either the bill or the resolution; but the Committee on Rules, for some reason or other, would not cooperate with me.

It was perfectly clear on the floor of the House that such a rule would have been supported by a majority of the Members of the House and that, upon the adoption of the rule, either the bill or the joint resolution would have been passed without any trouble and with a minimum of debate.

Where the idea originated that this bill, and especially that this resolution, was controversial legislation and could not be passed is beyond me. I can see absolutely no logical basis for such a contention; but, even admitting the allegation, that is no just reason for denying the bill or resolution proper consideration on the floor of the House.

On the other hand, the bill had the backing of the country and of responsible organizations throughout the United States; the resolution, as temporary legislation, was supported by many of the opponents of the bill, and was specifically endorsed by the American Federation of Labor. I am satisfied that either the bill or the resolution would have been supported by more than the usual number of the active and alert Members of the House had either been given the right-of-way for consideration.

The peculiar thing about this alleged so-called controversial character of this legislation becomes more apparent when the record of the closing days of Congress is studied. The Speaker did recognize some Members for suspension of the rules on bills which proved so controversial that they were defeated, and, furthermore, the Committee on Rules did report out special rules for the consideration of bills which, when considered under the rule, were almost defeated. In some instances a bill was first defeated under suspension of the rules, then a special rule was reported out, and the bill was passed after considerable controversy and debate.

Some instances of these unusual procedures are as follows:

On June 19, 1936, the Speaker recognized a Member for the purpose of moving suspension of the rules and passage of the bill H. R. 8555. That bill has been for over a year a very controversial measure in both Houses of Congress. The record vote on the motion to suspend and pass was lost by a vote of 118 to 83, 16 less than the required two-thirds favorable vote. However, on June 20, 1936, the Com-

mittee on Rules reported out a special rule for the consideration of this defeated bill, and when a vote was taken on the resolution for a rule the House adopted the resolution, but the resolution was so worded that the adoption of the resolution actually passed the bill without further debate or chance for any amendments to the bill.

On June 20, 1936, the Speaker recognized a Member for the purpose of moving suspension of the rules and passage of the bill H. R. 12445, relating to the Blue Ridge Parkway in Virginia and North Carolina. The principle of this bill was rejected by the House earlier in the session, when a similar bill under the same title was stricken from the Consent Calendar on May 4, 1936. On the motion to suspend the rules and pass H. R. 12445, the House rejected the bill by the vote of 175 for and 125 against, or 25 votes less than the required two-thirds. Within an hour the Committee on Rules submitted a special rule, which cut off all further debate on the bill and in every way expedited final passage of the already defeated measure. Only a majority vote was required to pass the resolution for the rule and only a majority vote was required, under the rules, to pass the bill. On the vote on the resolution for a rule, 146 Members voted for the rule and 139 voted against the rule. On the vote under the rule to pass the bill there were 145 votes for passage and 131 votes against passage, so that the bill was passed by only 7 more than the required majority.

Recognition was granted by the Speaker on June 20, 1936, for motions to suspend the rules and pass four other bills. Two of these were passed, but the other two proved to be so controversial that the vote to suspend and pass in the case of one bill was 61 for and 170 against; in the case of the other bill was 36 for and 125 against.

Another instance is the bill S. 3107. This bill was refused passage by the House on June 1, 1936, when it was reached on the Consent Calendar. When recognition was given on June 20, 1936, for suspension and passage, the House passed the bill by the small vote of 100 for passage and 44 against, or only 4 votes more than the required two-thirds vote. Incidentally, it is interesting to note that this bill was pocket vetoed on June 29, 1936.

One of the bills for which suspension was asked was a measure granting certain retirement privileges to William H. Moran, Chief of the Secret Service Division of the Treasury Department. This proved very controversial and was defeated by a vote of 36 for passage and 125 against.

Another of the bills defeated, after recognition had been granted on the last day to suspend the rules and pass the bill, was a Senate bill to provide for the survey of a part of the Clark Fork of the Columbia River. This developed such a controversy that the vote was 61 for passage with 170 against passage.

So there is apparent reason to believe that the controversial character of these bills I have just referred to did not prevent the Speaker and the Committee on Rules from arranging for the consideration of those bills under either suspension of the rules or under a special rule reported from the Rules Committee, and in some cases both suspensions and a special rule.

I cannot understand upon what premise the Speaker and the Rules Committee refused to give bills so important as the Kerr-Coolidge bill and the Palmisano resolution at least an equal status to that given the bills of minor significance or private or local importance for which they granted suspension of the rules and special rules.

I have excellent reasons to believe that during the course of the last day of the session, June 20, 1936, the Speaker and the Committee on Rules were advised that the passage of the Palmisano joint resolution by the House before final adjournment was much desired by the President and also by the Secretary of Labor. Notwithstanding these facts, the Speaker and the Rules Committee did not cooperate with me to expedite consideration and passage of that resolution, which was a necessary temporary measure in no way amending or changing any of our immigration laws.

That resolution simply would have prevented unusual hardship and inhuman punishment upon American-citizen wives and children in all parts of the Nation, whose fathers and husbands will now be in danger of immediate deportation. The relief provided was only for a period ending April 1, 1937. Something should have been done about this temporary relief measure.

In conclusion, let me repeat that the Speaker had definitely informed me that he would not recognize me for any suspensions and that the Committee on Rules would not cooperate with me on the granting of any special rules either on the Kerr bill or the Palmisano resolution.

I am confident if such a special rule had been given me, on either the bill or the resolution, the adoption of the rule would have been supported by almost all of the Members of the House and that upon the adoption of the rule either the resolution or the bill would have received considerably more than the majority favorable vote then required for passage by the House.

Therefore, let me say that in spite of my effort to cooperate in every way and notwithstanding my great desire to have this legislation enacted, I cannot help but lay the blame upon the leadership of the House of Representatives for permitting the Kerr bill and the Palmisano resolution to die with the sine die adjournment of Congress without even giving the House membership the right to consider them, on their merits, on the floor of the House.

It is very embarrassing for me to be forced into a position where I have to complain about the effectiveness of our House leadership, and I am very sorry to see the good, which would have followed the enactment of the Kerr-Coolidge bill or the Palmisano resolution, fall by the wayside simply because of improper management in the House during the concluding week of the Congress, after 2 years of constructive effort to secure a satisfactory bill.

Something very drastic will have to be done to avoid any future recurrences of similar situations and put an end to this useless bickering for favored consideration by the House in the closing days of a session, of insignificant measures or measures of local or private importance, by Members who will not raise a finger or give proper cooperation to pass general legislation of real significance and benefit to the people of all sections of the United States.

REPUBLICAN CONVENTION AND PLATFORM

Mr. SABATH. Mr. Speaker, it is regretted that, after the splendid acclaim given to the minority leader [Mr. SNELL] when he was presented with the gavel to be used by him in the Republican convention, such ill fortune should befall him as happened to the gentleman on the other side of the Capitol [Senator STEIWER], both of whom, I fully appreciate, endeavored, with the best of intentions, to bolster their repudiated party. Instead of offering our congratulations we are obliged to extend our sympathy.

The offspring of the hasty marriage of the reactionaries and the few misguided progressives is a two-faced baby, in all likelihood due to too many doctors taking part in bringing that offspring to life, all of whom, we learn, including Dr. Hoover and Dr. BORAH, were going in opposite directions. This, naturally, unnerved both of these keynoters, neither of whom should be held responsible, and who are, as I have stated, entitled to our condolence and sympathy. No doubt they must have believed that their newly created brain trust would devise ways and means to enable them to successfully ride elephants in opposite directions. Furthermore, there was reason to believe that it would not have been thought necessary to "crib" from the Democratic platforms of 1912 and 1932. But as it is, the only thing of value in the liberty-appealing Republican document has been "lifted" from the Democratic platforms. It is on a par with the great artificial demand that was heard in the Cleveland auditorium—"We want Hoover", and the Hoover assertion that "the people must fight to regain liberty."

Republican delegates were asked by the erstwhile head of the defunct Republican Party whether they would "for expediency's sake also offer will-o'-the-wisps which beguile the people? Or have you determined to enter into a holy crusade for liberty which shall determine the future and perpetuity of a nation of free men?" The great former leader, Mr. Hoover, told us that "fundamental American

liberties are at stake." The charge is that the great Democratic Party has beguiled and is beguiling the people. When he speaks of fundamental American liberties being at stake we assume that he means benevolent liberties. Benevolent liberties are at stake, admittedly. By whom are they jeopardized, I ask? The whole trouble from Mr. Hoover's viewpoint is the substitution on March 4, 1933, of benevolent liberties for the 12-year-old malevolent liberties of the Republican Party, which includes all the racketeers, all the plunderers, all the blood-sucking termites, all the bloated tax dodgers, all the oppressors of the humbler masses, all the tariff beneficiaries, from Wall Street to San Francisco, and from Portland, Maine, to Brownsville, Tex.

The restraint by law of Wall Street vipers from continuing to impoverish our good and worthy citizens is the restraint and abridgment of liberty to which Mr. Hoover refers; and the reenthronement of those dastardly liberties under the influence of the Republican Party is the thing that rests nearest to dear Herbie's altruistic heart. Of what stuff is this erstwhile leader of the defunct Republican Party made? Herbert Hoover of London and Johannesburg! How did Herbert Hoover meet the pleading of World War veterans for bread when they assembled in Washington about 4 years ago? Why, sirs, with real bullets and tear gas. Did he then, I ask, consider the guaranteed liberty of those men; did he consider the right of those American citizens, those worthy ex-soldiers, to peacefully assemble and petition their Government for remedial action? Or was he too busy listening to the suave pleadings of Wall Street emissaries?

That is not all. There is another shocking and condemnable parallel.

About 5 years ago the Congress, after certain States had declared themselves financially impotent, provided approximately $62,000,000 for drought-stricken areas. This money was entrusted to Herbert Hoover and his Secretary of Agriculture. What then happened causes blood to boil in men of humane sentiments. Why, this great engineer, this present-day self-designated humanitarian, ruled that livestock might be fed with this relief money while deserving, destitute citizens of England, Ark., and elsewhere in that stricken area would be allowed to starve. That was the personal attitude of the man who now pleads for salvation of fundamental liberties. That man's cruel attitude in that particular respect did not change until the late Senator from Arkansas and the present majority leader of the Senate centered upon him a most humane, logical, and devastating fire.

What was the attitude of this self-same Republican spokesman in relation to a guaranty of bank deposits when he was at the helm and willing, earnest, deserving men and women were falling on all sides victims of the most abominable banking system the world had ever seen? Responsibility for inaction in that catastrophe rests upon his own head, because the Democratic House told him it would cooperate thoroughly in the framing of any bank-deposit guaranty he might recommend. Still he did nothing. It was not in him to act for the salvation of thrifty and deserving citizens in the face of large and unconscionable rewards; rewards akin to the spoils of pirates, for big business and big finance, which rewards meant larger contributions to the Republican war chest. Then it was that the nefarious liberties of American financiers must be preserved.

It must be evident to anybody that there is a well-laid plan, yes, conspiracy, on the part of these predatory interests, especially the officials of these selfish, soulless corporations, and the malevolent banking fraternity, to regain control of American business and finance through politics. These blatant racketeers of darkest hue are not grateful for being rescued from the results of their own inexcusable iniquities, and content to leave sound government in able and promising hands; they want to regain political power and wipe from our statutes every vestige of law that restrains the hands of these Beelzebubs raised for the injury of their humbler fellow citizens. Place this gang of repulsive apostates again in control of our Government and it would wipe from the statutes every law destined to wrest by taxation from it a just burden of government.

This gang of shameless buccaneers would jettison every piece of social legislation and leave the humble and defenseless, without hope, to slowly starve to death.

This gang of ruthless malefactors would place upon statute books tax laws through which a high-salaried lawyer could with his client ride without retardation, just as the richest man in America escaped all income-tax payment a few years ago under a Republican-made tax law by hiring a well-known apostate lawyer whose ability as a circumventer of income-tax laws caused him to be adopted politically by such evasionists.

Place this diabolical wrecking crew again in charge of our Government and it would junk the securities act and unload again upon innocent and worthy American investors 50 billions of securities, one-half of which would not be worth the paper upon which they were written.

Notwithstanding the fact that the Republican convention was well oiled, at the direction of Oilman Landon, it did not function so smoothly as was anticipated. The absence of Mr. Sinclair, Albert Fall, and Blackmere was not conducive to complete success. As it was, too much oil finally got into the carburetors of that once mighty machine, judging by the unusual exhausts and backfires. But those backfires are as nothing contrasted to the one big backfire we shall hear next November.

Among the delegates of stellar magnitude was our old friend Charlie Dawes—Gen. Charlie Dawes—who rendered such conspicuous "combatant" service on the field of Flanders. And this man was not a corporal in the uniform of a general. He was not a midget sitting in the seat of a mighty. Such a great contribution to allied success resulted in Charlie being chosen as the first generalissimo of the Bureau of the Budget, where his success was instantaneous, enduring, and much appreciated. In that big job he was a worthy assistant to the "greatest" Secretary of the Treasury since Hamilton—Mr. Mellon. What a smooth-working team! What great, hopeful, permanent results for a country leavened with mediocrity!

But Charlie took that job for a temporary tenure, until the perfect machinery could be set in motion and steadied; then he was to further bless our Government, which was suffering from a dearth of talent of really high order, by being persuaded to temporarily forsake private banking and return to the service of his Government as a member of the Reconstruction Finance Corporation. From that superb service, the General received his highest and proudest title—90-Million-Dollar Charlie. The General, a modern Cincinnatus, showed his altruism and patriotism by ostensibly quitting the Central Republic Trust of Chicago and returning to the service of his country. The only objection is that Charlie served—the Central Republic Trust—too well; and when he found the call of private business so urgent and commanding that he had to yield, the treasury of the R. F. C. found itself emptied of 90 million dollars. Of course, nobody who really knows the General would associate his patriotic service with an improper loan; nevertheless, our Treasury is to this good day short about 48 million of that 90 million.

Only a casual perusal of the Republican Party's platform shows it contains certain Democratic planks of 1912 and 1932. The Republican platform is a promise to take over the New Deal, as it stands today, and to administer it more economically and more efficiently. There is no fight with President Roosevelt over the purposes of any of the essential features of the New Deal as at present conducted. The fight is over methods.

That platform uses the very words of Bryan, who was by the restrained Republicans of that day called a demagog and a danger to the Republic. The Republican plank regarding enforcement of criminal laws, as well as civil laws, against monopolies and trusts, swings back to wordage virtually identical with the Democratic platform of 24 years ago. Senator Borah admits that he copied these planks almost verbatim from Democratic platforms. In every paragraph of that platform they have left their indelible marks.

It is a two-faced monster, a hybrid, one face smiling upon agriculture, labor, and legitimate business; the other winking at the racketeers of Wall Street, the big tax dodgers,

the tariff barons, the oil gang of plunderers and their ilk. It is a despicable monster propelled by reptilian blood of subzero temperature, but it is destined to fool few who can do only superficial thinking.

Herbert Hoover allied himself with certain men of ill character and for 4 long and devastating years sold and helped to sell millions of dollars of worthless and watered stock. Then, suddenly, he decided that liquidation, however painful and destructive, must take its unrestrained course. Then when the fury of withering storm came upon us, he and his coadjutors, named Mellon, Morgan, Whitney, and Mills, sought storm cellars.

Now, when safe and sound laws enacted by a wise Democratic program have alleviated and in most cases completely relieved the suffering born of Republican misrule, when wise Democratic legislation has decreased unemployment by 8 million and increased wages; has rehabilitated legitimate business by from 50 to 300 percent; when prices for farm products have increased from 100 to 200 percent; when our Government revenues have increased by about 100 percent; when bank deposits and building-and-loan associations have been made safe; these miscreants are brazenly emerging from storm cellars to set themselves up as carping, unjustified, repudiated, accursed, abominable critics of the safe and sound achievements of the Roosevelt administration.

I will now insert a statement by the Securities and Exchange Commission of salaries paid to these arch critics of the Roosevelt administration. The statement is illustrative rather than exhaustive, as some of the offending tycoons are not included. Many of these men draw unconscionable bonuses and other money from other companies and corporations with which they are at least nominally connected, to say nothing of dividends and interest they receive on stocks and bonds acquired dubiously, sometimes as presents. Most of these men drawing these unreasonable salaries and hidden bonuses do not devote their time and ingenuity to managing these institutions, but most of them, especially those connected with the Liberty League, devote their time to dealing and conniving with Wall Street brokers and members of the stock exchange, to the injury of legitimate business and worthy stockholders and security holders. As an additional excuse for drawing these unconscionably high salaries they have themselves elected "chairmen of the general boards." A euphemistic title, I say! The statement in question follows:

TABLE 1.—*Total remuneration of officers and directors receiving annually $50,000 or more. Selection limited to domestic corporations with assets of $50,000,000 or greater and having securities permanently registered on national securities exchanges*

Name of company and official	Capacity	Remuneration
Allied Stores Corporation:		
B. Earl Puckett	President and director	$73,147
Richard Mitton	Chairman and director of registrant; officer of 1 subsidiary.	50,235
American Express Co., F. P. Small	President and director	68,665
American Rolling Mill Co.:		
George M. Verity	Chairman and director	63,000
Charles R. Hook	President, general manager, and director.	54,000
American Smelting & Refining Co.:		
Francis H. Brownell	Chairman and director of registrant; president of 1 subsidiary.	100,000
H. G. Guess	Vice president and director	70,000
Simon Guggenheim	President and director	50,000
American Sugar Refining Co., Earl D. Babst.	Chairman and director	77,160
American Telephone & Telegraph Co.:		
W. S. Gifford	President and director	206,250
C. P. Cooper	Vice president and director	74,250
C. M. Bracelen	Vice president and general counsel	61,875
B. Gherardi	Vice president and chief engineer	61,875
H. D. Pillsbury	President and director of 1 subsidiary.	55,008
Leonard H. Kinnard	Chairman and director of 1 subsidiary.	55,000
American Tobacco Co.:		
George W. Hill	President and director	137,043
James E. Lipscomb, Jr	Director and president of 1 subsidiary.	100,000
Vincent Riggio	Vice president and director	60,000
Charles F. Nelley	do	60,000
Thomas R. Taylor	do	50,000
Paul M. Hahn	do	50,000
American Water Works & Electric Co., Inc., H. Hobart Porter.	President and director	$80,625
American Woolen Co.:		
Lionel J. Noah	President and director	85,300
Moses Pendleton	Vice president and director	50,300
Anaconda Copper Mining Co.:		
Cornelius F. Kelley	President and director of registrant; president of 8 subsidiaries.	174,504
James R. Hobbins	Vice president and director of registrant; president of 1 subsidiary.	60,574
Associated Gas & Electric Co., J. I. Mange.	President and director	55,572
Atlantic Refining Co.:		
J. W. Van Dyke	Chairman and director	100,000
W. M. Irish	President and director	75,000
Bethlehem Steel Corporation:		
Charles M. Schwab	Chairman and director of registrant; officer or director of 1 or more subsidiaries.	230,000
Eugene G. Grace	President and director of registrant; officer or director of 1 or more subsidiaries.	180,000
Quincy Bent	Director of registrant; officer, director, or employee of 1 or more subsidiaries.	90,000
C. Austin Buck	do	90,000
Paul Mackall	do	75,000
R. E. McMath	Vice president, secretary, and director of registrant; officer or director of 1 or more subsidiaries.	58,500
Borden Co., Arthur W. Milburn	President and director	95,000
Brooklyn Union Gas Co., James H. Jourdan.	do	81,092
Coca-Cola Co., R. W. Woodruff	President and director of registrant; director of 1 subsidiary.	100,500
Columbia Gas & Electric Corporation:		
Philip G. Gosler	President and director of registrant; officer or director of various subsidiaries.	91,300
Thomas B. Gregory	Senior vice president and director of registrant; officer or director of various subsidiaries.	51,050
Commercial Credit Co.:		
A. E. Duncan	Chairman and director	55,000
J. P. Maguire	President of subsidiary	55,000
Commonwealth & Southern Corporation, Wendell L. Willkie.	President and director	65,971
Consolidated Gas Co. of New York:		
George B. Cortelyou	President, trustee, and member executive committee of registrant; officer or director of 22 subsidiaries.	108,506
Frank W. Smith	Trustee and member executive committee of registrant; officer or director of 9 subsidiaries.	78,818
Floyd L. Carlisle	Chairman, trustee, and member executive committee of registrant; officer or director of 9 subsidiaries.	57,930
Consolidated Gas, Electric Light & Power Co. of Baltimore, Herbert A. Wagner.	President, member executive committee, and director.	66,640
Continental Oil Co., Dan Moran	President and director	100,000
Corn Products Refining Co.:		
George M. Moffett	do	144,750
Frederick T. Fisher	Vice president, secretary and treasurer, and director.	121,500
George S. Mahana	Vice president and director	121,500
Curtis Publishing Co.:		
G. H. Lorimer	Chairman, president, and director	100,000
P. S. Collins	Vice president and director	60,751
F. A. Healy	do	54,000
Detroit Edison Co., Alex Dow	President and director	75,715
Eastman Kodak Co.:		
Frank W. Lovejoy	do	90,904
William G. Stuber	Chairman and director	61,230
Electric Power & Light Corporation, H. C. Couch.	Director of registrant; officer or director of 8 subsidiaries.	71,335
Federal Water Service Corporation, C. T. Chenery.	President and director of registrant; chairman and director of 14 subsidiaries.	56,700
Federated Department Stores, Inc.:		
Simon Lazarus	Vice president and director of registrant; officer or director of 2 subsidiaries.	100,440
Fred Lazarus, Jr	Director of registrant; officer or director of 2 subsidiaries.	100,320
Louis E. Kirstein	do	80,400
Edward J. Frost	Secretary, treasurer, and director of registrant; officer or director of 2 subsidiaries.	80,320
Lincoln Filene	Chairman and director of registrant; chairman and treasurer of subsidiary.	80,140
Samuel J. Bloomingdale	Director of registrant; chairman of 1 subsidiary.	76,201
Edward C. Blum	Assistant secretary and assistant treasurer of registrant; president and director of 1 subsidiary.	57,720

TABLE 1.—*Total remuneration of officers and directors receiving annually $50,000 or more. Selection limited to domestic corporations with assets of $50,000,000 or greater and having securities permanently registered on national securities exchanges*—Con.

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Name of company and official	Capacity	Remuneration
Fidelity-Phenix Fire Insurance Co.:		
Ernest Sturm	Chairman and director of registrant; chairman of 5 associated companies and director of 8 associated companies.	$96,597
Bernard M. Culver	President and director of registrant; president of 5 associated companies and director of 8 associated companies.	56,201
General Electric Co.:		
Gerard Swope	President and director	87,260
Owen D. Young	Chairman and director	87,260
General Motors Corporation:		
William S. Knudsen	Executive vice president and director.	211,129
Alfred P. Sloan, Jr.	President and director of registrant; director of 1 subsidiary.	201,744
Charles F. Kettering	Vice president and director	140,695
Donaldson Brown	Vice president and director of registrant; director of 1 subsidiary.	134,688
John L. Pratt	Vice president and director	134,528
Lawrence P. Fisher	do	125,219
John Thomas Smith	do	125,213
Richard H. Grant	Vice president	118,802
James D. Mooney	Vice president and director	118,129
William A. Fisher	Vice president	110,569
Albert Bradley	Vice president and director	98,253
Charles E. Wilson	do	98,018
Ormond E. Hunt	Vice president	98,003
Charles T. Fisher	Vice president and director	78,840
John T. Schumann, Jr.	Director of registrant; president and director of 1 subsidiary.	71,631
B. F. Goodrich Co., J. D. Tew	President, member executive committee and director.	60,143
Goodyear Tire & Rubber Co., P. W. Litchfield.	Chairman, president, and director	81,000
Great Western Sugar Co.:		
W. L. Petrikin	Chairman of board and director	55,000
W. D. Lippitt	President and director	53,363
Houston Oil Co. of Texas, Geo. A. Hill, Jr.	do	51,480
International Business Machines Corporation:		
Thomas J. Watson	do	365,339
Otto E. Braitmayer	Vice president and director	60,330
International Harvester Co., Addis E. McKinstry.	President and director	60,757
International Paper & Power Co.:		
Archibald R. Graustein	President and director or registrant; president of 2 subsidiaries.	95,696
Frank D. Comerford	Vice president and director of registrant; officer or director of 3 subsidiaries.	73,100
International Paper Co., R. J. Cullen.	Vice president or registrant; officer or director of 2 subsidiaries.	62,880
International Telephone & Telegraph Corporation, Sosthenes Behn.	President and director of registrant; director of 10 subsidiaries; director of foreign subsidiaries not named.	51,648
International Utilities Corporation, P. M. Chandler.	President and director of registrant; officer or director of 7 subsidiaries.	57,110
Kennecott Copper Corporation:		
D. C. Jackling	Chairman operating committee of registrant; officer or director of 6 subsidiaries.	101,410
E. T. Stannard	President and director	75,820
Stephen Birch	Chairman and director of registrant; director of 1 subsidiary.	75,700
Kroger Grocery & Baking Co., Albert H. Morrill.	President and director	77,756
R. H. Macy Co.:		
Percy S. Straus	President and director of registrant; vice president of 1 subsidiary.	112,217
Edwin I. Marks	Vice president and director of registrant; vice president of 1 subsidiary.	101,610
William J. Wells	Director of registrant; president of 1 subsidiary.	75,300
Delos Walker	Vice president and director	70,135
Jack Isador Strauss	Vice president and director of registrant; vice president of 1 subsidiary.	61,465
May Department Stores Co., Morton J. May.	President and director	100,000
Mid-Continent Petroleum Corporation, Jacob France.	do	81,000
National Dairy Products Corporation:		
Thos. H. McInnerney	do	108,700
L. A. Van Bomel	Vice president and director of registrant; president of 1 subsidiary.	60,800
J. L. Kraft	Director of registrant; president of 1 subsidiary.	56,390
National Distillers Products Corporation, Seton Porter.	President and director	75,400
National Lead Co., William H. Croft.	Director of registrant; president of 1 subsidiary.	88,014
National Steel Corporation:		
Ernest T. Weir	Chairman and director	53,672
John C. Williams	Vice president and director of registrant; president and director of 3 subsidiaries.	53,671
George R. Fink	President and director of registrant; president and director of 1 subsidiary.	53,643

TABLE 1.—*Total remuneration of officers and directors receiving annually $50,000 or more. Selection limited to domestic corporations with assets of $50,000,000 or greater and having securities permanently registered on national securities exchanges*—Con.

Name of company and official	Capacity	Remuneration
North American Co.:		
Louis H. Egan	Director of registrant; officer or director of 30 subsidiaries.	$56,350
James F. Fogarty	President, member executive committee, and director of registrant; director of 16 subsidiaries.	52,108
Harrison Williams	Chairman executive committee and director.	50,260
Owens Illinois Glass Co., Wm. E. Levis.	President, general manager and director.	100,000
Pacific Gas & Electric Co., A. F. Hockenbeamer.	President and director	70,133
Pan American Petroleum & Transport Co.:		
Louis Blaustein	do	65,250
Jacob Blaustein	Executive vice president and director.	55,250
Phelps-Dodge Corporation, Louis S. Cates.	President and director	76,440
Philadelphia & Reading Coal & Iron Corporation, Andrew J. Maloney.	President and director of registrant; president of 1 subsidiary.	60,717
Philadelphia Electric Co., W. H. Taylor.	President, member executive committee and director, officer or director of 8 subsidiaries.	61,531
Pittsburgh Coal Co., J. D. A. Morrow.	President and director	74,440
Procter & Gamble Co.:		
Richard K. Deupree	President and director of registrant; officer or director of various subsidiaries.	100,000
Renton K. Brodie	Vice president and director of registrant; officer of various subsidiaries.	60,000
Herbert G. French	Vice president and director of registrant; officer or director of various subsidiaries.	60,000
Floyd M. Barnes	Vice president and director of registrant; officer of various subsidiaries.	55,000
Public Service Corporation of New Jersey:		
Thomas N. McCarter	President and director of registrant; president and director of 5 subsidiaries.	150,000
Edmund W. Wakelee	Vice president and director of registrant; vice president and director of 5 subsidiaries.	90,000
Percy S. Young	do	90,000
Pure Oil Co., Henry M. Dawes	President	55,250
Radio Corporation of America:		
David Sarnoff	President and director of registrant; director of 4 subsidiaries.	52,330
James G. Harbord	Chairman and director of registrant; director of 4 subsidiaries.	50,160
Reading Co., C. H. Ewing	President and director of registrant; president and director of 1 subsidiary.	60,000
Republic Steel Corporation:		
T. M. Girdler	Chairman, president, and director	129,372
B. F. Fairless	Vice president and director	64,692
R. J. Wysor	do	64,692
Myron A. Wick	do	51,744
Reynolds (R. J.) Tobacco Co.:		
S. C. Williams	Vice chairman and director	60,000
Jas. A. Gray	President and director	50,000
Shell Union Oil Corporation, J. C. Van Eck.	Vice chairman and director	60,000
Standard Brands, Inc.:		
Joseph Wilshire	President and director of registrant; president of 4 subsidiaries.	152,560
Paul W. Fleischmann	Vice president of registrant; vice president of 2 subsidiaries.	60,050
Hugo A. Oswald	Secretary and treasurer of registrant; secretary and treasurer of 1 subsidiary.	55,660
Standard Oil Co. of California:		
K. R. Kingsbury	President and director	136,418
Oscar Sutro	Vice president and director	90,987
W. H. Berg	do	54,596
H. D. Collier	do	54,546
R. W. Hanna	do	54,546
Standard Oil Co. of Indiana:		
E. G. Seubert	President and director	117,900
Allan Jackson	Vice president and director	64,800
E. J. Bullock	do	60,300
R. H. McElroy	do	54,900
C. J. Barkdull	Executive vice president, treasurer, and director.	51,400
Standard Oil Co. of New Jersey:		
W. C. Teagle	President and director	125,000
W. S. Farish	Chairman and director	112,500
Christy Payne	Vice president, treasurer, and director.	85,000
E. J. Sadler	Vice president and director	85,000
C. O. Swain	General counsel and director	85,000
R. G. Stewart	Director	83,500
G. H. Smith	do	70,000
O. Harden	do	60,000
F. H. Bedford	do	50,000
R. W. Gallagher	do	50,000
Standard Oil Co. (Ohio); W. T. Holliday.	President and director	81,000

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Name of company and official	Capacity	Remuneration
Texas Corporation:		
C. B. Ames	Chairman and director	$75,000
W. S. S. Rodgers	President and director	50,000
Texas Gulf Sulphur Co., Walter H. Aldridge.	do	50,750
Tide Water Associated Oil Co.:		
W. F. Humphrey	President and director of registrant; president and chairman of 2 subsidiaries.	63,555
E. L. Shea	Vice president and director of registrant; president of subsidiary.	53,278
United Corporation, George H. Howard.	President and director of registrant; officer or director of 2 subsidiaries.	75,320
United Drug, Inc., Louis K. Liggett.	Director of registrant; officer or director of 2 subsidiaries.	62,255
United Fruit Co., Francis R. Hart.	President and director	58,450
United Gas Improvement Co., John E. Zimmerman.	Chairman, president, and director	100,000
United Light & Power Co.:		
William Chamberlain	Chairman and director of registrant; officer or director of 6 subsidiaries.	63,710
Charles S. McCain	President and director of registrant; officer or director of 5 subsidiaries.	57,000
United States Rubber Co.:		
Francis B. Davis, Jr	Chairman and president	125,220
William de Krafft	Vice president and director	50,700
United States Smelting, Refining & Mining Co., C. A. Hight.	President and director	55,210
United States Steel Corporation:		
Myron C. Taylor	Chairman and director	161,672
William A. Irvin	President and director of registrant; director of 20 subsidiaries.	102,162
William J. Filbert	Chairman finance committee and director of registrant; director of 19 subsidiaries.	87,942
Utilities Power & Light Corporation, H. L. Clarke.	President and director of registrant; officer or director of 5 subsidiaries.	50,880
Wesson Oil & Snowdrift Co., Inc., A. D. Geoghagen.	President and director	80,116

Repeating, this statement is not complete, as some of the biggest men are not included; nor does the statement show all the salaries, bonuses, rake-offs, and so forth these men receive.

It is perfectly obvious that many of the men shown on this list are behind the Liberty League and other such organizations formed solely to disparage, besmirch, and unjustifiably assail the Democratic administration and the fair name of President Roosevelt. These are the men who cry for "restoration of fundamental American liberties" when they mean liberty to plunder, debase, and strengthen the monopolistic grip and control, to enable them to a still greater degree enslave the humble wage earners and destroy the small, independent merchants and manufacturers.

There is a continual chorus of complaints from these plunderers when we contemplate a tax bill that would justifiably affect these unconscionable and unwarranted salaries and bonuses only. What an altruistic sentiment these men adopt, what crocodile tears they shed, in the face of a tax bill, for farmers and wage earners! They allege that this proposed tax will necessarily fall heaviest upon the farmers and the wage earners. Did anybody anywhere ever hear of one of this gang having a really unselfish thought for a farmer or a wage earner? Emphatically, no.

The speeches nominating the President contain additional information to accurately acquaint our countrymen with the vile, conniving, unworthy, dastardly efforts of these predatory interests to belittle and defeat the laudable aims and purposes of President Roosevelt.

STRIKES

The "mighty" chieftains of the once proud and powerful, but now inert, Republican Party complain about the number of strikes we have. In lifting American labor from the near thraldom into which it had been with studied cruelty submerged by late corrupt Republican misrule and shilly-shallyness to promote sundry reprehensible interests, notably the United States Steel Corporation, the great Democratic Party of Roosevelt enacted more beneficial labor and social legislation than all the Republican administrations combined. There were few strikes under Republican misrule simply because American labor was largely unemployed and cowed to the point of abject slavery, and the few who were employed received only wages the men of big business dictated, without regard for actual needs. With this new freedom, it is but natural that labor should try to properly rehabilitate itself.

The Democratic Party favors collective bargaining, as does the Republican Party at least vocally, and to that end the Democrats enacted the Wagner-Connery bill. The Democratic Party favors protection of women and children in industry and legislative failure to effect this result rests upon the Supreme Court.

COLORED

As regards the colored race, it is obviously unfair to charge the "liberal-minded" Republican leaders with not evincing due consideration for the colored race, because they did consider members of the colored race when they excluded them from the Republican convention and thereby saved them from the cruel and unmerited punishment inflicted upon the white office-seekers and paid applauders who were by their prospects and terms of employment compelled to remain.

Seriously, if any fair man wants to learn the attitude of the Democratic Party toward the colored race, let him read from the pen of the able colored Representative in Congress of the colored race, his enlightened interpretation of that attitude.

MAURY MAVERICK: HIS RECORD

Mr. MAVERICK. Mr. Speaker, all Congressmen are likely to have opponents. I have two. One of them is greatly increasing the purchasing power of my district by large expenditures of money. An advertisement appeared in San Antonio newspapers; three of which cost this candidate nearly $1,000. I estimate that he has either contracted for or has paid for advertising and other matters more than $15,000 and to use some good old-style English "that ain't a drop in the bucket."

In these highly expensive advertisements, with their rambling, disconnected inanities, which utterly fail to disclose just what this opponent is for or against, I do find something of value—namely, subheads. These subheads of his, duly identified by quotation marks, I propose to use as the basis of my comments.

He says in the first paragraph of his tiresome advertisement, "No selfish desire prompted me to hold office in the past." This is not altogether a new or original statement for an aspirant to make in seeking office, but to this it can only be said that he was elected to the office of district attorney, made an inconspicuous record, and resigned before his term was up. How do we know that he will not do the same thing again? Previously he did it on account of the pressure of business, and from what I understand business may increase at any time and pressure may get him out again, when he will move to Oklahoma to take care of his interests.

But to use these headlines of his I will give direct quotations from other sources which concern me—and some comments from myself. Bear in mind that the subheads are his and not mine, but the statements thereunder concern me.

"AN EARNEST DESIRE TO SERVE"

President Roosevelt:

My good friend, MAURY MAVERICK.

Public Opinion (San Antonio publication):

MAURY MAVERICK should be returned to Congress.

The Nation:

The emergence of a group of first-term Congressmen enthusiastically progressive, including MAVERICK, of Texas, has been the happiest event of the present Congress.

The services of the Congressman from Bexar County have been and will continue to be at the command of any citizen. No red tape must be cut in order to secure his attention for any matter that concerns the county or any of its citizens.

"ADVOCATE OF PEACE"

Washington Merry Go Round (one of the most widely read of the Washington newspaper features):

The Congressman of the year: MAURY MAVERICK, of Texas. Because of his consistent campaign for freedom of speech, freedom of the press, and to keep this country out of war.

Heywood Broun (internationally known writer and economic observer):

Mr. MAVERICK's fight for a stringent American neutrality policy undoubtedly played an important part in the enactment of the present neutrality legislation.

Christendom, scholarly quarterly review of Christian bodies, and greatest publication of its kind in the world, says that in the United States of America, MAURY MAVERICK, of Texas:

is fast winning his right to the designation "Public Friend No. 1."

Oswald Garrison Villard (one of the outstanding liberals of America):

MAVERICK is one of the best and most courageous Congressmen in America.

Rodney Dutcher (famed Scripps-Howard columnist):

It was the red-hot indignation of certain Members, conspicuously Senator HOMER BONE, of Washington, and Representative MAURY MAVERICK, of Texas, which impressed and infected others to the extent of wrecking a neat plan to bury the proposals designed to keep us out of war.

The record shows that MAVERICK has consistently supported all legislation designed to promote good will between our Nation and those of the other people of the earth.

"FOR ADEQUATE DEFENSE"

The Secretary of War in a letter to MAVERICK said:

The War Department appreciates your deep interest in the Army and your efforts in its behalf. The results obtained are best evidenced by the sums of money expended by and for the Army in and near San Antonio, to the lasting good not only of the national defense but of the community as well.

Hospital at Fort Sam Houston: MAVERICK got it.

Improvements at Fort Sam Houston to the extent of approximately $2,000,000: MAVERICK got them.

Increase in Army (THOMASON, of Texas, bill): MAVERICK voted for it and increases in Army personnel will go on for the next 12 months.

Air Service: MAVERICK will be appointed to the Subcommittee of Aviation, most important for San Antonio, next year. No new Congressman can get on this committee.

Congressman LISTER HILL, new Chairman of the Military Affairs Committee of which MAVERICK is a ranking member, said:

This will place you (MAVERICK) in a fine strategic position for service to your district and for service to the whole country.

My record in Congress is the best evidence.

"FRIEND OF AGRICULTURE"

Voted for all constructive agricultural legislation.

Had Agriculture Department give special attention to Bexar County and southwest Texas.

Cooperated in fruit-fly extermination.

Brought Under Secretary of Agriculture, Hon. Rex. Tugwell, for personal inspection of agricultural situation in southwest Texas and Mexico.

Have received special consideration from Resettlement Administration in working for adjustment of agricultural problems.

Served on important committees, such as Southern Policy Committee, and with other Texas Congressman and Senators for passage of Bankhead Tenant Act which will be of extreme benefit to Texas.

Now working on Texas soil-conservation plan, which has been discussed with President Roosevelt personally. When the plan is finally placed in operation it will be of tremendous benefit to Texas farmers in the conservation and reclamation of rich farming lands. Such conservation measures are vital also to city life—San Antonio more than any. Included in this work is the matter of flood control, vital to the Nation—and this district. The administration is especially interested in such plans.

"RESTORE PEOPLE'S BUYING POWER"

This statement of my opponent is so completely at variance with the caption that it is hard to tell what he means. Such cliches are used as "Labor cannot prosper when industry cannot prosper", and so forth; "Labor and capital should march side-by-side", and so on and so on, and a meaningless rigmarole of long and tiresome sentences.

Concerning MAVERICK:

Voted for all intelligent labor legislation protective of women, children, and all people in general.

Supported measures designed to guard the rights of the laborer as both a wage earner and a consumer.

Supported movements to aid youth in securing education through National Youth Administration and through the Civilian Conservation Corps.

Kept in close contact with local, State, and national labor leaders on legislation in Congress affecting labor.

Have consistently been a friend of the worker, favoring decent pay and bearable working conditions.

Social-security legislation: Voted for it and believe it should be extended and improved.

Of course we all want to increase purchasing power. The people who back my opponent favor the sales tax, are opposed to all progressive legislation which would benefit the people of the United States, are connected with "hot oil" racketeers; (there is no reason why an honest oil man should not vote for me); and an aggregation of neo-Liberty Leaguers and such as think they can get rich by making everybody else poor.

"TO WORK FOR BEXAR COUNTY"

This has been covered reasonably well under other subheads. "To work for Bexar County" is not merely to wangle "pork barrel" legislation, but I think it well recognized that I have obtained for Bexar County its just deserts. I have voted for legislation beneficial to the Nation as a whole and it must be remembered that Bexar County is a part of the Nation.

New York Post: "He (MAVERICK) is a man who is not afraid to speak his mind."

Baltimore Sun: "Too bad there aren't more like him (MAVERICK) in Congress."

CONGRESSIONAL RECORD: "Over 700 newspapers throughout the country commented favorably on his (MAVERICK's) fight for civil, religious, and academic liberties."

New York Herald Tribune, conservative Republican and bitter anti-Roosevelt paper: "Representative MAVERICK is to be congratulated on his stand in reference to civil and religious liberties."

MY OWN SUBHEAD

I stand upon my record as a Congressman who already represents his people and does his duty, and ask the voters of Bexar County, "Why exchange a Congressman of known and proven ability for one who has yet to prove himself capable of representing you in the national legislative body?"

A CORRECTION

Mr. COCHRAN. Mr. Speaker, on page 10799 of the CONGRESSIONAL RECORD, under the heading of Unwise Legislation, my friend, Hon. ROBERT F. RICH, of Pennsylvania, has an extension of remarks which refers to the passage of two resolutions reported by the Committee on Accounts.

Mr. RICH has been very vigilant in watching legislation, and his contributions during the Seventy-fourth Congress toward preventing the passage of bills that would be a charge upon the Treasury is to be commended. It so happens we are members of the same committee, and we have cooperated in preventing the passage of unwise legislation. In this instance it is evident Mr. RICH did not have all the facts before him. In the third paragraph of his remarks he states that the resolution provided for increases for the six official reporters of debates of $640 per year each. The fact of the matter is the salaries of the official reporters of debates remained the same; no suggestion was ever made for a change, but the bill did provide for an increase of $260 per year for the six transcribers of the official reporters. The original resolution provided for an increase of $660 per year for the transcribers but was amended in committee and was reduced to $260 per year, and it was specifically provided by amendment the increases should not be in force during the vacation period but should start with the opening of the Seventy-fifth Congress.

The salaries with the increases granted by the committee to the official transcribers, who are experts, is not in excess of the amount paid to the senior transcribers in Government departments under the Classification Act. That was ascertained by the committee before acting on the resolution.

The man who has served for a number of years as assistant to the clerk at the Speaker's desk, who keeps the accounts and assembles all the copy for the CONGRESSIONAL RECORD, has been carried on the rolls as a janitor at $1,440 per year. The committee felt this was unfair in view of the important duties to which he is assigned and did abolish the position of janitor paying $1,440 per year and provided for an assistant clerk at a salary of $2,000 per year.

This amount is much less than is paid to the clerk in the Senate doing similar work.

In regard to House Resolution 518, which abolished the position of janitor to the stenographers of committees, and created the position of clerk at an annual rate of pay at $3,360, it can be said that the man holding this position was formerly an official reporter retired on account of defective hearing and he now reads the proof of over 100,000 pages of copy and assembles it as well as keeps all records for the official committee stenographers. The reason that this resolution was passed is that several members of the Appropriations Committee advised the Committee on Accounts that there should be at least one, if not two, additional committee stenographers. The senior committee stenographers appeared before the accounts committee and stated that there would be no necessity for creating two new positions paying $7,500 per year or even one provided the committee would abolish the position of janitor paying $1,440 and create the office of clerk, paying $3,360 per year. The former committee stenographer holding the position referred to being married, was going to seek another place. The senior stenographers advised the committee that if he could be retained, then he would continue to do the assembling work as well as read the proof, which would give them several additional hours a day to serve committees as they would be relieved from that work and could immediately return to the committees after preparing their notes.

When you take into consideration that this man is supervising the work of all of the stenographers serving at times as many as 20 House committees in a day, as well as reading the proof, surely a salary of $3,360 per annum is not excessive. The fact is that the committee saved money by abolishing the position of janitor and creating the position of clerk, because it was not required to provide for two additional reporters, as was suggested by some members of the Committee on Appropriations.

I might also say specific provisions were made in this resolution, as amended, so as to provide that the increases cannot go into effect during the vacation period, but will start when Congress assembles next January. The committee stenographers who this clerk serves and the clerk do work during the vacation period, because those stenographers are required to serve special committees of Congress and also take the hearings of the Appropriations Committee, which start many weeks before Congress convenes so that appropriation bills will be ready when the Congress assembles.

I feel sure that my good friend, Mr. RICH, would not have made the statement he did in his extension of remarks if he would have seen the amended resolutions as they came from the Committee on Accounts or had attended the hearings before the committee.

Before considering these resolutions the Accounts Committee appointed a subcommittee composed of Representative JOSEPH STARNES, of Alabama, Democrat, and Representative DONALD H. MCLEAN, of New Jersey, Republican, to make a thorough investigation and report to the committee. Their investigation covered a period of several weeks and it was on the basis of their report that the committee acted. I might further say that the Accounts Committee did not take favorable action on the resolutions referred to until they had been approved by the Speaker, the majority leader, as well as the minority leader. No committee of the House has been more careful in protecting the taxpayers than has the Committee on Accounts.

This committee, of which I have been a member for 9 years, withstood the demands for additional stationery allowances, clerical hire, and the creation of new positions for the House, and has always held down just as far as possible the expenses of special committees. It is an agency of the House, and when the House passes a resolution providing for an investigation its Members feel it is mandatory to provide reasonable expenditures, but it carefully examines all vouchers and is continually protecting the contingent fund. The committee also abolished the payment of all special bonuses, which had been going on for many years, effecting a saving of thousands of dollars annually by its action.

FARM RELIEF UNDER NEW DEAL

Mr. WOLVERTON. Mr. Speaker, there has been no subject before Congress in recent years that has claimed more attention, provoked more discussion, brought forth more promises, produced more proposals, and with respect to which less has been accomplished than that of relief for agriculture.

All sorts of fantastic schemes have been brought forward as a "cure-all." Some have been tried with disastrous results; some so inherently weak were discarded without trial; some were abandoned because of an aroused resentment upon the part of both the consumer and producer; some were outlawed by the Supreme Court; and yet, unabashed, unafraid, and with assurance, new theories and policies are continually advanced with the thought that at last has been found the long-sought solution of all agricultural ills.

It is needless to say that as a result of all this confusion of ideas and variety of remedies, with consequent failure, there has been growing an ever-increasing sense of discouragement and hopelessness among our American farmers.

It is not strange that they should begin to lose confidence. The very policies that are inaugurated are frequently sufficient in themselves to create this condition.

For instance, at this present session of Congress the administration pushed through, over Republican opposition, an authorization of seven gigantic irrigation projects in seven different States, with an ultimate cost to the taxpayers of this country of approximately one and a half billion dollars. The effect of this New Deal policy will be to add about 5,000,000 acres of new irrigated land, in the arid States of the West, to the already overabundant supply of tillable farm lands now available for productive cultivation. It is estimated that the 5,000,000 acres of irrigated land which is hereby created will produce the equivalent of 15,000,000 acres of good nonirrigated land, thereby displacing such lands now in use or creating a surplus of production.

Why does the New Deal, under the direction and leadership of Secretary of Agriculture Henry Wallace, Dr. Rexford Tugwell, and Mordecai Ezekiel, claim that our farmers are producing too much in the agricultural field, and thereupon inaugurate a reduction-of-production program that takes approximately 40,000,000 acres out of use, at a cost of millions of dollars in benefits paid, and, at the same time, press forward irrigation projects to bring new land into production, at an additional cost of one and one-half billion dollars? There can be no satisfactory answer given to this question. The fact is that the two policies are diametrically opposed. There is no way to justify the existence of both at the same time. Either one or the other is wrong and should be discarded. The tax burden is increased and the farmer further depressed by the use of these two conflicting policies at the same time. It is time for common sense to find expression.

Another instance of the detrimental effect upon our farmers resulting from conflicting New Deal policies, both in effect at the same time, is that of permitting importation of agricultural products from abroad when farm acreage is reduced at home to prevent surplus, create scarcity, and increase

prices. It is perfectly apparent that if there is need to import then there is no need to restrict. This is likewise a case where both policies cannot be right. Either one or the other is wrong and should be discarded.

It is almost unbelievable that when our American farmers, in accordance with a governmental policy, produce less cattle, corn, hogs, wheat, rye, barley, butter, and other farm crops in order to cut down the surplus, the present administration literally invited foreign farmers to increase their cheap foreign production of the same products and to ship them to the United States and sell them in the American market in direct competition with domestic production.

The amazing increase of importations of agricultural products from foreign countries, as a result of New Deal policies, has reached such alarming proportions as to cause serious concern to thoughtful persons who realize the disastrous effect on American agriculture that will result if the policies are not changed or the importations checked.

The following table, taken from official Government figures, showing a comparison of imports of farm products for the year 1935, as compared with the year of 1932, before the present administration adopted the policy of scarcity of farm products, presents a condition that justifies the fear of the future that now exists:

		1932 imports	1935 imports
Corn	bushels	347,627	43,242,296
Oats	do	58,786	10,106,903
Wheat	do	10,026,320	27,438,870
Barley, malt	pounds	52,532,636	320,622,537
Rye	bushels	87	9,642,523
Tapioca	pounds	130,000,372	202,112,319
Hay	tons	13,858	67,171
Soybeans	pounds	36,568,700	107,463,044
Cottonseed	do	1,058,945	59,743,572
Butter	do	1,052,598	22,674,642
Cattle	number	95,407	364,623
Hogs	pounds	28,875	3,414,317
Fresh pork	do	1,657,500	3,922,609
Hams, bacon, etc	do	3,015,489	5,297,335
Fresh beef	do	796,594	8,584,114
Canned meats	do	24,638,261	76,653,242
Total meat products	do	45,706,926	115,059,124
Eggs, in shell	dozen	243,784	432,076
Dried yolks	pounds	726,400	3,952,664
Frozen yolks	do	422,060	1,199,772
Egg albumen	do	1,275,790	1,876,445
Wool and mohair	do	56,535,176	202,732,658
Dried milk	do	596,448	2,743,349
Hides	do	188,013,286	303,475,633
Inedible molasses	gallons	155,888,307	235,161,684

These figures clearly indicate that the American market is being flooded with cheaply produced foreign farm commodities which have taken just that much of the home market from our own farmers.

The value of imported competitive farm products in 1935 was approximately $750,000,000. All of those products could have been produced in this country by American farmers and laborers. Therefore, it was a loss to that extent to our farmers that should not have occurred. It could have been avoided had not the administration been so intent, under the leadership of Secretary of State Hull and Secretary of Agriculture Henry S. Wallace, in encouraging the spirit of internationalism at the expense of our own people.

Furthermore, in addition to the loss of $750,000,000 representing the value of products actually displaced by foreign commodities it has been estimated by reliable authorities that the farmers in this country were compelled to suffer a further loss of $2,000,000,000 by way of lower prices for their products as a result of the large competitive foreign imports for 1935.

Explanations and excuses have been offered by administration officers for this unfortunate state of affairs. The fact, however, remains that 40,000,000 acres of American farm land were taken out of production by a New Deal policy, and the food that could and would have been produced and sold in America was in fact produced on foreign soil and permitted to be imported into this country by another New Deal policy in competition with our own farm products.

If our farmers are to cut their acreage and reduce production on the theory that we are producing too much, then they should at least have the benefit of the home market without the competition of foreign-grown foodstuffs.

The strange results attained under the New Deal policies are still further emphasized when we consider the effect of the farm policy, which reduces American production and substitutes foreign, with respect to the question of employment. This has been the great problem that has blocked recovery.

The seriousness of the situation can be seen when it is realized that notwithstanding the present administration has expended more than $24,000,000,000 in the last 3 years—more money than it cost to run the entire Government of the United States from the Presidency of George Washington to that of Woodrow Wilson—yet there are between five and six million families on relief, representing an aggregate in excess of 20,000,000 persons, and, according to the estimate of the American Federation of Labor, approximately 12,500,000 unemployed.

One of the main reasons for this condition is the fact that jobs and work which should have been performed by American labor were given to the cheap labor of other countries, and the goods there produced shipped into America under New Deal policies that permitted the same to come into competition with American-made goods.

An analysis of the agricultural products imported into this country in 1935 from foreign countries will disclose that from 2,500,000 to 3,000,000 persons could have been employed in the United States in the production and processing of the imported commodities if the same had been produced here. Thus, pay checks from the consumers of America went into foreign lands to pay foreign workers, and unemployed farm hands in this country were driven in many cases to join the relief rolls.

Prominent labor leaders have stated that if it were not for the importation of cheaply produced competitive manufactured products now coming into this country from abroad there could be gainfully employed in private industry nearly 3,000,000 persons who are now out of work and on relief. Thus, New Deal policies, upon the basis of these estimates, are directly responsible for a total of 6,000,000 Americans who would have work if the New Deal would save the home market for American farmers and laboring men.

In conclusion, I wish to give some figures taken from official records that will show a most interesting situation and still further emphasize the inconsistencies of New Deal policies. I have frequently said that when the administration speaks in terms of agricultural relief, in most cases, in practical application, it relates to Western and Southern States, and seldom, if ever, contemplates our Eastern States. Nothing can more surely and quickly demonstrate this fact than the following table, which shows the amount paid by the States that are named for processing taxes during the fiscal year ending June 30, 1935, the amount received in return, and the amount received for each dollar contributed.

State	Amount paid	Amount received	Amount received for each dollar contributed
Maine	$1,254,029.35	$3,758.00	$0.003
Massachusetts	19,874,136.95	895,575.09	.05
Rhode Island	2,262,519.65	5,172.11	.002
New Hampshire	1,559,178.48	50,367.35	.03
New Jersey	4,167,098.19	391,753.03	.09
New York	58,852,770.85	389,134.71	.007
Pennsylvania	18,600,912.60	1,895,644.51	.10
Arkansas	294,105.86	12,476,618.18	42.42
Mississippi	619,272.96	12,677,153.71	20.48
New Mexico	112,915.68	1,624,104.51	14.38
Oklahoma	4,085,494.07	21,416,880.37	5.24
Texas	13,149,698.73	46,074,292.61	3.50
North Dakota	937,186.22	18,038,317.62	19.25
South Dakota	395,565.58	19,140,063.41	48.39
Idaho	612,181.02	5,718,503.90	9.34
Nebraska	5,042,113.13	37,104,619.69	7.36
Wyoming	212,821.62	1,585,733.84	7.45
Iowa	20,629,504.23	68,137,227.74	3.30

It is perfectly apparent that what American agriculture needs is a permanent, well-considered, and thoughtful program, based upon study and experience, instead of temporary, makeshift, or vote-catching proposals that cannot result in the permanent rehabilitation of agriculture.

NEW DEAL APPROPRIATIONS

Mr. BOLTON. Mr. Speaker, back in March 1933, at the time his administration took office, President Roosevelt in a message to Congress said:

> Too often in recent history liberal governments have been wrecked on the rocks of loose fiscal policy.

This was before the New Deal embarked upon a dangerous fiscal policy which has grown more and more loose.

If my memory serves me correctly, it was Patrick Henry who said, "I know of no way of judging the future but by the past." These few words present a very effective indictment of the present administration.

Who would have believed in 1932 that the Presidential candidate who promised to consolidate departments and bureaus, abolish useless commissions and offices, and eliminate extravagance in order to accomplish a saving of not less than 25 percent in the cost of Federal Government, to balance the Budget, and to stop the deficits could in less than 4 years have left a record representing the very opposite of those promises?

The people cannot become too familiar with the promises made. The New Deal must be judged by the manner in which New Deal pledges have been consistently ignored. Either they were not made in good faith or they were completely forgotten in the lust for power and theoretical experimentation.

The four sessions of the Seventy-third and Seventy-fourth Congresses representing, roughly speaking, the term of the President, have appropriated in excess of $39,000,000,000, including appropriations through the Reconstruction Finance Corporation.

The Democratic platform of 1932, accepted 100 percent by the President, contained the following plank:

> We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance * * *.

In accepting his nomination for President, Candidate Roosevelt used the following language:

> We must abolish useless offices * * * we must merge. We must consolidate subdivisions of government and * * * give up luxuries which we can no longer afford * * *. I propose * * * that government of all kinds, big and little, be made solvent and that the example be set by the President of the United States and his Cabinet.

His promise at Columbus on August 20, 1932, was:

> I shall share the complaint against regimentation * * *. I dislike it not only when it is carried on by an informal group amounting to an economic government of the United States, but when it is done by the Government of the United States itself.

And in Sioux City, September 29, 1932, he stated:

> I propose to analyze the economic increase in the growth of bureaucracy. We are attempting too many functions.

A trail of consistently definite and unequivocal pledges was left on the subject up to the time he took the oath of office. Thereafter we find rather than a reduction of Government bureaus and commissions an astounding increase in the number of new Federal agencies, due entirely to the establishment of alphabetical arrangements by legislation insisted upon by the Chief Executive.

No one knows exactly how many new agencies have been created, but the number runs well over 100. This brought what officials of the National Federation of Federal Employees choose to call political manipulation of the Federal service by rapacious spoilsmen. I shall only take time here to quote the following from the biennial report of the president of that federation, to which I call your particular attention:

> Not within the memory of anyone now living has the merit structure in the Federal service been so beset by attacks, open and covert. * * * By congressional enactment and by Executive order, positions by the thousands have been placed in a political category. Political influence in permanent establishments has not only been permitted, but in numerous instances has been a requisite.

The number of employees on the Federal pay roll has increased from 563,000 on March 1, 1933, to 810,418 as of April 30 of this year. This figure does not include 35,000 contract workers in the Postal Service or the personnel of such organizations as the Civilian Conservation Corps. The increase represents almost entirely the political appointees placed on the roll under the supervision of Postmaster General Farley. To substantiate this statement it can be said that as a matter of fact the number of employees under classified civil service is several thousand less than the number employed at the end of the previous administration, with the total number of employees increased nearly 300,000. The proportion of civil-service employees to the total number on the Federal pay roll today is 63.3 percent as compared with 80.1 percent during the previous administration. It is clear that not only all of the increase is represented by political appointments, but the spoils system even has eaten into the number under classified civil service.

On the subject of reduction in costs in government, the plank in the 1932 Democratic platform read:

> We advocate an immediate and drastic reduction of governmental expenditures * * * to accomplish a saving of not less than 25 percent in the cost of Federal Government. * * *

With the rest of the platform of his party, the present occupant of the White House accepted this solemn pledge 100 percent. He took occasion to say at Pittsburgh on October 19, 1932:

> I shall carry out the plain precept of our party, which is to reduce the cost of the current Federal Government operations by 25 percent.
>
> Of course that means a complete realinement of the unprecedented bureaucracy that has assembled in Washington in the past 4 years.
>
> I am no stranger to Washington. I knew it at first hand during the administration of Theodore Roosevelt and William Howard Taft. I served in Washington for seven and a half years under the Wilson administration. I have some familiarity with the psychology of the administration of the National Government.

What action was intended, or at least what the people of this country had a right to expect, was entirely clear. But what has actually taken place?

The administration's method of giving out information is at times confusing and misleading. As a result, one not officially connected with Washington would have to possess an intimate knowledge of governmental activities in order to fully appreciate the enormous funds appropriated during the Seventy-third and Seventy-fourth Congresses.

Immediately upon taking office, the President made his first and only gesture toward reducing expenditures. I refer to the Economy Act of March 1933. It was not many weeks after before it became evident that this was but a shallow attempt to fool the public because there was immediately launched a series of expensive experiments, so much so that those who had conscientiously supported the economy bill began to realize that they had been mistaken in taking the President seriously. The tables appearing at the end of these remarks demonstrate clearly the policy of the administration to constantly recommend enormous increases rather than make any attempt at reducing expenditures. Attention is called to the fact that not only has there been made available to the present administration the $39,600,000,000 appropriated by the four sessions of the Seventy-third and Seventy-fourth Congresses upon the demand of the President but

the last session of the Seventy-second Congress had passed appropriation measures for the first fiscal year under the New Deal, beginning July 1, 1933, totaling $1,879,000,000. This makes a total of appropriations available for expenditures during the 4 fiscal years of approximately $41,500,000,000.

Do you realize that if one dollar had been laid away every minute of every day and every night from the beginning of the year 1 to January 1, 1936, there would have been on the latter date $1,300,404,000? In other words, just a little more than a billion dollars in 1,936 years at the rate of a dollar a minute. As a comparison, note that the present administration is spending at the rate of $10,000 per minute.

Roger Babson, noted economist, has made the following comment:

> If every dollar spent were being matched by a dollar in tax revenues, I would not be alarmed. If this were so, the voters would soon take care of the spending problem.

The American people are showing signs of awaking to the situation, because they realize that this spending on the part of the New Deal means that every penny spent must be raised by taxation, whether by direct or indirect measures. It is a well-known fact that the tax measure just passed is only another attempt to give the impression that this is the end of higher taxation. On the contrary, present taxes levied are inadequate, and the next session will demonstrate the need for larger income by taxation, simply because the country cannot continue to live on borrowed money and at the same time maintain national credit; or, far better, the people will demand at the coming election a reduction in expenditures to bring the cost of the Federal Government within revenues.

On the question of Budget balancing the 1932 Democratic platform speaks for the party as follows:

> We favor maintenance of the national credit by a Federal Budget annually balanced on the basis of accurate executive estimates within revenues, raised by a system of taxation levied on the principle of ability to pay.

This is part of the covenant with the people to be faithfully kept accepted 100 percent by Candidate Roosevelt.

Is it necessary to recall that in his Budget message of January 3, 1934, the President said:

> It is my belief that, so far as we can make estimates with our present knowledge, the Government should seek to hold the total debt within this amount. Furthermore, the Government during the balance of this calendar year should plan to bring its 1936 expenditures, including recovery and relief, within the revenues expected in the fiscal year 1936.

That the Budget message of January 3, 1935, stated:

> • • • it is evident that we have not yet reached a point at which a complete balance of the Budget can be obtained. I am, however, submitting to the Congress a budget for the fiscal year 1936 which balances except for expenditures to give work to the unemployed. If this budget receives the approval of the Congress, the country will henceforth have the assurance that, with the single exception of this item, every current expenditure of whatever nature will be fully covered by our estimates of current receipts.

In the Budget message of January 3, 1936, there was the same optimistic note, but Treasury statements show that receipts for the fiscal year just ended were $4,763,000,000 short of the expenditures.

We have had many words and numerous promises but no results.

When decrying the deficit of a little over a billion dollars in 1932, Candidate Roosevelt did not realize the possibilities under President Roosevelt.

The annual report of the Secretary of the Treasury is authority for the statement that the deficit at the end of the fiscal year 1934 was $3,965,991,685; at the end of the fiscal year 1935 the Treasury faced another deficit of $3,082,128,643; and the fiscal year ending June 30, 1936, brought a further deficit of $4,763,841,642. Simple addition tells us that the total of deficits for the first 3 full years under the New Deal total nearly $12,000,000,000. This is not all reflected in the public debt as yet, due to the fact that there is to be some refinancing at this time and it is natural for the debt to lag behind the deficits. However, the national debt has increased from $20,934,728,350 on March 1, 1933, to nearly $34,000,000,000 at the present time. Treasury statements show $6,000,000,000 of recovery and relief funds still unexpended. We are told most of this has been obligated. That means ultimately it will practically all be reflected in the deficits and a continued increase in the public debt, so the prediction of a $40,000,000,000 debt is a mere matter of arithmetic.

The following table sets forth the appropriations of the two New Deal Congresses and the general appropriation bills passed during the second session of the Seventy-second Congress for the first year of the New Deal. It must be remembered that practically all of these funds were appropriated upon the recommendation and the insistence of President Roosevelt. He has taken full responsibility, and in fact has demanded such broad powers that in the expenditure of huge sums made available to him, he is acting in a legislative capacity, as well as an administrative. He has far more authority than any wartime President ever was given.

	Appropriations (2d sess. 72d Cong. and 1st sess. 73d Cong.) for year 1934	Appropriations (2d sess. 73d Cong.) for year 1935	Appropriations (1st sess. 74th Cong.) for year 1936	Appropriations (2d sess. 74th Cong.) for year 1937
General:				
Agriculture	[1] $100,203,091	$62,621,673	$125,157,983	[2] $613,565,606
Independent offices	631,802,546	588,574,714	777,501,956	2,450,026,905
District of Columbia	30,375,834	35,411,178	40,547,115	43,523,910
Interior	[1] 43,753,936	31,474,319	61,220,928	114,579,357
Legislative	[1] 16,689,285	25,075,995	20,746,760	23,314,428
Navy	[1] 308,660,562	284,658,799	458,684,379	526,546,532
Treasury	[1] 244,383,219	150,092,430	175,786,109	211,940,303
Post Office	[1] 713,033,378	669,628,940	727,849,569	780,584,589
State	[1] 12,196,519	13,885,618	14,013,895	17,829,550
Justice	[1] 41,154,050	28,700,778	34,556,500	41,223,925
Commerce	[1] 36,588,465	32,267,321	34,631,500	35,257,220
Labor	[1] 12,677,365	14,030,805	15,360,000	21,784,700
War	[1] 349,840,749	316,228,991	401,998,170	572,446,844
Total, regular annual	2,541,373,999	2,252,651,561	2,888,054,864	5,452,623,869
Independent offices, indefinite		190,000,000		
Third deficiency, 1933	[3] 994,598			
Fourth deficiency, 1933	[4] 3,082,630			
Deficiency resolution, legislative (Public Res. No. 12, 73d Cong.)		213,500		
Deficiency resolution, District of Columbia (Public Res. No. 13, 73d Cong.)		26,667		
Urgent deficiency resolution (Public Res. No. 23, 73d Cong.)		335,000		
Deficiency and supplemental (Public, No. 412, 73d Cong.)		15,642,698		
First deficiency, 1935			112,633,830	
Second deficiency, 1935			272,901,517	
Supplemental, 1936				368,232,463
First deficiency and supplemental, 1936 and 1937				950,417,538

[Footnotes at end of table]

	Appropriations (2d sess. 72d Cong. and 1st sess. 73d Cong.) for year 1934	Appropriations (2d sess. 73d Cong.) for year 1935	Appropriations (1st sess. 74th Cong.) for year 1936	Appropriations (2d sess. 74th Cong.) for year 1937
General—Continued				
Ninth Pan American Conference (Public Res. No. 42, 73d Cong.)		$3,000		
Fort Niagara celebration (Public Res. No. 50, 73d Cong.)		6,000		
Miscellaneous and deficiency resolution (Public Res. No. 51, 73d Cong.)		121,000		
Chinch bug control (Public Res. No. 30, 73d Cong.)		1,000,000		
Interior, Duchesne County, Utah, school (Indians) (Public, No. 265, 74th Cong.)			$50,000	
Agricultural Adjustment Administration, eliminate diseased cattle (sec. 37) $10,000,000; relief, 30 percent of customs duties (sec. 32) $92,111,741 (Public, No. 320, 74th Cong.)			102,111,741	
Deficiency resolution (Public Res. No. 3, 74th Cong.)			1,771,750	
George Washington Bicentennial Commission (Public Res. No. 6, 74th Cong.)			35,000	
Federal Communications Commission, American Telephone & Telegraph investigation (Public Res. No. 8, 74th Cong.)			750,000	
District of Columbia, Shrine convention (Public Res. No. 17, 74th Cong.)			54,000	
House of Representatives, pages (Public Res. No. 39, 74th Cong.)			9,348	
District of Columbia, Grand Army of the Republic encampment (Public Res. No. 40, 74th Cong.)			15,000	
Justice, United States courts fees (Public Res. No. 82, 74th Cong.)				$900,000
House of Representatives, special and select committees (Public Res. No. 89, 74th Cong.)				75,000
Senate, folding room (Public Res. No. 90, 74th Cong.)				4,000
House of Representatives, election contest (Public Res. 122, 74th Cong.)				3,740
Interior, Territories and island possessions (Public Res. 126, 74th Cong.)				35,000
Agriculture, grasshopper control (Public Res. No. 127, 74th Cong.)				250,000
Total, general	$2,545,451,227	2,455,900,273	3,378,387,050	6,772,541,610
Emergency:				
Public Works Administration (Public, No. 77, 73d Cong.)	3,300,000,000			
Emergency Bank Act (Public, No. 1, 73d Cong.)	2,000,000			
Agricultural Adjustment Administration (Public, No. 10, 73d Cong.)	100,000,000			
Federal savings and loan associations (Public, No. 77, 73d Cong.)	50,000,000			
Federal land Banks (Public, No. 77, 73d Cong.)	65,000,000			
Farm Credit Administration (Public, No. 77, 73d Cong.)	42,000,000			
Federal Deposit Insurance Corporation (Public, No. 77, 73d Cong.)	150,000,000			
Gold Reserve Act (Public, No. 87, 73d Cong.)		2,000,000,000		
Federal Relief and Civil Works Administration (Public, No. 98, 73d Cong.)		950,000,000		
Crop-production loans (Public Res. 16, 73d Cong.)		40,000,000		
Agricultural Adjustment Administration, cattle (Public Res. 27, 73d Cong.)		150,000,000		
Deficiency and supplemental (Public, No. 412, 73d Cong.)		1,808,270,000		
Federal Reserve banks, payment to surplus, loans to industry (Public, No. 417, 73d Cong.)		139,299,557		
Work relief (Public Res. 11, 74th Cong.)			[5] 4,000,000,000	
Relief and work relief (Public, No. 739, 74th Cong.)				1,425,000,000
District of Columbia, relief (Public Res. 79, 74th Cong.)				350,000
Total, emergency	3,709,000,000	5,087,569,557	4,000,000,000	1,425,350,000
Reconstruction Finance Corporation (see following table)	1,105,075,000	1,910,000,000	625,000,000	447,000,000
Permanent and indefinite	1,397,977,695	2,304,784,450	2,200,101,127	[6] 2,139,664,970
Total appropriations	8,757,503,922	11,762,353,433	10,203,488,177	10,784,556,580

[1] Passed last session 72d Cong. for fiscal year 1934.
[2] Agricultural Appropriation Act, $173,565,606, plus $440,000,000 for Soil Conservation and Domestic Allotment Act (A. A. A.) carried in Independent Offices Act and shown in later tables under "New agencies."
[3] In later tables $972,323 apportioned in 1933; $22,275 in 1934.
[4] In later tables $755,720 apportioned in 1933; $2,326,910 in 1934.
[5] Plus $500,000,000 from Reconstruction Finance Corporation and $380,000,000 reappropriated.
[6] Eliminating processing taxes and collections under Tobacco Act from Budget estimates and adding $509,175,000 carried in appropriation acts.

Appropriations through the Reconstruction Finance Corporation

	Seventy-third Congress		Seventy-fourth Congress	
	First session	Second session	First session	Second session
Farm Relief Act, 1933 (Public, No. 10):				
Loans to—				
Joint stock land banks $100,000,000				
Farmers 200,000,000				
Drainage and irrigation districts 50,000,000				
Advances to reclamation projects 5,000,000				
	$355,000,000			
Unemployment relief (Public, No. 15, 73d Cong.)	500,000,000			
Securities Act, 1933, Corporation of Foreign Security Holders (Public, No. 22, 73d Cong.)	75,000			
Loans to insurance companies (Public, No. 35, 73d Cong.)	50,000,000			
Home Owners' Loan Act, 1933, capital stock of corporation (Public, No. 43, 73d Cong.)	200,000,000			
Increased authorization (Public, No. 84, 73d Cong.)		$850,000,000		
Deficiency and Supplemental Appropriation Act, 1934 and 1935 (Public, No. 412, 73d Cong.):				
Public Works Administration $500,000,000				
Purchase of securities held by Public Works Administration 250,000,000				
		750,000,000		
Loans to industry (Public, No. 417, 73d Cong.)		300,000,000		
National Housing Act, excluding unlimited and indefinite authority (Public, No. 479, 73d Cong.)		10,000,000		
Work relief (Public Res. No. 11, 74th Cong.)			$500,000,000	
Loans to national mortgage associations (Public, No. 1, 74th Cong.)			100,000,000	
Increase in loans to insurance companies (Public, No. 1, 74th Cong.)			25,000,000	
Public Works Administration (Public, No. 739, 74th Cong.)				$300,000,000
Commodity Credit Corporation, purchase of capital stock (Public, No. 489, 74th Cong.)				97,000,000
Flood control loans (Public, No. 525, 74th Cong.)				50,000,000
Total	1,105,075,000	1,910,000,000	625,000,000	447,000,000

The items below, acknowledged by Treasury statements as contingent obligations of the Government, are not included in any of the accompanying tables, nor is the total of contingent obligations used elsewhere. Admittedly, some of the items will be the basis for future appropriations. If they were included the total appropriations and contingent obligations would be well over $50,000,000,000, without the indefinite items.

Contingent obligations guaranteed by the Government as issued (not included as appropriations)

Guaranty of farm-loan bonds (Public, No. 88, 73d Cong.)	$2,000,000,000
Guaranty of interest on farm-loan bonds (Public, No. 88, 73d Cong.)	?
Guaranty of home-loan bonds (Public, No. 178, 73d Cong.)	2,000,000,000
Guaranty of interest on home-loan bonds (Public, No. 178, 73d Cong.)	?
Repairs on mortgaged property covered by home-loan bonds (Public, No. 178, 73d Cong.)	200,000,000
Increase in authority of Home Owners' Loan Corporation to issue bonds (Public, No. 479, 73d Cong.), also guaranteed as to principal and interest	1,000,000,000
National Housing Act (Public, No. 479, 73d Cong.):	
Insurance on present mortgages	1,000,000,000
Insurance on new mortgages to be issued	1,000,000,000
Guaranty of interest on these mortgages	?
Guaranty of National Mortgage Association bonds	?
Guaranty of interest on National Mortgage Association bonds	?
Additional for repairs on mortgaged property	100,000,000
Insurance of financial institutions	200,000,000
Replacement of P. W. A. funds for which authorization has been given to divert to emergency purposes (Public, No. 412, 73d Cong.)	?
Increase in authority of Home Owners' Loan Corporation to issue bonds, also guaranteed as to principal and interest (Public, No. 76, 74th Cong.)	1,750,000,000
Additional for repairs on mortgaged property (Public, No. 76, 74th Cong.)	100,000,000
Tennessee Valley Act (Public, No. 412, 74th Cong.)	50,000,000
	9,400,000,000

A glance at the above table and those following, which are in more detail, will answer any claim to the fulfillment of the promises to eliminate bureaucracy. A better understanding can be had by examining the tables hereafter inserted, particularly those covering independent offices and new agencies.

Of course, the pledge to reduce the cost of government 25 percent was not taken seriously by the administration from the beginning. In some departments, notably Agriculture, Interior, Navy, Treasury, and War, activities involving Federal aid for highways, construction of reclamation projects, ships, public buildings, rivers and harbors, and flood-control projects have been taken care of in increased amounts out of recovery and relief funds. But even this misleading attempt to show a saving in the Regular Establishment has failed because, with appropriations for these projects transferred from the general Budget to the emergency Budget, total appropriations for the regular establishment still show substantial increases. Eliminating the appropriations for soldiers' bonus and the new A. A. A., the general appropriation measures passed at the session just closed total $3,282,000,000, an increase of more than 20 percent, or $500,000,000 over the previous year. The Budget cannot be balanced under the policy of increased spending and unlimited experimentation which forms the nucleus of the New Deal program.

How long can this continue if we are to maintain national credit? The conduct of our fiscal affairs forms the basis of national credit, and there is a limit. The people are the stockholders of the Government. They furnish the capital through taxation. They pay the full bill, and it is up to them to elect officers to run their governmental business on a sound basis. Deficits are net losses which mean added borrowings to increase the national debt, a debt which is the obligation of the people themselves, and which the people eventually must pay.

If we own a little store or business establishment, we do not retain a manager who continually is on a spending spree and reporting losses, and who is repeatedly borrowing from the bank on our credit. If we did, the bank would soon tell us we have no more credit, and foreclosure would follow with complete loss of the enterprise.

Our Federal Government is a large business and should be operated within its income, and not on deficits which are borrowed funds. We need a manager who does not have a spending fever and who, having ability to manage our business of government, will proceed to save the country from costly theory and impractical experiments.

Summary of regular, deficiency, and special appropriations

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Agriculture	$306,673,811	$142,209,091	$566,040,887	$154,102,711	$644,500,000	$136,632,756	$800,000,000	[3] $182,199,279	$413,250,000
Independent offices	1,022,876,324	1,237,542,546	3,376,594	1,931,240,155		926,868,312		[2] 2,735,509,177	
New agencies		[1] 600,000,000	997,286,900	1,810,000,000	999,675,000	738,120,251	2,850,000,000	[2] 1,482,093,824	726,750,000
District of Columbia	41,257,564	30,375,834	1,759,500	35,790,685		41,411,439		44,934,435	
Interior	69,387,945	43,753,936	202,341,012	35,795,167	1,500,000	77,970,430	213,306,831	125,323,177	
Legislative	19,227,747	16,839,920	2,800,000	19,291,015		23,918,755		24,354,760	
Navy	327,724,856	308,669,562	277,098,924	285,292,667		484,609,344		529,181,191	
Treasury	378,598,015	511,383,219	94,740,653	2,289,581,728	162,595,000	301,425,480		566,022,580	156,750,000
Post Office	805,970,571	713,033,378	532,600	669,678,256		734,682,386		821,242,449	
State	14,164,731	12,232,219	4,761,000	22,993,882		17,526,111		19,310,140	
Justice	46,198,970	41,154,050	785,512	31,162,886		36,641,565		44,309,441	
Commerce	45,510,045	36,588,465	15,652,600	32,804,746		34,738,659		36,195,410	
Labor	13,576,010	14,177,365	2,268,980	14,058,385		15,732,648		25,517,191	
War	458,067,930	349,840,749	362,352,928	317,506,700		433,108,914	136,693,169	583,698,556	128,250,000
Total, regular, deficiency, and special	3,549,234,519	4,057,800,334	2,531,798,090	7,649,298,983	1,808,270,000	4,003,387,050	4,000,000,000	[3] 7,219,891,610	1,425,000,000
Non-Federal and other allotments not carried in departmental tables			768,201,910						
Total, public works			[4] 3,300,000,000						
Permanent and indefinite	1,285,191,028	1,397,977,695		2,304,784,450		2,200,101,127		2,139,664,970	
Add public works, supplemental and work relief		3,300,000,000		1,808,270,000		4,000,000,000		1,425,000,000	
Grand total	4,834,425,547	[5] 8,755,778,029		11,762,353,433		10,203,488,177		[3] 10,784,556,580	

[1] Does not include $3,300,000,000 public-works appropriation covered in next column.
[2] Appropriation of $440,000,000 carried in Independent Offices Act for Soil Conservation and Domestic Allotment Act. In this and following tables it is omitted in Independent Offices and included in Agricultural Adjustment Administration under New Agencies.
[3] In addition to this sum there are reappropriations totaling $73,792,786.
[4] This total could be shown under Public Works Administration in new agencies, but is broken down by departmental allocations instead.
[5] Includes $2,150 (Second Deficiency, 1933), not shown in previous table; does not include items (Third Deficiency, 1933, and Fourth Deficiency, 1933), apportioned to 1933. (See footnotes 2 and 3 of previous table).

Summary of regular, deficiency, and special appropriations—Continued

DEPARTMENT OF AGRICULTURE

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Secretary's office	$13,076,911	$12,754,854	$13,443	$11,225,567		$11,622,554		$22,107,870	
Weather Bureau	4,164,038	3,731,235	183,840	3,032,292		3,439,204		3,861,024	
Animal Industry	12,283,622	11,358,964	1,611,240	8,802,787		11,313,419		10,063,963	
Dairy Industry	717,448	655,130	262,420	559,862		636,179		697,094	
Plant Industry	4,930,874	4,496,155	4,822,007	3,476,342		4,998,497		4,551,206	
Forest Service	12,383,304	11,531,039	40,967,745	8,394,323		11,600,973		17,738,505	
Chemistry and Soils	1,825,080	1,670,194	163,919	1,311,698		1,279,434		1,398,272	
Entomology	2,471,700	2,213,968	2,386,535	3,130,536		[1] 7,801,421		[1] 5,317,675	
Biological Survey	1,756,177	1,356,280	976,050	1,054,084		1,421,492		1,961,224	
Public Roads	100,000,000	35,000,000	[2] 412,696,000	8,000,000	[3] $119,500,000	51,059,256	[4] $800,000,000	60,000,000	$413,250,000
Forest Roads	8,905,000	4,457,400				7,082,600		8,000,000	
Agricultural Engineering	518,690	411,810	281,538	350,318		423,269		438,269	
Agricultural Economics	6,649,841	6,095,260		4,916,031		5,724,801		5,992,896	
Home Economics	233,365	212,749	1,200	178,701		193,485		219,085	
Plant Quarantine	2,490,125	2,158,514	(1)	(1)		(1)		(1)	
Grain Futures Act	218,838	200,000		181,498		196,500		196,500	
Food and Drug Administration	1,716,167	1,589,505	70,000	1,557,713		1,968,637		2,077,758	
Miscellaneous	1,330,485	316,034		4,060,255		396,262		75,000	
Experiment Stations			4,950						
Farm Credit Administration			101,600,000	2,389,666		4,600,000		4,000,000	
Drought relief					525,000,000				
Soil Conservation Service [5]								[6] 24,869,265	
Total regular	175,671,665	100,209,091	566,040,887	62,621,673	644,500,000	125,157,983	800,000,000	173,565,606	413,250,000
Deficiency appropriations:									
First deficiency, 1933	1,000,173								
Second deficiency, 1933	1,590								
Third deficiency, 1933	29								
Fourth deficiency, 1933	354	42,000,000							
Deficiency, 1934 and 1935				481,038					
First deficiency, 1935						2,370,943			
Second deficiency, 1935						9,103,830			
Supplemental, 1936								8,264,979	
First deficiency and supplemental, 1936 and 1937								118,694	
Special acts:									
Emergency Relief and Construction Act (Public, No. 302, 72d Cong.):									
Highway-aid system	120,000,000								
Forest roads	5,000,000								
Forest improvements	5,000,000								
Crop production loan (Public Res. No. 16, 73d Cong.)				40,000,000					
Eradication of cattle diseases (Public Res. No. 27, 73d Cong.)				50,000,000					
Control of chinch bugs (Public Res. No. 30, 73d Cong.)				1,000,000					
Grasshopper control (Public Res. No. 127, 74th Cong.)								250,000	
Total, regular, deficiency, and special	306,673,811	142,209,091	566,040,887	154,102,711	644,500,000	136,632,756	800,000,000	[6] 182,199,279	413,250,000
Permanent and indefinite	11,211,571	10,303,116		840,280,600		578,452,596		[7] 117,654,497	
Add public works, supplemental, and work relief		566,040,887		644,500,000		800,000,000		413,250,000	
Grand total	317,885,382	718,553,094		1,638,883,311		1,515,085,352		[6] 713,103,776	

[1] Bureaus of Entomology and Plant Quarantine have been consolidated.

[2] Includes:

Public roads	$400,000,000
Public-land highways	5,015,000
Drought-relief highways	7,431,000
Administrative fund	250,000
Total	412,696,000

[3] Includes:

Public roads	100,000,000
Highway Act, Nov. 9, 1921, to remain available	10,000,000
Federal reservation roads	2,500,000
National park roads	5,000,000
Indian reservation roads	2,000,000
Total	119,500,000

In addition $100,000,000 is appropriated for 1936, and $100,000,000 for 1937, the latter amount to be matched by the States.

[4] Highways and grade crossings.

[5] Created by consolidation and transfer of agencies from Interior and other Departments.

[6] $440,000,000 appropriation in Independent Offices Act for soil conservation, shown under new agencies, not included.

[7] Processing taxes deducted from permanent appropriations account, Supreme Court decision.

Summary of regular, deficiency, and special appropriations—Continued

INDEPENDENT OFFICES

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Executive offices	$392,000	$369,483	$6,000	$442,050		$437,232		$437,130	
Battle Monuments Commission	275,000	129,000				199,059		71,000	
Arlington Bridge Commission	340,000	198,000							
National Mediation Board	152,135	120,000		125,564		336,450		346,500	
Board of Tax Appeals	560,000	490,000		502,116		540,000		532,000	
Bureau of Efficiency	159,500	[8]							
Civil Service Commission	1,312,370	1,053,000		1,522,816		42,595,000		48,879,000	
Commission of Fine Arts	7,800	8,800		[9]					
Employees' Compensation Commission	4,880,000	4,169,700		4,353,410		4,719,600		[10]	
Federal Board for Vocational Education	2,864,000	2,487,700							
Federal Oil Conservation Board	10,000	7,803							
Federal Power Commission	254,000	210,000	700,000	277,303		312,600		1,709,000	
Federal Communications Commission [11]	382,000	640,000		666,885		1,525,000		1,474,000	
Federal Home Loan Bank Board						264,043			
Federal Trade Commission	1,466,500	920,000		1,742,730		1,403,309		1,439,600	
General Accounting Office	4,262,620	3,280,000	[12] 506,000	3,461,920		4,970,600		5,306,840	
Clark Sesquicentennial Commission	400,000	96,650							
George Washington Bicentennial Commission	200,000	[8]							
Interstate Commerce Commission	7,148,560	5,190,000		5,430,970		5,850,656		7,089,550	
Mount Rushmore Commission	25,000	10,000		[9]					
National Advisory Committee for Aeronautics	920,000	695,000	247,944	726,492		839,500		1,177,550	
Personnel Classification Board	145,116	[13]							
Public Buildings and Parks	4,025,933	3,322,500		[9]					
Public Buildings Commission	100,000	80,000							
Securities and Exchange Commission						2,264,494		4,238,000	
Smithsonian Institution	1,074,829	820,000		874,024		950,189		998,915	
Supreme Court Commission	1,000,000	3,490,000							
Tariff Commission	1,020,000	800,000		840,898		970,000		956,000	
Geographic Board	9,678	9,000		9,440					
Shipping Board	360,000	310,000		[14]					
Veterans' Administration	948,699,000	602,838,000	1,916,650	567,598,096		705,420,000		2,323,727,000	
International Institute of Agriculture		48,500		[15]					
Black Bass Act		13,110		[15]					
Employees abroad, account devaluation						3,904,824		1,800,000	
Central Statistical Board								[16] 175,420	
National Capital Park and Planning Commission								400,000	
The National Archives								615,000	
National Labor Relations Board								735,000	
Railroad Retirement Board								47,645,000	
Great Lakes Exposition Commission								[17] 275,000	
Total, regular	982,446,041	631,802,546	3,376,594	588,574,714		777,501,956		[18] 2,450,026,905	
Deficiency appropriations:									
First deficiency, 1933	38,052								
Second deficiency, 1933	247								
Third deficiency, 1933	5,111								
Fourth deficiency, 1933	36,873	665,000							
Deficiency, 1934 and 1935				2,665,441					
First deficiency, 1935						95,679,381			
Second deficiency, 1935						26,345,225			
Supplemental, 1936								44,714,987	
First deficiency and supplemental, 1936 and 1937								190,767,285	
Special acts:									
Veterans' Administration (Public Res. 35, 72d Cong.)	100,000								
Home Loan Bank Board (Public, No. 305, 72d Cong.)	250,000								
Federal Farm Board (Public Res. 43, 72d Cong.)	40,000,000								
Farm Relief Act (Public, No. 10, 73d Cong.), Reconstruction Finance Corporation loans		355,000,000							
Foreign Securities Holders Corporation (Public, No. 22, 73d Cong.)		75,000							
Loans to insurance companies (Public, No. 35, 73d Cong.) through Reconstruction Finance Corporation		50,000,000							
Home Owners' Loan Act (Public, No. 43, 73d Cong.), capital stock by Reconstruction Finance Corporation		200,000,000							
Increased authorization for Reconstruction Finance Corporation (Public, No. 84, 73d Cong.)				850,000,000					

[Footnotes at end of table]

Summary of regular, deficiency, and special appropriations—Continued

INDEPENDENT OFFICES—continued

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Special acts—Continued.									
Loans to industry (Public, No. 417, 73d Cong.) through Reconstruction Finance Corporation				$300,000,000					
Independent offices, Veterans' Administration indefinite, estimated				190,000,000					
Deficiency resolution (Public Res. 3, 74th Cong.)						$1,556,750			
George Washington Bicentennial Commission (Public Res. 6, 74th Cong.)						35,000			
Federal Communications Commission (Public Res. 8, 74th Cong.)						750,000			
Loans to insurance companies, increase (Public, No. 1, 74th Cong.), through Reconstruction Finance Corporation						25,000,000			
Flood control loans (Public, No. 525, 74th Cong.) through Reconstruction Finance Corporation								$50,000,000	
Total, regular, deficiency, and special	$1,022,876,324	$1,237,542,546	$3,376,594	1,931,240,155		926,868,312		2,735,509,177	
Permanent and indefinite	81,070,850	79,575,443		68,505,695		69,290,409		580,215,275	
Add public works, supplemental, and work relief		3,376,594							
Grand total	1,103,947,174	1,320,494,583		1,999,745,850		996,158,721		3,315,724,452	

[8] Discontinued Bureau of Efficiency and George Washington Bicentennial Commission.
[9] Transferred to Department of the Interior.
[10] $6,689,250 made available out of Civil Works Administration and Civilian Conservation Corps funds.
[11] Formerly Federal Radio Commission.
[12] This sum was used for auditing expenditures of the new agencies.
[13] Functions of Personnel Classification Board taken over by the Civil Service Commission.
[14] Now the Shipping Bureau under the Department of Commerce.
[15] International Institute for Agriculture, appropriation of $48,500 later transferred to Department of State. Black Bass Act, appropriation of $13,110 later transferred to Department of Commerce.
[16] Formerly carried under new agencies and allotted from emergency funds, $113,000.
[17] Transferred from State, Justice, Commerce, and Labor Appropriation Act.
[18] Plus $440,000,000 to Secretary of Agriculture under Soil Conservation and Domestic Allotment Act shown in Department of Agriculture tabulation.

NEW AGENCIES

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Tennessee Valley Authority			$50,000,000					[19]	
National Recovery Administration			9,665,000						
Civilian Conservation Corps			324,362,315				$600,000,000	[19]	
Federal Emergency Relief Administration			901,880		$899,675,000		300,000,000		
Works Progress Administration							900,000,000		$726,750,000
National Planning Board			351,000						
Civil Works Administration			400,005,000						
Public Works Administration			11,412,205						
Public Works Emergency Housing Corporation			123,671,500				450,000,000		
Public Works Administration reserves			49,934,000						
Central Statistical Board			[20] 113,000					[21]	
Executive Council			[22] 60,000						
Federal Alcohol Control Administration			[22] 500,000						
National Emergency Council			[22] 310,000						
Electric Farm and Home Authority			[22] 1,000,000						
Federal Surplus Relief Corporation			25,000,000						
Emergency Leasing Corporation			[22] 1,000						
Agricultural Adjustment Administration					100,000,000			[23] $440,000,000	
National Housing Act, National Mortgage Association, from Reconstruction Finance Corporation				$10,000,000					
Rural Resettlement Administration							[24] 500,000,000		[25]
Rural Electrification Administration							100,000,000	[19]	[25]
Total			997,286,900	10,000,000	999,675,000		2,850,000,000	440,000,000	726,750,000

[Footnotes at end of table]

Summary of regular, deficiency, and special appropriations—Continued

NEW AGENCIES—continued

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Deficiency appropriations:									
Fourth deficiency, 1933 and 1934, Public Works	[19]$3,300,000,000								
Deficiency, 1934 and 1935, Public Works Administration, through Reconstruction Finance Corporation				$750,000,000					
First deficiency, 1935						$4,250			
Second deficiency, 1935						36,004,260			
Supplemental, 1936								$296,186,901	
First deficiency and supplemental, 1936 and 1937								[27] 348,906,923	
Special acts:									
Agricultural Adjustment Administration (Public, No. 10, 73d Cong.)		$100,000,000							
Unemployment Relief (Public, No. 15, 73d Cong.)		500,000,000							
Federal Emergency Relief and Civil Works Administration (Public, No. 93, 73d Cong.)				950,000,000					
Agricultural Adjustment Administration (cattle) (Public Res. 27, 73d Cong.)				100,000,000					
Agricultural Adjustment Administration (including $92,111,741 from customs receipts.) (Public, No. 320, 74th Cong.)						102,111,741			
National Mortgage Association (Public, No. 1, 74th Cong.), through Reconstruction Finance Corporation						100,000,000			
Work relief (Public Res. 11, 74th Cong.), through Reconstruction Finance Corporation						500,000,000			
Commodity Credit Corporation (Public, No. 489, 74th Cong.) through Reconstruction Finance Corporation								97,000,000	
Public Works Administration (Public, No. 739, 74th Cong.) through Reconstruction Finance Corporation								300,000,000	
Total, regular, deficiency, and special		600,000,000	$997,286,900	1,810,000,000	$999,675,000	738,120,251	$2,850,000,000	1,482,093,824	$726,750,000
Add public works, supplemental, and work relief		997,286,900		999,675,000		2,850,000,000		726,750,000	
Grand total		1,597,286,900		2,809,675,000		3,588,120,251		2,208,843,824	

[19] Provided for in First Deficiency and Supplemental Act, 1936 and 1937.
[20] The sum of $93,000 was added by Executive Order No. 6718 of May 25, 1934, to the $20,000 item shown in Public Works Administration Report of May 7, 1934.
[21] Carried in Independent Offices Act for 1937, $175,420.
[22] Carried as "Special allotments" in Public Works Administration Report of May 7, 1934.
[23] Provided in Independent Offices Act for 1937 (Soil Conservation and Domestic Allotment Act. Also reappropriation of $21,364,000 provided in Agriculture Appropriation Act.
[24] Includes irrigation and reclamation.
[25] May share in this appropriation.
[26] Shown here but not added in total as this fund is distributed in next column.
[27] Includes $308,000,000 for C. C. C., $1,000,000 for Rural Electrification Administration, $39,900,000 for T. V. A.; which items were included in relief appropriations heretofore.

DISTRICT OF COLUMBIA

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Total appropriation	$41,245,622	$30,375,834	[28] $1,759,500	$35,411,178		$40,547,115		$43,523,910	
District of Columbia-Virginia Commission				[29] 10,000					
Total, regular	41,245,622	30,375,834	1,759,500	35,421,178		40,547,115		43,523,910	
Deficiency appropriations:									
Fourth deficiency, 1933	11,942								
Deficiency, 1934 and 1935				342,800					
First deficiency, 1935						45,000			
Second deficiency, 1935						750,324			
Supplemental, 1936								165,990	
First deficiency and supplemental, 1936 and 1937								894,535	

[Footnotes at end of table]

Summary of regular, deficiency, and special appropriations—Continued

DISTRICT OF COLUMBIA—continued

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Special acts:									
Alcoholic Beverage Control (Public Res. 13, 73d Cong.)				$26,667					
Shrine convention (Public Res. 17, 74th Cong.)						$54,000			
Grand Army of the Republic encampment (Public Res. 40, 74th Cong.)						15,000			
Emergency relief (Public Res. 79, 74th Cong.)								$350,000	
Total, regular, deficiency, and special	$41,257,564	$30,375,834	$1,759,500	35,790,685		41,411,439		44,934,435	
Permanent and indefinite	3,252,000	2,697,500		2,430,000		1,460,000		1,435,000	
Add public works		1,759,500							
Grand total	44,509,564	34,832,834		38,220,685		42,871,439		46,369,435	

[35] An allotment was made to the District of Columbia for Public Works Administration funds of $1,759,500 for sewer construction.
[29] Additional appropriation to legislative establishment for this purpose transferred to District of Columbia.

DEPARTMENT OF THE INTERIOR

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Secretary's office	$694,380	$704,270	[30] $18,071	$1,175,285		$1,740,190		$3,505,690	
General Land Office	1,883,300	1,742,050	1,000,000	822,000		1,810,700		1,821,200	
Indian Affairs	20,845,439	18,966,546	19,034,550	16,275,285		27,538,132		28,041,190	
Bureau of Reclamation	8,414,500	11,051,000	[31] 103,535,000	860,750		1,072,100		48,878,600	
Geological Survey	2,181,000	1,992,500	4,497,164	1,313,500		2,285,560		2,807,817	
Bureau of Mines				([31])		1,970,311		2,093,200	
National Park Service	7,640,620	5,072,790	[32] 32,091,350	6,319,640		16,199,290		16,122,080	
Bureau of Education	320,000	270,000		1,538,000		4,781,220		7,188,400	
Territories	1,212,300	1,347,250	[33] 3,284,358	1,113,168		1,532,335		1,565,240	
Hospitals and universities	2,342,133	2,607,530	3,319,311	2,047,711		2,291,090		2,555,940	
Petroleum Industry Administration			559,000		$1,500,000			([34])	
Service division and special account			[35] 2,208						
Soil Erosion Service			10,000,000				[36] $213,306,831	([37])	
Subsistence homesteads			25,000,000						
Commission of Fine Arts				[38] 9,080		([38])		([38])	
Total, regular	45,533,672	43,753,936	202,341,012	31,474,319	1,500,000	61,220,928	213,306,831	114,579,357	
Deficiency appropriations:									
Second deficiency, 1932	7,155,702								
First deficiency, 1933	1,246								
Second deficiency, 1933	463,499								
Third deficiency, 1933	121								
Fourth deficiency, 1933	233,705								
Deficiency, 1934 and 1935				4,320,848					
First deficiency, 1935						10,415			
Second deficiency, 1935						16,689,087			
Supplemental, 1936								850,362	
First deficiency and supplemental, 1936 and 1937								9,858,458	
Special acts:									
Emergency Relief and Construction Act (Public, No. 302, 72d Cong.)	16,000,000								
Indian Affairs (Public, No. 265, 74th Cong.)						50,000			
Territories and island possessions (Public Res. No. 126, 74th Cong.)								35,000	
Total, regular, deficiency, and special	69,387,945	43,753,936	202,341,012	35,795,167	1,500,000	77,970,430	213,306,831	125,323,177	
Permanent and indefinite	13,921,800	12,122,600		15,503,050		16,786,040		28,136,040	
Add public works, supplemental, and work relief		202,341,012		1,500,000		213,306,831			
Grand total	83,309,745	258,217,548		52,798,217		308,063,301		153,459,217	

[30] Of this amount, $14,731 was carried as a special allotment in Public Works Administration report of May 7, 1934. The balance of $3,340 is listed in a table as of May 21, 1934, shown in the hearing before the Subcommittees of House Committee on Appropriations in charge of deficiency appropriations.
[31] See Department of Commerce ($1,197,926).
[32] Includes $7,202,306 for physical improvements and $24,884,144 for roads and trails.
[33] Includes $1,981,508 for Alaska, and $1,320,850 for Virgin Islands.
[34] Included in Secretary's office.
[35] Carried as a special allotment in Public Works Administration report of May 7, 1934.
[36] Balance under War Department; also covers sanitation and reforestation.
[37] Transfered to Soil Conservation Service, Department of Agriculture.
[38] Transferred from independent offices; 1936 and 1937 appropriations included in Secretary's office.

Summary of regular, deficiency, and special appropriations—Continued

LEGISLATIVE

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Senate	$3,095,490	$2,848,716		$2,945,711		$3,320,302		$3,332,084	
House	8,178,924	7,415,399		7,421,008		8,289,932		8,302,108	
Capitol Police	95,430	87,940		100,106		110,650		110,680	
Joint Committee on Printing	11,620	10,785		10,618		11,620		11,620	
Legislative counsel	75,000	70,000		70,000		75,000		75,000	
Statement of appropriations	4,000	3,330		4,000		4,000		4,000	
Architect's office	1,900,580	1,586,355	$2,800,000	1,692,010		1,900,622		4,202,924	
Botanic Gardens	140,000	113,725		111,595		114,987		114,987	
Library of Congress	2,162,147	2,090,235		2,091,335		2,419,647		2,511,025	
Government Printing Office	3,010,800	2,462,800		3,181,612		4,500,000		4,650,000	
Total, regular	18,673,991	16,689,285	2,800,000	[39] 17,627,995		20,746,760		23,314,428	
Deficiency appropriations:									
Second deficiency, 1932	32,150								
First deficiency, 1933	168,040								
Second deficiency, 1933	250,860	2,150							
Third deficiency, 1933	81,560	22,275							
Fourth deficiency, 1933	2,318	126,210							
Deficiency, 1934 and 1935				1,154,520					
First deficiency, 1935						51,502			
Second deficiency, 1935						2,896,145			
Supplemental, 1936								384,440	
First deficiency and supplemental, 1936 and 1937								573,152	
House, special and select committees (Public Res. 89, 74th Cong.)								75,000	
Senate, folding room (Public Res. 90, 74th Cong.)								4,000	
House, election contest (Public Res. 122, 74th Cong.)								3,740	
Special acts:									
Senate and House pages (Public Res. 34, 72d Cong.)	3,720								
Senate and House pages (Public Res. 41, 72d Cong.)	2,480								
Senate and House pages (Public Res. 4, 73d Cong.)	12,628								
Senate and House (Public Res. 12, 73d Cong.)				213,500					
Senate and House (Public Res. 23, 73d Cong.)				185,000					
House, select committees (Public Res. 51, 73d Cong.)				110,000					
Senate (Public Res. 3, 74th Cong.)						215,000			
House pages (Public Res. 39, 74th Cong.)						9,348			
Total, regular, deficiency, and special	19,227,747	16,839,920	2,800,000	19,291,015		23,918,755		24,354,760	
Permanent and indefinite	109,800	70,800		62,800		70,800		78,800	
Add public works, supplemental, and work relief		2,800,000							
Grand total	19,337,547	19,710,720		19,353,815		23,989,555		24,433,560	

[39] Regular legislative appropriation $17,627,995

Riders on legislative appropriation act:

District of Columbia (Virginia Commission included under District of Columbia)	10,000
Foreign pay adjustments, included under State Department	7,438,000
Total	20,075,995

NAVY DEPARTMENT

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Secretary's office	$2,887,980	$2,278,504	[40] $2,850,000	$2,111,400		$2,210,850		$2,314,600	
Naval records and library	39,240	35,970		30,672		34,080		34,080	
Judge Advocate General	130,240	117,087		104,940		116,780		117,720	
Naval operations	73,760	69,423		61,830		70,000		66,020	
Board of Inspection and Survey	20,780	17,454		15,516		17,240		19,840	
Naval Communications	134,980	123,272		108,720		125,000		130,000	
Naval Intelligence	41,440	36,978		32,760		56,080		61,660	
Bureau of Navigation	6,530,144	6,304,327		5,372,584		11,161,787		13,635,324	
Bureau of Engineering	18,363,040	18,248,407	712,500	15,810,470		19,959,500		20,807,400	
Bureau of Construction and Repair	16,214,900	15,792,674	238,000,000	13,974,870		18,635,479		19,547,479	
Bureau of Ordnance	11,436,000	11,000,995	330,225	10,680,303		21,349,000		21,849,000	
Bureau of Supplies and Accounts	166,978,331	159,188,348	205,662	152,326,320		185,210,923		201,254,053	
Bureau of Medicine and Surgery	1,995,560	1,934,842		2,031,714		2,332,640		2,373,720	
Bureau of Yards and Docks	11,342,320	10,297,129	27,500,537	6,828,335		9,844,600		11,262,100	
Bureau of Aeronautics	25,535,820	22,220,879	7,500,000	18,880,398		41,069,310		38,932,270	
Naval Academy	1,881,217	1,741,237		1,549,786		1,928,000		[41]	

[Footnotes at end of table]

Summary of regular, deficiency, and special appropriations—Continued

NAVY DEPARTMENT—continued

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Marine Corps	$21,914,839	$20,349,251		$20,648,447		$23,768,110		$25,641,266	
Increase in Navy and replacement	18,063,000	33,412,785		33,619,334		120,795,000		168,500,000	
Modernizing ships	14,000,000	5,500,000		470,400					
Total, regular	317,583,591	308,669,562	$277,098,924	285,658,799		458,684,379		526,546,532	
Deficiency appropriations:									
First deficiency, 1933	3,803								
Second deficiency, 1933	1,634								
Third deficiency, 1933	33,188								
Fourth deficiency, 1933	102,640								
Deficiency, 1934 and 1935				622,868					
First deficiency, 1935						561,623			
Second deficiency, 1935						25,363,342			
Supplemental, 1936								107,161	
First deficiency and supplemental, 1936 and 1937								2,527,498	
Special acts:									
Emergency Relief and Construction Act (Public, No. 302, 72d Cong.)	10,000,000								
Marine Band expenses (Public Res. 51, 73d Cong.)				11,000					
Total, regular, deficiency, and special	327,724,856	308,669,562	277,098,924	286,292,667		484,609,344		529,181,191	
Permanent and indefinite	1,322,550	997,598		1,698,333		1,737,500		1,717,100	
Add public works		277,098,924							
Grand total	329,047,406	586,766,084		286,991,000		486,346,844		530,898,291	

[40] Machine tools, $2,850,000.

[41] Included in Bureau of Navigation.

TREASURY DEPARTMENT

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Secretary's office	$5,886,220	$5,255,130		$4,641,964	$4,600,000	$6,811,960		$8,818,640	
Customs Service	22,000,000	19,900,000		18,500,000		34,255,410		38,900,000	
Bureau of the Budget	190,000	177,700		171,851		192,000		219,000	
Farm Loan Bureau	950,000	900,000		[42]		[42]		[42]	
Office of the Treasurer	1,601,746	1,478,586	[43] $100,000	1,374,300		1,469,700		1,262,460	
Comptroller of the Currency	315,340	291,740		257,202		233,800		245,320	
Internal Revenue	33,650,000	[44] 85,800,000		67,450,520	10,000,000	[45] 83,004,700		54,516,080	
Bureau of Industrial Alcohol	4,525,000	4,000,000		4,086,974		[46]			
Federal Alcohol Administration								475,000	
Bureau of Narcotics	1,525,000	1,400,000		1,244,899		1,249,470		1,273,000	
Coast Guard	28,172,220	25,772,950	25,031,872	18,346,400		22,761,315		24,080,028	
Bureau of Engraving and Printing	6,430,000	5,060,680		4,568,060		5,988,247		6,328,430	
Secret Service	703,419	679,238		695,390	45,000	833,640		1,053,610	
Public Health Service	11,021,413	10,386,328	2,207,128	9,155,869		10,777,567		20,151,075	
Mints and Assay Office	1,387,870	1,296,842		1,108,559		1,256,600		1,295,660	
Procurement Division	[47] 131,884,930	[48] 81,919,025	67,401,653	[49] 18,425,442	65,000,000	[50] 6,836,700	[51]	5,255,000	$156,750,000
Printing House for the Blind	65,000	65,000		65,000		65,000		65,000	
Federal land banks, interest and surplus					[52] 82,950,000			[52] 48,000,000	
Total, regular	250,308,158	244,383,219	94,740,653	150,092,430	162,595,000	175,786,109	[51]	211,940,303	156,750,000
Deficiency appropriations:									
First deficiency, 1933	1,457								
Second deficiency, 1933	28,266,061								
Third deficiency, 1933	21,266								
Fourth deficiency, 1933	1,073	265,000,000							
Deficiency, 1934 and 1935				189,740					
First deficiency, 1935						1,690,047			
Second deficiency, 1935						123,949,324			
Supplemental, 1936								11,392,448	
First deficiency and supplemental, 1936 and 1937								342,689,829	
Special acts:									
Emergency Relief and Construction Act, public buildings (Public, No. 302, 72d Cong.)	100,000,000								
Bank Conservation Act (Public, No. 1, 73d Cong.)		2,000,000							
Gold stabilization fund (Public Res. 87, 73d Cong.)				2,000,000,000					

[Footnotes at end of table]

Summary of regular, deficiency, and special appropriations—Continued

TREASURY DEPARTMENT—continued

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Special acts—Continued.									
Federal Reserve banks, loans to industry (Public, No. 417, 73d Cong.)				$139,299,557					
Total, regular, deficiency, and special	$378,598,015	$511,383,219	$94,740,653	2,289,581,728	$162,595,000	$301,425,480	[31]	$566,022,580	$156,750,000
Permanent and indefinite	1,161,522,917	1,278,731,138		1,363,494,072		1,529,594,580		1,405,640,300	
Add public works, supplemental, and work relief		94,740,653		162,595,000		[31]		156,750,000	
Grand total	1,540,120,932	1,884,855,010		3,815,670,800		1,831,020,060		2,128,412,880	

[43] Transferred to Farm Credit Administration.
[44] Carried as a special allotment for relief (or adjustments) to contractors in Public Works Administration report of May 7, 1934.
[45] Includes $55,000,000 for refund of taxes.
[46] Includes $35,000,000 for tax refunds.
[47] Discontinued and consolidated.
[48] Includes $108,000,000 for construction.
[49] Includes $53,200,000 for construction.
[50] Public Buildings has been made the procurement division, Public Works branch. This figure includes:

Supply branch	$225,793
Public Works branch	14,064,615
Repairs and equipment	2,065,035
Operating expenses	1,800,000
Departmental salaries	270,000
Total	18,425,443

[51] Includes only $2,000,000 for construction.
[52] Allocations from work-relief appropriations unknown.
[53] Interest and surplus.

POST OFFICE DEPARTMENT

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Departmental (District of Columbia)	$4,383,275	$3,746,557		$3,287,022		$3,706,664		$3,996,389	
Field service:									
Postmaster General	3,397,450	3,088,450	$532,600	2,633,145		3,212,500		3,421,200	
First Assistant	497,817,900	443,616,995		398,046,031		352,395,995		397,790,995	
Second Assistant	254,626,800	221,952,867		213,640,600		313,095,000		318,209,745	
Third Assistant	6,424,750	5,622,775		4,145,940		5,082,150		4,890,000	
Fourth Assistant	39,289,500	35,005,734		47,876,202		50,357,260		52,276,260	
Total, regular	805,939,675	713,033,378	532,600	669,628,940		727,849,569		780,584,589	
Deficiency appropriations:									
First deficiency, 1933	13,532								
Second deficiency, 1933	5,196								
Third deficiency, 1933	5,238								
Fourth deficiency, 1933	6,930								
Deficiency, 1934 and 1935				49,316					
First deficiency, 1935						3,111,750			
Second deficiency, 1935						3,721,067			
Supplemental, 1936								24,871	
First deficiency and supplemental, 1936 and 1937								40,632,989	
Total, regular and deficiency	805,970,571	713,033,378	532,600	669,678,256		734,682,386		821,242,449	
Permanent and indefinite	165,000	165,000		165,000					
Add public works		532,600							
Grand total	806,135,571	713,730,978		669,843,256		734,682,386		821,242,449	

DEPARTMENT OF STATE

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Domestic	$2,265,540	$2,017,312		$1,754,045		$2,124,030		$2,277,010	
Foreign	11,398,253	10,179,207	$4,761,000	12,131,573		[53] 11,889,865		15,552,540	
Foreign-pay adjustment				[54] 7,438,000					
Total, regular	13,663,793	12,196,519	4,761,000	21,323,618		[53] 14,013,895		17,829,550	
Deficiency appropriations:									
First deficiency, 1933	190,000								
Second deficiency, 1933	185,455								
Third deficiency, 1933	435								
Fourth deficiency, 1933	125,048	35,700							

[Footnotes at end of table]

Summary of regular, deficiency, and special appropriations—Continued

DEPARTMENT OF STATE—continued

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Deficiency appropriations—Continued.									
Deficiency, 1934 and 1935				$1,667,264					
First deficiency, 1935						$00,011			
Second deficiency, 1935						3,412,205			
Supplemental, 1936								$183,807	
First deficiency and supplemental, 1936 and 1937								1,296,783	
Special act:									
Ninth Pan American Sanitary Conference (Pub. Res. 42, 73d Cong.)				3,000					
Total, regular, deficiency, and special	$14,164,731	$12,232,219	$4,761,000	22,993,882		[53] 17,526,111		12,310,140	
Permanent and indefinite	31,000	31,000		31,000		20,000		20,000	
Add public works		4,761,000							
Grand total	14,195,731	17,024,219		23,024,882		[53] 17,546,111		19,330,140	

[53] Independent offices bill carried $3,904,824 for pay of employees abroad account devaluation of dollar.
[54] Additional appropriation for this purpose to legislative establishment transferred to State Department.

DEPARTMENT OF JUSTICE

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Department proper	$15,413,500	$13,403,133		$5,285,430		$8,951,500		$10,065,900	
Judicial	18,457,000	17,474,374		14,940,435		16,309,435		17,618,570	
Penal institutions	12,125,500	10,276,543	$785,512	7,474,913		9,295,565		13,539,455	
Total, regular	45,996,000	41,154,050	785,512	28,700,778		34,556,500		41,223,925	
Deficiency appropriations:									
First deficiency, 1933	178,282								
Second deficiency, 1933	1,449								
Third deficiency, 1933	2,016								
Fourth deficiency, 1933	21,223								
Deficiency, 1934 and 1935				2,462,108					
First deficiency, 1935						942,526			
Second deficiency, 1935						1,142,539			
Supplemental, 1936								1,197,565	
First deficiency and supplemental, 1936 and 1937								987,951	
Special acts:									
United States courts, fees (Public Res. No. 82, 74th Cong.)								900,000	
Total, regular and deficiency	46,198,970	41,154,050	785,512	31,162,886		36,641,565		44,309,441	
Permanent and indefinite		800,000		785,000		850,000		947,808	
Add public works		785,512							
Grand total	46,198,970	42,739,562		31,947,886		37,491,565		45,257,249	

DEPARTMENT OF COMMERCE

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Secretary's office	$10,271,700	$8,685,370		$837,410		$900,000		$931,500	
Bureau of Air Commerce [55]			$2,558,803	5,205,250		5,909,800		6,770,000	
Bureau of Foreign and Domestic Commerce	3,988,000	3,514,370		2,164,157		2,705,100		2,827,400	
Bureau of the Census	862,125	1,903,000		3,863,500		3,434,000		2,100,500	
Bureau of Navigation and Steamboat Inspection	1,476,165	1,405,000	33,043	1,337,752		1,598,000		1,927,500	
Bureau of Standards	2,137,280	2,056,045	100,000	1,436,908		1,802,500		1,854,500	
Bureau of Lighthouses	9,849,280	9,114,600	5,620,334	8,517,373		9,431,000		9,865,600	
Coast and Geodetic Survey	2,399,813	2,205,090	6,503,120	2,126,061		2,360,900		2,505,300	
Bureau of Fisheries	1,976,020	1,765,740	564,500	1,291,537		1,564,200		1,565,920	
Patent Office	4,890,700	4,424,950		4,070,231		4,715,000		4,660,000	
Bureau of Mines	1,860,325	1,514,300	272,800	1,197,926		[56]		[56]	
Shipping Bureau				219,216		[57] 211,000		249,000	
Total, regular	39,711,408	[58] 36,588,465	15,652,600	32,267,321		34,631,500		35,257,220	

[Footnotes at end of table]

Summary of regular, deficiency, and special appropriations—Continued

DEPARTMENT OF COMMERCE—continued

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Deficiency appropriations:									
First deficiency, 1933	$1,086								
Second deficiency, 1933	200,284								
Third deficiency, 1933	33,346								
Fourth deficiency, 1933	3,921								
Deficiency, 1934 and 1935				$537,425					
First deficiency, 1935						$15,082			
Second deficiency, 1935						92,077			
Supplemental, 1936								$318,215	
First deficiency and supplemental, 1936 and 1937								619,975	
Special act: Emergency Relief and Construction Act (Public, No. 302, 72d Cong.)	5,560,000								
Total, regular, deficiency, and special	45,510,045	$36,588,465	$15,652,600	32,804,746		34,738,659		36,195,410	
Permanent and indefinite	3,000	17,000		21,000		110,500		147,450	
Add public works		15,652,600							
Grand total	45,513,045	52,258,065		32,825,746		34,849,159		36,342,860	

[55] Formerly Bureau of Aeronautics.
[56] Transferred to Department of the Interior.
[57] Plus indefinite appropriations.
[58] Does not include $13,110; later transferred from (Black Bass Act) Independent Offices Appropriation Act.

DEPARTMENT OF LABOR

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Secretary's office	$700,500	$645,000	$26,000	$691,815		$914,300		$1,268,500	
Bureau of Labor Statistics	450,000	414,000	10,000	668,720		1,084,600		850,000	
Bureau of Immigration	9,480,000	9,494,000	1,422,980	8,485,000		9,595,000		9,850,000	
Bureau of Naturalization	975,770	890,000		[59]		[59]		[59]	
Children's Bureau	375,500	344,000		337,030		403,300		6,869,000	
Women's Bureau	160,000	147,000		139,160		153,500		153,200	
Employment Service	765,000	734,865	800,000	3,700,000		3,200,000		2,785,000	
Housing Corporation	14,000	8,500		9,080		9,300		9,000	
Conciliation Service			10,000						
Total, regular	12,920,770	12,677,365	2,268,980	14,030,805		15,360,000		21,784,700	
Deficiency appropriations:									
First deficiency, 1933	200,000								
Second deficiency, 1933	450,208								
Third deficiency, 1933	3,500								
Fourth deficiency, 1933	1,532	1,500,000							
Deficiency, 1934 and 1935				27,580					
First deficiency, 1935						34,217			
Second deficiency, 1935						338,431			
Supplemental, 1936								3,645,894	
First deficiency and supplemental, 1936 and 1937								86,597	
Total, regular, deficiency, and special	13,576,010	14,177,365	2,268,980	14,058,385		15,732,648		25,517,191	
Permanent and indefinite	4,000	4,000		4,000				1,735,000	
Add public works		2,268,980							
Grand total	13,580,010	16,450,345		14,062,385		15,732,648		27,252,191	

[59] Bureau of Immigration and Bureau of Naturalization consolidated into Bureau of Immigration and Naturalization.

WAR DEPARTMENT

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief and work-relief appropriations
Military:									
Secretary's office	$949,310	$868,184		$849,892		$982,028		$1,035,590	
General Staff	349,034	312,621		282,012		368,061		374,477	
Adjutant General	1,821,767	1,607,753		4,051,570		1,956,483		1,796,630	
Inspector General	28,345	24,467		24,005		27,220		27,340	
Judge Advocate General	113,294	103,542		95,095		107,280		108,240	
Finance	138,346,589	130,155,611		122,867,084		165,303,075		159,032,277	
Quartermaster General	55,263,174	51,227,609	$71,009,926	44,224,268		50,543,956		68,251,878	
Seacoast defense	2,333,136	2,035,431	[60] 7,000,000	1,161,805		1,284,970		8,518,994	
Signal Corps	2,650,895	2,499,129		2,040,520		4,937,410		5,424,019	
Air Corps	25,673,236	23,537,769	7,500,000	27,591,793		45,600,444		59,619,694	
Medical Corps	1,640,489	1,504,189		1,406,333		1,483,176		1,810,853	

[Footnotes at end of table]

Summary of regular, deficiency, and special appropriations—Continued

WAR DEPARTMENT—continued

	Fiscal year 1933 appropriations	Fiscal year 1934		Fiscal year 1935		Fiscal year 1936		Fiscal year 1937	
		Appropriations	Public works allotments	Appropriations	Supplemental appropriations	Appropriations	Work-relief appropriations	Appropriations	Relief-and work-relief appropriations
Military—Continued.									
Insular Affairs	$85,413	$77,636	$1,500,000	$72,035		$66,300		$66,400	
Engineer Corps	596,036	540,831		441,284		528,834		659,687	
Ordnance	11,209,014	10,641,340	6,000,000	10,153,204		16,744,578		17,589,549	
Chemical Warfare	1,274,279	1,303,485		1,302,681		1,438,667		1,533,945	
Infantry	67,610	60,583		59,805		63,830		63,830	
Cavalry	21,000	19,690		19,432		21,000		23,755	
Field Artillery	25,000	24,220		23,718		24,654		27,191	
Coast Artillery	53,720	50,965		49,679		53,680		54,180	
Military Academy	2,394,808	2,344,584		2,193,260		2,357,256		3,092,104	
Militia Bureau	31,413,369	35,621,498	2,238,624	28,075,034		34,130,866		38,004,559	
Organized Reserves	6,354,348	6,354,348		4,278,859		6,372,178		8,574,195	
C. M. T. C	6,692,008	5,975,431		4,117,601		6,461,204		6,869,746	
National Board for Rifle Practice	139,150	159,465		145,178		491,054		545,726	
Motorization			[60] 10,000,000						
Total, military	289,500,024	277,050,381	105,248,550	255,526,147		341,348,204		[61] 383,104,859	
Nonmilitary:									
Quartermaster Corps	1,131,049	1,109,675		715,927		760,341		916,990	
Signal Corps	161,285	160,772	176,170	146,055		156,753		163,338	
Engineer Corps	94,139,494	60,413,517	[62] 255,928,208	53,307,936		50,135,926	[63] $136,693,169	176,178,008	$128,250,000
Panama Canal	11,146,661	11,106,404	1,000,000	6,532,926		8,797,597		11,122,944	
United States Soldiers' Home						799,349		799,105	
High Commissioner to the Philippine Islands								161,600	
Total, nonmilitary	106,578,489	72,790,368	257,104,378	60,702,844		60,649,966	136,693,169	189,341,985	128,250,000
Total, regular	396,078,513	349,840,749	362,352,928	316,228,991		401,998,170	136,693,169	572,446,844	128,250,000
Deficiency appropriations:									
First deficiency, 1933	4,198								
Second deficiency, 1933	326,546								
Third deficiency, 1933	786,512								
Fourth deficiency, 1933	208,161								
Deficiency, 1934 and 1935				1,121,709					
First deficiency, 1935						8,017,083			
Second deficiency, 1935						23,093,661			
Supplemental, 1936								794,843	
First deficiency and supplemental, 1936 and 1937								10,456,869	
Special acts:									
Emergency Relief and Construction Act (Public, No. 302, 72d Cong.):									
Military, Quartermaster General	15,164,000								
Nonmilitary, Engineer Corps	45,500,000								
Urgent deficiency resolution (Public Res. 23, 73d Cong.)				150,000					
Fort Niagara celebration (Public Res. 50, 73d Cong.)				6,000					
Total, regular, deficiency, and special	458,067,930	349,840,749	362,352,928	317,506,700		433,108,914	136,693,169	583,698,556	128,250,000
Permanent and indefinite	12,576,540	12,462,500		11,803,900		1,728,702		1,937,700	
Add public works and public relief		362,352,928				136,693,169		128,250,000	
Grand total	470,644,470	724,656,177		329,310,600		571,530,785		[61] 713,886,256	

[60] Carried in Public Works Administration report of May 7, 1934, under War Department.

[61] In addition there are reappropriations totaling $2,845,925.

[62] Engineer Corps:

Flood control	$69,187,000
Rivers and harbors	179,741,208
Seacoast defense	7,000,000
Total	255,928,208

[63] Actually allocated as of Aug. 28, 1935.

LEGISLATION FOR ALASKA

Mr. DIMOND. Mr. Speaker, this session of Congress is now drawing to a close. I feel impelled, before final adjournment, to express to the Members of Congress, both my colleagues in the House and the Members of the Senate, my deep sense of obligation for the uniform courtesy and consideration which I have received from all, and the aid that has been extended to me as the representative of the people of Alaska. The generally careful and sympathetic attention given to Alaskan matters is proved by the volume of legislation particularly concerning Alaska which has been enacted by Congress in the past 3 years.

It is scarcely necessary to say that all of the measures which I introduced and advocated for the benefit of Alaska were not passed by Congress. Indeed some of the most important of them failed of report by committee and so never came to the floor of the House for action, but I realize that some of these measures were highly controversial and that with the burden of other affairs put upon them, Members of Congress have not the time to devote intimate detailed study to the merits of every bill which is introduced. When we realize that during the present Congress more than 13,000 bills were introduced in the House and nearly 4,800 in the Senate, it is apparent that only measures which are deemed most important may be adequately considered. Therefore, Mr. Speaker, it is with some degree of modest pride that I am able to report that during the Seventy-third and Seventy-fourth Congresses, 57 individual bills have been passed and

approved specially relating to Alaska or for the benefit of the citizens thereof and this does not include the extremely large number of general bills which directly affect the well-being of the people of the Territory.

Of course, it would not have been possible to secure the enactment of these bills without the cordial and sympathetic cooperation of the Members of both Houses and for that cooperation and for the treatment I have received here I am profoundly grateful, and I am sure that the people whom I have the honor to represent feel a like measure of gratitude.

In order to show more in detail what has been done for Alaska by the special legislation for the Territory enacted since March 4, 1933, I shall refer briefly to the several individual measures so enacted.

Public, No. 128, Seventy-third Congress, approved March 26, 1934, fixing the date for holding elections of a Delegate from Alaska to the House of Representatives and of members of the Legislature of Alaska; fixing the date on which the Legislature of Alaska shall hereafter meet; prescribing the personnel of the Territorial canvassing board, defining its duties, and for other purposes.

This act is of real importance to the Territory. It provides that general elections in the Territory shall be held on the second Tuesday in September in the year 1934 and on the second Tuesday in September every second year thereafter, and it further provides that the sessions of the legislature of the Territory shall convene on the second Monday in January in the year 1935 and the second Monday in January every second year thereafter. The holding of sessions of the legislature in January and February and early March rather than in March and April and extending over into early May greatly serves the convenience of the members who are chosen for the legislature and generally meets the convenience of the people of Alaska. This act contains further provisions with respect to the official actions of the canvassing board and also embraces the following provision materially enlarging the authority of the Alaska Territorial Legislature, to wit:

> That the Legislature of the Territory of Alaska shall have the power from time to time as the need therefor may arise, to change the date of general elections in the said Territory, including the date of election of a Delegate from the Territory of Alaska to the House of Representatives and of the members of the Territorial Legislature, and that the Legislature of the Territory of Alaska shall also have the power by law to change from time to time the personnel of the canvassing board, the dates of its meetings, and may prescribe its duties.

From the foregoing it will be seen that the Alaska Legislature now has power to change the date of elections and also has authority to change from time to time the personnel of the canvassing board, the dates of its meetings, and may prescribe its duties.

Public, No. 134, Seventy-third Congress, approved March 27, 1934, granting abandoned public buildings and grounds at Sitka, Alaska, to the Territory of Alaska, and for other purposes.

The people of Alaska, through the Territorial Legislature, had expressed their approval of the construction of a new Pioneers' Home at Sitka. The old home and the land on which it was situated belonged to the Federal Government. Before the new home was built it became necessary to secure a transfer of the Government property to the Territory of Alaska, and that object was accomplished by the act above mentioned. The act contains a provision to the effect that the Territory shall never sell or otherwise dispose of any part of said property and that if the same shall ever be abandoned for the uses therein declared, namely, a home for the aged, sick, and infirm pioneers and residents of the Territory, the premises shall revert to the United States.

Upon the passage and approval of the act the Territory, with the aid of funds furnished by the Public Works Administration, constructed a really fine and modern home for the pioneers at Sitka and all of it is now Territorial property.

Public, No. 158, Seventy-third Congress, approved April 13, 1934, to repeal an act of Congress entitled "An act to prohibit the manufacture or sale of alcoholic liquors in the Territory of Alaska, and for other purposes", approved February 14, 1917, and for other purposes.

This act is more than an act for the repeal of the prohibition laws concerning intoxicating liquor. It is another act conferring larger legislative powers upon the Alaska Territorial Legislature. The prohibition laws were repealed, and the Alaska Territorial Legislature was granted full authority to legislate concerning the sale, disposal, and use of intoxicating liquor.

Public, No. 166, Seventy-third Congress, approved April 16, 1934, to amend sections 3 and 4 of an act of Congress entitled "An act for the protection and regulation of the fisheries of Alaska", approved June 26, 1906, as amended by the act of Congress approved June 6, 1924, and for other purposes.

The purpose of this act was to permit the actual bona-fide residents along the Yukon and Kuskokwim Rivers to take king salmon from said rivers for commercial purposes. Under the act the fishing is limited to inhabitants and the act provides that no person shall be deemed a bona-fide permanent inhabitant of said rivers who has not resided thereon or within 50 miles thereof for a period of over 1 year. The fishing rights are granted to both native and white inhabitants. Under this act limited catches of king salmon have been packed on both rivers during the past 2 years. Last fall a large cannery was planned to be operated at the mouth of the Yukon River during 1936 and thereafter, but I believed that such an extensive operation would deprive the natives of the upper river of fish, and therefore I opposed the plan and it was finally abandoned.

Public, No. 173, Seventy-third Congress, approved April 25, 1934, to authorize the incorporated city of Juneau, Alaska, to undertake certain municipal public works, including regrading and paving of streets and sidewalks, installation of sewer and water pipes, bridge construction and replacement, construction of concrete bulkheads, and construction of refuse incinerator, and for such purposes, to issue bonds in any sum not exceeding $103,000.

Under the provisions of this act the city of Juneau made application to the Public Works Administration for a loan and grant. The application was approved and the public works described in the act were constructed. This was one of the first public-works projects put into construction in the Territory of Alaska.

Public, No. 174, Seventy-third Congress, approved April 25, 1934, to authorize the incorporated city of Skagway, Alaska, to construct, reconstruct, replace, and install a water-distribution system and for such purpose to issue bonds in any sum not exceeding $40,000.

The water system of the city of Skagway, prior to the passage of this act, was in very poor condition. Under circumstances existing in 1934 it seemed impossible for the city of Skagway to borrow sufficient money from private sources to reconstruct its water-supply system. Through the passage of this act a loan and grant was made to the city of Skagway by the Public Works Administration and so the water system was entirely rebuilt and the city now has a fine system. The passage of this act and the construction done thereunder exemplify the very large value of the Public Works Administration to many of the municipal corporations of Alaska as well as to the Territory as a whole.

Public, No. 175, Seventy-third Congress, approved April 25, 1934, to authorize the incorporated town of Wrangell, Alaska, to undertake certain municipal public works, including construction, reconstruction, enlargement, extension, and improvements of its water-supply system; construction of a retaining wall and to backfill behind same to make a permanent street; and construction, reconstruction, enlargement, extension, and improvements to sewers, and for such purposes to issue bonds in any sum not exceeding $51,000.

The city of Wrangell under the act above mentioned has rebuilt its water-supply system and undertaken other public improvements greatly to the advantage of the people of the city. But for the passage of this act and the aid given

by the Public Works Administration the city would still be faced with an inadequate water supply.

Private, No. 75, Seventy-third Congress, approved April 26, 1934, to authorize the waiver or remission of certain coal-lease rentals, and for other purposes.

This act authorized the Secretary of the Interior to waive or remit all rentals due the United States and charged against the Alaska Matanuska Coal Co. during the period the company was out of possession and prevented from operating a coal mine which it held under lease from the Government, because the same was in the hands of a receiver appointed by the United States Court for the District of Alaska.

Public, No. 196, Seventy-third Congress, approved May 3, 1934, to authorize the sale of land and houses at Anchorage, Alaska.

The United States Government, through the Alaska Railroad, owned a number of dwelling houses at Anchorage, Alaska, which were rented to employees of the railroad. While the rents were not high, the employees frequently made improvements but could not be compensated therefor nor could they be given any assurance that the lease of these homes would be permanent. It was deemed better to sell the houses to those who occupied them and hence the act was passed. In operation it has worked well and has enabled a number of the employees of the railroad to own their own homes.

Public, No. 200, Seventy-third Congress, approved May 4, 1934, to repeal an act of Congress entitled "An act to modify and amend the mining laws in their application to the Territory of Alaska, and for other purposes", approved August 1, 1912.

By act of Congress approved August 1, 1912, and an amendatory act approved March 3, 1925, special provisions were made with respect to the location and holding of placer-mining claims in Alaska. Most of the people of Alaska believed that any such laws should be enacted by the Territorial legislature rather than by Congress, thus increasing the scope of the self-governing powers of the people of the Territory. Accordingly, the act above referred to was passed repealing the special act of August 1, 1912, and the amendatory act. The act so passed contained a provision that it should take effect 30 days subsequent to the date of convening of the first regular session of the Alaska Territorial Legislature held after the passage of the act. Within that time the Alaska Legislature enacted a law governing the location and holding of placer-mining claims in the Territory.

Public, No. 210, Seventy-third Congress, approved May 7, 1934, granting citizenship to the Metlakahtla Indians of Alaska.

This act needs little explanation. Under the general law it was not possible for the Metlakahtla Indians who were born in Canada to become citizens of the United States. Without exception they were very anxious to become citizens and exercise the rights thereof. Hence I introduced a bill for this purpose and it was duly enacted into law. The act contains a provision that the granting of citizenship to the Indians should not in any manner affect the rights, individual or collective, of the Indians to any property.

Public, No. 260, Seventy-third Congress, approved May 26, 1934, to amend section 10 of the act entitled "An act extending the homestead laws and providing for right-of-way for railroads in the District of Alaska, and for other purposes", approved May 14, 1898, as amended.

The enactment of this measure filled a long-felt need of some more simple form of securing small homesteads in the Territory. It provides in substance that any citizen of the United States after occupying land of the character described as a homestead or headquarters, in a habitable house, not less than 5 months each year for 3 years, may purchase such tract not exceeding 5 acres without any showing as to employment or business upon the payment of $2.50 an acre, and that the surveys thereof shall be made without expense to the applicant.

Public, No. 292, Seventy-third Congress, approved June 6, 1934, to amend an act entitled "An act to provide for the leasing of coal lands in the Territory of Alaska, and for other purposes."

By the passage of this measure the laws of Alaska concerning the payment of acreage rentals on Government coal lands were made identical with the laws existing elsewhere in the United States. The act provides that in the event the Secretary of the Interior shall direct or assent to the suspension of operation or production of coal under any coal lease the acreage rental shall be likewise suspended.

Private, No. 214, Seventy-third Congress, approved June 8, 1934, for making compensation to the estate of Nellie Lamson.

Under this act $325 was paid by the Government to Frank A. Lamson, administrator of the estate of Nellie Lamson, of Lower Tonsina, deceased, as compensation for the loss of 19 foxes which were killed as the result of dynamite blasting on the homestead of Nellie Lamson by employees of the Alaska Road Commission on May 2, 1931.

Public, No. 372, Seventy-third Congress, approved June 16, 1934, to repeal certain laws providing for the protection of sea lions in Alaska waters.

Prior to the passage of this act sea lions in Alaska waters were protected. They caused great damage both in consumption of salmon and in destruction of seines. Accordingly the act was passed to repeal the laws providing for the protection of sea lions and granting the Secretary of Commerce power to prescribe regulations in order to prevent the total extinction of sea lions.

Public, No. 388, Seventy-third Congress, approved June 18, 1934, authorizing the control of floods in the Salmon River, Alaska.

Salmon River flows through the town of Hyder, and in years past floods of the river have caused serious damage in the town. The act mentioned authorizes an appropriation of $53,000 for the control of the floods. This act was the only act of that nature which passed Congress during the first session of the Seventy-third Congress. After its passage I presented the matter to the Public Works Administration and that administration allotted the money and the work was undertaken and completed. The Territory contributed $7,000 for the project. As a result of the work done the town of Hyder should be safe from floods for many years to come.

Public, No. 399, Seventy-third Congress, approved June 18, 1934, to authorize the incorporated town of Douglas City, Alaska, to undertake certain municipal public works, including construction, reconstruction, enlargement, extension, and improvements of its water-supply system; and construction, reconstruction, enlargement, extension, and improvements to sewers, and for such purposes to issue bonds in any sum not exceeding $40,000.

By the passage of this act the Public Works Administration was enabled to make a loan and grant to the city of Douglas, Alaska, of $40,000, with which the water-supply system of the city was reconstructed and improved. But for the passage of the act and the aid of the Public Works Administration the project could not have been undertaken.

Public, No. 401, Seventy-third Congress, approved June 18, 1934, to authorize the incorporated town of Fairbanks, Alaska, to undertake certain municipal public works, including construction, reconstruction, and extension of sidewalks; construction, reconstruction, and extension of sewers, and construction of a combined city-hall and fire-department building, and for such purposes to issue bonds in any sum not exceeding $50,000.

This is an act authorizing the city of Fairbanks to incur bonded indebtedness. Again, the Public Works Administration made the usual loan and grant, of which 70 percent was in the form of a loan bearing 4-percent interest and 30 percent an outright grant, for the construction of municipal improvements. The work has been completed and is satisfactory in every respect.

Private, No. 387, Seventy-third Congress, approved June 26, 1934, for the relief of Erik Nylin.

Erik Nylin, while in the employ of the Bureau of Indian Affairs, suffered severe injury at Elim, Alaska. As a result of such injuries he became crippled for life. Unfortunately, through lack of knowledge of law, he failed to make application in time to the United States Compensation Commission. This act permitted him to do so, and he is now receiving the compensation to which he is entitled.

The foregoing embraces all of the special acts affecting only Alaska which were passed and approved during the Seventy-third Congress. The following were enacted by the Seventy-fourth Congress and approved:

Private, No. 34, Seventy-fourth Congress, approved May 10, 1935, for the relief of C. H. Hoogendorn.

This act makes an appropriation of $1,500 to C. H. Hoogendorn, of Petersburg, Alaska, in full settlement of his claims against the Government of the United States for the loss of the gas boat *Comrade* while under charter by the Department of Agriculture. The loss occurred some years ago, and finally the act for the relief of Mr. Hoogendorn was passed.

Public, No. 59, Seventy-fourth Congress, approved May 15, 1935, to authorize the city of Ketchikan, Alaska, to issue bonds in any sum not to exceed $1,000,000 for the purpose of acquiring the electric light and power, water, and telephone properties of the Citizens' Light, Power & Water Co., and to finance and operate the same, and validating the preliminary proceedings with respect thereto, and for other purposes.

By act of Congress approved July 3, 1930, the city of Ketchikan was authorized to issue bonds in any sum not exceeding $1,000,000 for the purpose of acquiring certain public-utilities properties situated in the city of Ketchikan, embracing particularly the electric-light plant. The city, under the provisions of this act, sought to purchase the public-utilities properties but before the transfer could be consummated the company endeavored by legal action to enjoin the purchase, the action being based upon some alleged defects and insufficiencies in the act of July 3, 1930, and in the proceedings thereunder. In order to permit the city to acquire and operate these very valuable public-utility properties it became necessary to pass the act above mentioned validating all things done under the act of 1930, and further defining and clarifying the provisions of that act. It seems clear that the city would never have been able to take over the public utilities of Ketchikan unless this last act had been passed. Upon the passage of this act the suit brought to enjoin the transfer was abandoned, the city took over the public-utility properties and is operating them in successful fashion, just another example of the great good that can be accomplished for the benefit of the citizens of any community through the acquisition and operation of its public utilities.

Public, No. 63, Seventy-fourth Congress, approved May 20, 1935, concerning the incorporated town of Seward, Territory of Alaska.

By this act the town of Seward, Alaska, was authorized to issue bonds and apply for grants for the construction of a municipal electric system. Under the provisions of this act loan and grant in the total sum of $166,000 have been made to the city by the Public Works Administration for the purpose of constructing the electric system authorized by the act.

Public, No. 70, Seventy-fourth Congress, approved May 24, 1935, to amend section 5296 of the Revised Statutes of the United States.

The purpose of this act is to bring Alaska within the benefits of section 5296 of the Revised Statutes of the United States, commonly known as the poor-convicts law. Under that law persons imprisoned for failure to pay fine or costs may, after serving 30 days of the term of such imprisonment, make affidavit of inability to pay the fine or costs and thereupon be released. Prior to the passage of this act it was held that section 5296 did not extend to Alaska. The whole tendency of modern thought opposes imprisonment for debt, and to imprison one for nonpayment of fine or costs because he is poor is really an imprisonment for debt. While the passage of the act was opposed upon the ground that fines imposed by the courts of Alaska would not be as readily collected unless the persons upon whom the fines were imposed were threatened with imprisonment for nonpayment, Congress enacted the law and it was approved by the President.

Public, No. 71, Seventy-fourth Congress, approved May 24, 1935, to ratify and confirm the corporate existence of the city of Nome, Alaska, and to authorize it to undertake certain municipal public works, including the construction, reconstruction, enlargement, extension, and improvement of its sewers and drains, fire-fighting system, streets and alleys, sidewalks, curbs and gutters, and a municipal building, and for such purposes to issue bonds in any sum not exceeding $100,000.

As is well known, the city of Nome, Alaska, suffered a disastrous fire in the fall of 1934. Practically the entire business section of the city, including all public buildings, was destroyed. In order to rehabilitate the city it became necessary to secure funds without delay. Accordingly this act was passed authorizing the city to issue bonds in any sum not exceeding $100,000 for public improvements of several kinds. The Public Works Administration advanced the money and the sum has now all been expended to the great benefit and advantage of the city.

In addition to the foregoing it may be of interest to note that immediately after the fire the Federal Emergency Relief Administration advanced $50,000 for relief and placed the same in the hands of the Governor for expenditure. In fact the embers were not cold when the Governor had the money and it was actually expended under the direction of a committee of the citizens of Nome. All reports available indicate that all money, both the $50,000 furnished by the Federal Emergency Relief Administration and the $100,000 furnished by the Public Works Administration, was wisely and economically expended and went a long way to relieve the people of Nome from the effects of the fire, although most of them suffered very severe losses.

Public, No. 78, Seventy-fourth Congress, approved May 28, 1935, to authorize the incorporated town of Petersburg, Alaska, to undertake certain municipal public works, including the filling, grading, and paving of streets and sidewalks, the construction and improvement of sewers, and construction of necessary bridges and viaducts in connection with the same, and for such purposes to issue bonds in any sum not exceeding $35,000.

This is another municipal-bond bill passed in order to permit the city of Petersburg, Alaska, to avail itself of the benefits granted through the Public Works Administration. The amount of the loan so authorized was $35,000, the proceeds of both loan and grant to be used generally for construction and improvement of streets, and so forth.

Public, No. 79, Seventy-fourth Congress, approved May 28, 1935, to authorize the incorporated town of Valdez, Alaska, to construct a public-school building and for such purpose to issue bonds in any sum not exceeding $30,000, and to authorize said town to accept grants of money to aid it in financing any public works.

For many years the town of Valdez, Alaska, has needed a new public-school building, but no funds could be obtained for such construction. Upon the passage of this act the Public Works Administration made an adequate loan and grant, the amount of the loan being limited to $30,000, and the construction of the school building is now going forward, another instance where a necessary public improvement could not have been undertaken without the passage of an act of Congress and the assistance furnished by the Public Works Administration.

Private, No. 81, Seventy-fourth Congress, approved June 14, 1935, to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim, or claims, of Duke E. Stubbs and Elizabeth S. Stubbs, both of McKinley Park, Alaska.

Mr. and Mrs. D. E. Stubbs were engaged in the business of raising silver foxes near McKinley Park when an act of Congress was passed enlarging the park so as to surround

their fox ranch. As a result they were obliged to sell off all their foxes and move away, thus losing largely the benefit of their investment. By this act they are authorized to bring suit in the Court of Claims for the recovery of the loss so sustained. The suit has been commenced, and it is expected that trial will be had and decision rendered within a few months from date.

Public, No. 86, Seventy-fourth Congress, approved May 31, 1935, to amend section 128 of the Judicial Code, as amended.

The United States Judicial Code was largely amended in 1925. The amendments then made provided for appeal of criminal cases from the District Courts of the United States to the Circuit Courts of Appeal, but as to Alaska, appeals in criminal cases were limited to such cases wherein the Constitution or a statute or treaty of the United States or any authority exercised thereunder were involved, or where the offense charged was punishable by imprisonment for a term exceeding 1 year or by death, and in all habeas-corpus proceedings. Under this law one convicted of a misdemeanor in the District Court of Alaska could not appeal to the Circuit Court of Appeals. This was unjust and out of harmony with the law governing the other United States courts. So the act above mentioned was passed providing for appeals from the District Court of Alaska in all criminal cases.

Private, No. 90, Seventy-fourth Congress, approved June 17, 1935, for the relief of John E. Click.

John E. Click was employed by the Bureau of Indian Affairs in Seattle, Wash. He was ordered to go to Alaska and given assurance that his transportation would be paid. In fact, it was paid, but the Comptroller General refused to approve the voucher and ordered Mr. Click to reimburse the Government. Under all the circumstances it was clear that he should not be obliged to so reimburse the Government and by the passage of this act he is released from all liability in that respect. The amount of the claim was $261.82.

Public, No. 152, Seventy-fourth Congress, approved June 19, 1935, authorizing the Tlingit and Haida Indians of Alaska to bring suit in the United States Court of Claims, and conferring jurisdiction upon said court to hear, examine, adjudicate, and enter judgment upon any and all claims which said Indians may have, or claim to have, against the United States, and for other purposes.

This is one of the most important bills for Alaska enacted in many years. It authorizes the Tlingit and Haida Indians to bring suit in the Court of Claims for recovery of compensation for the property rights of which they have been deprived. While the bill met with some opposition in Congress, it was finally passed and duly approved. Preparations are now being made for the institution and trial of the suit so authorized.

Public, No. 189, Seventy-fourth Congress, approved July 1, 1935, authorizing a preliminary examination of the Tanana River and Chena Slough, Alaska.

The floods which occur in Chena Slough flowing between Fairbanks and Garden Island do much damage. The bank in one place is being washed away and it is feared that buildings may be destroyed. This bill authorizes a preliminary examination so that protective work may be eventually undertaken and the town of Fairbanks and Garden Island preserved from the ravages of the floodwaters of the slough.

Public, No. 211, Seventy-fourth Congress, approved July 19, 1935, to authorize the conveyance of certain lands in Nome, Alaska.

The city of Nome as originally laid out was very irregular in shape; the streets were narrow and crooked. When the fire occurred in 1934, the citizens unanimously decided that it would be advisable in rebuilding the city to straighten the streets and make them much wider. Accordingly, all of the property was transferred to a trustee and then reallotted. This bill makes changes in the lands owned by the Federal Government, granting some to the city of Nome so, as now laid out, the city properties are in much better shape and the buildings constructed thereon more easily protected against fire.

Public, No. 235, Seventy-fourth Congress, approved August 3, 1935, to authorize the incorporated city of Anchorage, Alaska, to construct a municipal building and purchase and install a modern telephone exchange, and for such purposes to issue bonds in any sum not exceeding $75,000; and to authorize said city to accept grants of money to aid it in financing any public works.

This bill is adequately described in the title. Application was made to the Public Works Administration for a grant and loan, but afterwards the application for the loan was withdrawn and the bonds of the city were sold locally. However, the Public Works Administration made the usual grant and the building is now under construction.

Public, No. 297, Seventy-fourth Congress, approved August 21, 1935, to authorize the incorporated town of Cordova, Alaska, to construct, reconstruct, enlarge, extend, improve, renew, and repair certain municipal public structures, utilities, works, and improvements, and for such purposes to issue bonds in any amount not exceeding $50,000, and for other purposes.

This bill also is sufficiently described by title. The Public Works Administration made the usual loan and grant and the work is now under way.

Public, No. 317, Seventy-fourth Congress, approved August 24, 1935, to authorize the Postmaster General to contract for air-mail service in Alaska.

This act is important by reason of the extension of air transportation, and particularly of air-mail service in Alaska. The act is an amendment of an act of Congress passed many years ago authorizing the Postmaster General to provide for difficult or emergency mail service in Alaska. The new part of the law reads as follows:

> and he (the Postmaster General) is authorized, in his discretion, to contract, after advertisement in accordance with law, for the carriage of all classes of mail within the Territory of Alaska, by airplane, payment therefor to be made from the appropriation for star-route service in Alaska.

It was by reason of the passage of this act that the Bureau of the Budget approved an estimate of a sum in excess of $242,000 for additional air-mail service in Alaska for the current fiscal year. Although approved by the Budget, the House of Representatives struck out the increased amount. At the time the bill was under consideration I offered an amendment to restore the full amount, but upon division the amendment was voted down. I then went to the Senate and had the item incorporated in the bill in the Senate, but when the bill went to conference the increased amount desired was again lost. When the deficiency bill was under consideration, the Senate, upon my request, again inserted the item, but in conference it was again stricken. However, I feel confident that the Members of Congress now understand the situation more clearly and that at the coming session of Congress in January a substantial sum will be granted for improved service of mail by air in the Territory.

Public, No. 345, Seventy-fourth Congress, approved August 26, 1935, relative to the proposed survey, location, and construction of a highway to connect the northwestern part of continental United States with British Columbia, Yukon Territory, and the Territory of Alaska.

Under this act the President is requested to negotiate and enter into an agreement or agreements between the Governments of the United States and the Dominion of Canada for the survey, location, and construction of what is commonly known as the International Highway through British Columbia and Yukon Territory into Alaska, to connect with the Richardson Highway, and in cooperation with the Government of the Dominion of Canada to cause a survey or surveys to be made to determine the most practicable route for such highway, as well as specifications and estimates of the probable cost thereof and plans for financing its construction and maintenance. Further provisions of the act authorize the President, upon the conclusion of the negotiations and the execution of the agreement or agreements, to designate such existing agency of the Government of the United States as he may select for this purpose, or such officials or agency as he

may specially appoint or create, to carry on the work of survey and location thereof after such route shall have been determined. As originally introduced, the bill authorized an appropriation to construct that part of the highway which lies in the Territory of Alaska, but during course of passage in Congress the authorization for an appropriation was stricken out upon the objection of the Director of the Budget. Negotiations with the Canadian authorities are now going on and it is expected that a plan will be in shape to present to Congress at the coming session in January.

Private, No. 303, Seventy-fourth Congress, approved August 26, 1935, for the relief of Joe Reno.

Joe Reno, a resident of Anchorage, Alaska, signed a bond for the admission of an alien to the United States, guaranteeing that she would depart from the United States within a specified time. Before the period for departure arrived the alien died, but the fact of her death was not discovered until many months later. In the meantime the bond was forfeited and the money was deposited in the Treasury of the United States. Clearly Mr. Reno was not liable on the bond, because the alien had died before the time of departure arrived. By this act Mr. Reno was reimbursed for the amount he so paid, namely, $500. The bond was forfeited in 1921, but Congress had never before taken any action upon the several bills which had been introduced for Mr. Reno's relief.

Public, No. 334, Seventy-fourth Congress, approved August 26, 1935, to reenact section 463 of the act of Congress entitled "An act to define and punish crime in the District of Alaska and to provide a code of criminal procedure for said district", approved March 3, 1899, and for other purposes.

This bill is aptly described in its title. By error in drafting a certain provision of the act concerning the collection of Federal taxes in Alaska, section 463, above referred to, was repealed and so the reenactment of such section, while probably not necessary, became advisable.

Public, No. 465, Seventy-fourth Congress, approved March 2, 1936, to authorize the incorporated city of Skagway, Alaska, to undertake certain municipal public works, and for such purpose to issue bonds in any sum not exceeding $12,000, and for other purposes.

By the provisions of Public, No. 174, Seventy-third Congress, mentioned previously, the city of Skagway was authorized to issue bonds for any sum not exceeding $40,000 for reconstruction and repair of its water supply system. Only $30,000 of the bonds so authorized weer actually issued, and $2,000 of the issue was promptly called and retired, leaving $28,000 outstanding. By the provisions of Public, No. 465, Seventy-fourth Congress, the city was authorized to issue an additional $12,000 in bonds for street improvements with the provision that the total bond issue of the city under this act and prior acts of Congress should not exceed $40,000.

Public, No. 483, Seventy-fourth Congress, approved March 21, 1936, to extend the facilities of the Public Health Service to seamen on Government vessels not in the Military or Naval Establishments.

By this act the facilities of the Public Health Service have been extended to seamen on Government vessels not in the Military or Naval Establishments. All seamen in the Merchant Marine are entitled to the Public Health Service but those benefits have in the past been denied to seamen on the Forest Service vessels, the Bureau of Indian Affairs vessels, and some other Government vessels in Alaska and elsewhere. Under this act those formerly excluded from the benefits of the Public Health Service are taken care of, which is only fair and just.

Private, No. 452, Seventy-fourth Congress, approved April 10, 1936, for the relief of Thomas F. Gardiner.

Thomas F. Gardiner is a respected old-time resident of Dillingham, Alaska. Some years ago he entered into a contract for the transportation of one of the superintendents of the Bureau of Education from Kanatak to Bristol Bay. Owing to unavoidable delays the superintendent left Kanatak before Mr. Gardiner arrived. Thereupon, the Comptroller General refused to pay the account. After much correspondence with the Comptroller General, he finally recommended to Congress the passage of a bill granting to Mr. Gardiner $200.50. Accordingly I introduced a bill to that effect and it was passed in due course. In my judgment, Mr. Gardiner was clearly entitled to a substantially larger sum but we were obliged to accept $200.50 since it seemed hopeless to secure the passage of a bill for a larger amount.

Public, No. 538, Seventy-fourth Congress, approved May 1, 1936: To extend certain provisions of the act approved June 18, 1934, commonly known as the Wheeler-Howard Act (Public Law No. 383, 73d Cong., 48 Stat. 984), to the Territory of Alaska, to provide for the designation of Indian reservations in Alaska, and for other purposes.

Under the provisions of the Wheeler-Howard Act, which was approved June 18, 1934, economic aid is authorized to be given to the Indians of the United States to assist them in establishing cooperative enterprises for their own benefit and welfare. Through an inadvertent error made in conference between the House and Senate, Alaska was not included within certain provisions of the act. The measure above mentioned brings Alaska fully within the benefits of the Wheeler-Howard Act, and it seems bound to result in very large benefits to the Indians and Eskimos of the Territory. At the present time it is estimated that approximately $600,000 will be available for the natives of Alaska to be used in cooperative business enterprises. The Bureau of Indian Affairs is now preparing to set up an organization in Alaska for the administration of the act.

Private, No. 488, Seventy-fourth Congress, approved May 4, 1936, for the relief of Edith H. Miller.

This bill is similar to Private, No. 90, Seventy-fourth Congress, above described. Arthur H. Miller, now deceased, was in the employ of the Bureau of Indian Affairs, and it was agreed that the transportation expense should be paid when he was ordered to Alaska. The Comptroller General refused to pay the account in the sum of $127.64. By this act, Mrs. Miller, the widow and sole heir at law of her deceased husband, has been paid the amount involved.

Private, No. 507, Seventy-fourth Congress, approved May 5, 1936, for the relief of Archie P. McLane and Hans Peter Jensen.

Archie P. McLane and Hans Peter Jensen, of Kasilof, Alaska, were sureties on the bond of a postmaster. The postmaster died and another person acted as postmaster for about 8 months thereafter without any formal appointment. Mr. McLane and Mr. Jensen paid the postmaster's compensation, but the Comptroller General refused to approve it. Accordingly they were obliged to pay the amount, $143.55, into the Treasury. This act reimburses them in that sum, since the Government really had the benefit of the service of the acting postmaster and he was entitled to the compensation which he received.

Private, No. 526, Seventy-fourth Congress, approved May 6, 1936, for the relief of Anchorage Commercial Co., Inc.

The Anchorage Commercial Co., Inc., sold merchandise to the Bureau of Indian Affairs for use at Eklutna, Alaska. Some defect occurred in the preparation of the vouchers and so the Comptroller General refused to approve the account. It therefore became necessary to introduce and have passed the act above mentioned which appropriated for payment to the company the sum of $307.21.

Public, No. 569, Seventy-fourth Congress, approved May 6, 1936, to authorize a survey of Lowell Creek, Alaska, to determine what, if any, modification should be made in the existing project for the control of its floods.

Lowell Creek is a steep mountain stream which flows through the town of Seward, Alaska. Some years ago a large flume was built to carry the waters of the stream through the town and thus avoid damage to the property of the town during flood periods. In the fall of 1935 a disastrous flood occurred, the flume became clogged, and the flood waters did much damage. The electric light plant which serves the town was flooded and was out of commission for several days. It now appears that some other

method will have to be found for disposal of the flood waters of the stream. The act above mentioned authorizes a survey to determine what method should be adopted to protect the town of Seward from the Lowell Creek floods, the survey to be made under the supervision of the Secretary of War.

Public, No. 572, Seventy-fourth Congress, approved May 6, 1936, authorizing a preliminary examination of the Matanuska River in the vicinity of Matanuska, Alaska.

This is another flood-control project. A survey has been authorized with a view eventually of taking whatever measures are necessary to prevent damage through the floods of the Matanuska River.

Private, No. 575, Seventy-fourth Congress, approved May 21, 1936, for the relief of Holy Cross Mission Hospital.

Several years ago a man taking mail from the Alaska Railroad steamship *Nenana*, on the Yukon River, was injured. The master of the ship took him to Holy Cross Mission Hospital. The Comptroller General refused to approve payment of the account, and therefore it became necessary to secure passage of the act to pay to the hospital the sum of $50, the amount of the bill.

Public, No. 626, Seventy-fourth Congress, approved May 28, 1936, to authorize municipal corporations in the Territory of Alaska to incur bonded indebtedness, and for other purposes.

This act embodies another measure of self-government for Alaska, since it authorizes municipal corporations in the Territory to incur bonded indebtedness without securing in each case an authorizing act of Congress. Under the provisions of the act any municipal corporation may incur bonded indebtedness not to exceed 10 percent of the aggregate taxable value of the real and personal property of the city.

Private, No. 646, Seventy-fourth Congress, approved June 20, 1936, for the relief of Frank A. Boyle.

Frank A. Boyle, of Juneau, Alaska, while holding the office of United States commissioner at that place a number of years ago, sustained serious injuries in the course of his employment. The act above mentioned appropriates in full compensation for such injuries the sum of $2,500.

Private, No. 683, Seventy-fourth Congress, approved June 24, 1936, for the relief of May Wynne Lamb.

During the influenza epidemic in Alaska in 1918, Dr. Frank W. Lamb, who was employed by the Bureau of Education, Department of the Interior, was requested by Governor Riggs to visit the lower Yukon and give whatever relief was possible to the natives of that place. Dr. Lamb unhesitatingly complied with the request and did render fine service for aid of the natives, but he, himself, contracted the influenza while serving them and after a few days' illness died. Since he occupied the position of an "officer of the United States" and not that of an "employee of the United States" his widow was held not entitled to compensation under the Employees Compensation Act. Accordingly, I introduced a bill which, if passed as written, would have given Mrs. Lamb the benefits of the Employees Compensation Act. The House Claims Committee deemed that the passage of the bill as written would establish a bad policy, and so the bill was amended in committee and provided for the payment to Mrs. Lamb as compensation for the death of her husband the sum of $5,000. In this form the bill passed both House and Senate, and was approved by the President.

Private, No. 698, Seventy-fourth Congress, approved June 24, 1936, for the relief of the estate of Hans Ditmanson, deceased.

Hans Ditmanson was postmaster at Gulkana, Alaska, and, while occupying that office, died. The work was carried on by his assistant for some time before a new postmaster was appointed. The Comptroller General refused to approve payment of the account for the service performed between the date of the death of Mr. Ditmanson and the appointment of his successor. Accordingly, the passage of this act was necessary, reimbursing the estate in the amount involved, namely, $99.73.

Private, No. 699, Seventy-fourth Congress, approved June 24, 1936, for the relief of the estate of Henry Copple, deceased.

This is another act to grant payment for services rendered between the date of the death of one postmaster and the date of the appointment of his successor; the amount involved being $215.02, and the post office, Kotzebue, Alaska.

Private, No. 700, Seventy-fourth Congress, approved June 24, 1936, for the relief of the estate of Fred Wilkins, deceased.

This act is similar to the two last above mentioned and grants compensation for the services of an acting postmaster between the time of the death of the postmaster of Richardson, Alaska, Fred Wilkins, deceased, and the date of the appointment of his successor, the amount being $121.38.

Public, No. 725, Seventy-fourth Congress, approved June 20, 1936, to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes.

This act extends to the Territory of Alaska the benefits of two agricultural-experiment station acts and one agricultural-extension act. These acts, as originally passed, embraced the 48 States only. Later special laws were enacted extending the benefits, first, to the Territory of Hawaii and, later, to Puerto Rico. Alaska was left out. Public, 725, grants Alaska a fair share of the benefits now enjoyed by the 48 States, Hawaii, and Puerto Rico. The act was passed too late in the session to secure an appropriation for the fiscal year ending June 30, 1937, but under the act there is authorized for the year ending June 30, 1938, an appropriation of $12,500. These authorizations increase from year to year until for the year 1947 and for each year thereafter Alaska may receive a total annual appropriation of $37,500 for agricultural-experiment station work, and after the year 1940 a total appropriation of $10,000 for agricultural-extension work. The enactment of this law has long been sought, but it was not until the closing days of the present session that it was passed.

Public, No. 750, Seventy-fourth Congress, approved June 22, 1936, to permit mining within the Glacier Bay National Monument.

Glacier Bay National Monument was created by an Executive order made by President Coolidge some years ago. Under the Executive order prospecting and mining were forbidden within the boundaries of the monument. Joe Ibach, and possibly others, had located claims prior to the making of the Executive order and those claims were valid, but it was found impracticable to work them in view of the restrictions set up by the creation of the monument. This act provides that in the area within the Glacier Bay National Monument in Alaska, or as it may hereafter be extended, all mineral deposits of the classes and kinds now subject to location, entry, and patent under the mining laws of the United States shall be, exclusive of the land containing them, subject to disposal under such laws, with right of occupation and use of so much of the surface of the land as may be required for all purposes reasonably incident to the mining or removal of the minerals and under such general regulations as may be prescribed by the Secretary of the Interior.

Public, No. 836, Seventy-fourth Congress, approved June 29, 1936, for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States.

This, the final law affecting Alaska passed at the Seventy-fourth Congress, provides retirement for the employees of the Alaska Railroad. In the past, with the exception of a very few who had civil-service status, the employees of the Alaska Railroad enjoyed no retirement benefits whatever, being in that respect under a disadvantage as compared with many others of the employees of the United States. The act in question grants to the employees of the Alaska Railroad the same retirement benefits that have been granted to the employees of the United States on the Panama Railroad and generally in the Canal Zone. In fact the act passed for Alaska is almost a word for word copy of the Canal Zone Act, having only such changes made therein as are necessary to apply the provisions of the Canal Zone

Act to the Alaska Railroad. The benefits granted by the Canal Zone Act are somewhat more generous than those granted by the Civil Service Retirement Act. However, in order to secure passage of the act it was necessary to follow the recommendations of the Secretary of the Interior and the Acting Director of the Bureau of the Budget, who advised that the clerical employees of the railroad be granted the benefits of the Civil Service Retirement Act rather than those of the Canal Zone Retirement Act.

It seems probable that the clerical employees of the railroad will be brought within the classified civil service at a comparatively early date. At all events, it was necessary either to follow the recommendations of the Secretary of the Interior and the Bureau of the Budget or else give up all attempts to secure the passage of any retirement act for the Alaska Railroad employees. By passage of this act a number of the older employees of the railroad who have worked on the railroad from the early days of its construction will be able to retire, and thus employment may be given to a corresponding number of other persons. The act embodies a carefully worked out system for retirement. It applies to those who have worked at least 15 years on the Alaska Railroad. The retirement age is fixed at 62 years. Under the civil-service retirement system the operating employees of the railroad would not reach retirement age until 65. An employee of the Alaska Railroad who has reached the age of 62 years and who has worked 30 years on the railroad would be entitled to an annuity of $1,125 a year plus such annuity as would be purchased with his own contribution of 5 percent of his earnings over the same period, plus also the sum of $36 multiplied by the number of years he worked on the Alaska Railroad during the construction period between 1914 and 1923.

Another feature of this act which is likely to be highly beneficial is the provision of section 1 which grants proportionate benefits to part-time workers on the railroad, thus taking care of those who work year after year but are employed only for 4 or 5 months a year. No such provision was embodied in the Canal Zone Act since there was no necesity for it for workers in the Canal Zone, but in Alaska, where so much of the work is seasonal, it was deemed necessary to make adequate provision for seasonal as well as year-round workers.

This concludes the list of acts passed especially for Alaska and the people thereof since March 4, 1933, but it does not include many general laws applying to the whole United States but of much benefit to the people of Alaska. For example, several years ago I introduced a bill calling for the establishment of an Army air base in the Territory. This bill and other similar bills for the establishment of bases in other parts of the United States were considered by the House Committee on Military Affairs, and I appeared before that committee and made a statement with reference to the vital importance of the establishment of an air base in Alaska and the situation of Alaska with respect to the problems of national defense. As a result of the hearing, what is known as the Wilcox Act was finally passed. This act provides for the establishment of six air bases in various parts of the United States, including one in Alaska. The real importance of what was done for Alaska along this line was exemplified by recent appointment by the Secretary of War of three officers to make a detailed survey of the proposed air base in Alaska. From estimates formerly made, it seems likely that the cost of the establishment of this base will be in the neighborhood of $9,000,000, and that at least 100 airplanes of various types will be stationed continuously in Alaska, and the Army pilots will be assigned to service there so as to give all of them experience in flying in the Territory.

The bill providing for annual leave for employees of the United States also is of definite benefit to the employees of the Government who reside in Alaska, particularly those on the Alaska Railroad. I appeared before the Civil Service Committee of the House having charge of the bill. The bill was so phrased as to cover all the Government employees in Alaska, including the employees of the Alaska Railroad as well as Government employees who work in the United States proper. Before the passage of this act many of the employees of the Alaska Railroad were held not entitled to any annual leave whatever.

The list could be extended almost indefinitely—for example, the people of Alaska have had the benefits of the Federal Deposit Insurance Act, probably the most outstanding achievement for the safety of bank depositors accomplished in our generation. As the act was originally passed, Alaska was omitted, but I was able to secure on the floor of the House an amendment including Alaska within the benefits of the act. The benefits of the Federal Housing Act and of the Home Owners' Loan Act were also extended to Alaska, though the latter appeared to be of little aid to the people of the Territory.

In discussing a number of the bills listed above, mention was made of the Public Works Administration. The National Industrial Recovery Act, containing the Public Works section, applied to Alaska as well as to other parts of the United States. Under the Public Works Administration, Alaska has been very materially benefited through the construction of roads, airfields, and other types of public works. The Public Works Administration has allotted to public-works projects in Alaska to date the total sum of $4,463,233, most of which has been expended, and the remainder will be expended before June 30, 1937. In addition to these funds, $998,973 has been allotted to the Territory with the primary object of providing relief to the unemployed.

Alaska, and particularly that part lying along the Alaska Railroad in the vicinity of Anchorage, has also very materially benefited through the establishment of the farm colony in the Matanuska Valley. This is important in and of itself and because, through the establishment of this colony, the road connecting the Matanuska Valley with Anchorage is now nearing completion. This road has been on the construction program for many years and some work was done upon it, but until the setting up of the colony at Matanuska it had not been possible to get sufficient funds to complete the entire road. In the summer of 1935, F. E. R. A. funds in the sum of $671,500 were allotted for road building in the Matanuska Valley and between Anchorage and Matanuska. It now seems probable that additional sums will be allotted for road work in the same region during the summer of 1937, particularly to connect up the farms in the Matanuska Valley section.

Since Alaska contains approximately 35,000 miles of coast line and is entirely dependent upon sea-borne traffic for its commercial and economic existence, I asked for and obtained membership on the House Committee on Rivers and Harbors and there found most attentive consideration for Alaska ocean transportation problems. The 1935 Rivers and Harbors Act authorized appropriations for all of the river and harbor projects in Alaska which had theretofore been examined and approved by the Chief of Engineers of the War Department. Under the rules of the committee no project will be considered unless and until it has been examined and approved by the Chief of Engineers. The passage of a recent appropriation act which carries an appropriation for rivers and harbors enabled the War Department to undertake the construction of the harbor projects at Petersburg, costing $94,000; at Wrangell, costing $56,000; and at Nome, where the expense is approximately $40,000, as well as the removal of rocks in the rapids of the Egegik River, the cost of which is estimated at $5,000. It now seems probable that the remaining approved projects for Alaska, namely, Cordova Harbor, $295,000; Seward Harbor, $85,000; Dry Pass, $79,000; and Sitka Harbor, $67,350, will be put into construction next year, though no definite assurance can be given to that effect. Kodiak Harbor is also in line for improvement, at an estimated cost of $77,000, if the proposed cold-storage plant is constructed. The 1935 River and Harbor Act also provided for surveys of the following harbors of Alaska: Bethel Harbor, Douglas Harbor, Haines Harbor, Juneau Harbor, Kake Harbor, Metlakatla Harbor, ship canal across Prince of Wales Island, Sitka Harbor, Unalaska Harbor, Valdez Harbor, Skagway Harbor, and Homer Harbor on Kachemak Bay. The surveys of these harbors will be com-

pleted during the present summer, and such of them as are approved by the Chief of Engineers will thus be in line for incorporation in the next river and harbor act authorizing their construction.

The act to provide for the further development of vocational education in the several States and Territories, approved on June 8, 1936, also deserves special mention because of the definite benefits that it extends to Alaska. It authorizes appropriation of funds and allotment of the same among the States and Territories for development of training in agriculture, home economics, and trade and industrial subjects. The money to be allotted for the three general classifications named, according to the proportion of the farm population, the rural population, and the nonfarm population of the State or Territory bears to the total farm, rural, and nonfarm population of the United States. Because of the proportionately small population of Alaska, the funds authorized through this method of allotment would not be sufficient to have any real effect realized therefrom. However, to offset this situation which would face the thinly populated States and Territories, the act makes definite authorization for appropriations totaling not less than $80,000 per year of Federal funds for each State or Territory, and this amount will require matching by only $30,000 by the State or Territory.

Let me repeat, Mr. Speaker, that I am under the deepest obligation to all of the Members of this body, not only for the courteous treatment which I have personally received at their hands, but also for their careful attention to the requirements of the Territory of Alaska. Not always did they see Alaska needs through my eyes, but at least I always felt certain that what Alaska asked for received careful thought in spite of the pressure of other legislative matters requiring attention of the Members.

CROP INSURANCE FOR FARMERS

Mr. WOLVERTON. Mr. Speaker, there is no one engaged in any other industry who faces such uncertainty in his effort to make a livelihood as the farmer.

From the time seed is placed in the ground until the crop is gathered there is no assurance what may result. It may be abundance. It may be destruction. Sunshine and rain may follow each other with such proper relationship as to produce a bountiful return or failure of either or an abundance of either may bring irretrievable loss. It may be lightning, storm, hail, wind, or pest that in a few hours will bring destruction and loss to months of labor.

Surely some provision should be made through a governmental agency to provide some degree of help. The businessman in any other line of industry can procure through private agencies insurance at reasonable rates that will guarantee and save him against loss from any of the sources I have mentioned, but for the farmer all possibility of insurance against crop loss from these or other natural causes is impossible except at prohibitive rates and in many cases is not procurable at any price.

Having in mind how frequently losses of this character are experienced, and the consequent financial distress felt for years afterward, it seems to me that in all the effort that is being put forth to help the farmer some thought should be given to this form of relief.

Information published by the Department of Agriculture shows that the damage to wheat covering a period of 10 years amounted to a yearly reduction of 31 percent of what would have been the normal yield. The same situation could be shown to exist likewise with other staple crops. There is no other business that expects any such loss of production each year.

If conditions are to be improved, consideration must be given to those who face destitution and possible bankruptcy as a result of losing an entire year's production. If a farmer possessed insurance against sudden loss, then when it did occur there would be an immediate recompense instead of a piling up of unpaid interest and other overhead expense that would hang as a burden requiring years of effort before it could be removed.

I am in accord with the plan proposed in Senate bill 4626, introduced in the closing days of this session of Congress. It provides for the formation of a Federal Crop Insurance Corporation. The corporation would have the power to sell policies of insurance on any growing crop of an agricultural commodity to the operator or owner of the farm on which the crops are produced. Such policies of insurance would, under the provisions of the bill, insure against unforeseen and extraordinary events not the result of misfeasance or nonfeasance causing losses to the insured. Such hazards as fire, hail, floods, severe drought, early and late freezes, and the like, would be included. The Federal Government could, if empowered by law to do so, work out an adequate and complete program of protection for American farmers.

I am strongly of the opinion that a plan of crop insurance could be made possible for all farmers of the United States that would give them security never before known, at a low cost, if legislation is passed that will enable the Federal Government to do so. With the experiences of the past farmers can readily recognize the advantage of such a program. Not only would it afford security against loss, but it would also make possible loans from bankers upon growing crops that in many cases are now impossible to obtain.

I realize that the plan is something new and for that reason the procurement of such legislation will not be easy. However, I believe it possible of attainment, provided, the farmers of our Nation individually and through farm organizations indicate an insistent desire for the establishment of such a plan. Encouragement is given to me in this thought because of the inclusion of a plank in the Republican platform recently adopted at Cleveland, Ohio, reading as follows:

> We propose to give every reasonable assistance to producers in areas suffering from temporary disaster, so that they may regain and maintain a self-supporting status.

It is the duty of all political parties to give to the farmers of America every possible assistance, by legislation or otherwise, to the end that they may have security of price level for commodities that will insure a fair profit above cost of production, and, in addition thereto a Federal program of crop insurance to lessen the adverse results of natural hazards. The accomplishment of these purposes would do much to procure for the American farmer that measure of security and prosperity to which he is entitled.

UNEMPLOYMENT PROBLEM STILL UNSOLVED—RECOVERY DELAYED—NEW POLICIES NECESSARY

Mr. WOLVERTON. Mr. Speaker, the problem of unemployment still remains as the most serious obstacle to recovery. It is my opinion that it will never be solved until private industry is able once again to provide jobs.

For 3 years the present administration has battled with the problem. It has tried by every conceivable kind of public works to accomplish the purpose. Billons of dollars have been expended by the Government through C. W. A., C. C. C., W. P. A., P. W. A., and all the regular and emergency agencies of Government, but without any appreciable success. These governmental agencies and activities were started merely as emergency measures. They were intended to be only temporary—a sort of pump-priming proposition to get private industry started. In this they have failed utterly. What is the cause? What is a remedy?

The failure of these different efforts to respond or produce the results that had been intended is most disappointing. I am not one of those partisans who can glory in an opportunity to criticize or complain about the shortcomings or failure of an opposing political party in its administration of governmental affairs in times such as these. Conditions are too serious. There are too many of our people, Republicans and Democrats alike, who are in distress, and there is no need for me to take any small or petty view of the situation. I am always hopeful when I express any criticism that it will be constructive in character. I am conscious that when the sun of prosperity shines again, it will shine

alike on Republicans and Democrats and every other type and kind of political thought that may exist. It is therefore a problem in the solution of which we are all vitally interested regardless of our particular party affiliation.

That the situation is serious can readily be seen from the fact that, today, according to an estimate based upon a survey made by the American Federation of Labor there are approximately 12,500,000 unemployed persons in this country, who are able and willing to work. This only represents a reduction of less than a million after 3 years of effort and the expenditure of eight and one-half billion dollars, and, giving full credit to several hundred thousand employed by the Government agencies and projects already mentioned. There are between five and six million families on relief, more than 20,000,000 people. According to some authorities there are more people on relief now than 3 years ago.

It is impossible for the Government to extend its activities sufficiently to give employment to all those now unemployed. In fact, it is becoming increasingly difficult to provide sufficient worth-while projects to keep the present number employed. Furthermore, it is no permanent remedy for unemployment. It was never intended to be such. Unfortunately, when such type of work is completed there is at the present time no other place for the released worker to go except back into the ranks of the unemployed and the relief line.

It is likewise apparent by this time that such projects which do not provide work at the prevailing rate of wage do not aid recovery. The rate of wage paid on W. P. A. projects, which differs in various localities, is in no case sufficient to create real purchasing power. It is hardly sufficient to provide the actual necessities of life. At the best it only provides a hand-to-mouth existence. Such a condition is highly unsatisfactory. So long as the wage paid does not provide anything beyond life's bare necessities, it does not create purchasing power for those things or goods which in their manufacture require the labor of men. Hence, it is no aid to recovery.

I should like also to mention another feature of Government work projects which is becoming increasingly objectionable. I refer to the policy that is pursued in some instances of giving recognition for work only to those who are favorably identified with a particular political party. In many cases, active participation in promoting the success of that political party is required. Refusal to do so has meant dismissal upon one pretext or another.

I am not one who will object to recognition being given to loyal party workers in filling offices that come within the regular functions of government, but I do object to any political party or its representatives taking advantage of a person who is in need and on relief, with a dependent family, and make that individual affiliate with a political party not of his own choosing before work with which to provide bread for a hungry family will be provided.

President Roosevelt recently said, "We need freedom from economic control." The conditions I have referred to as existing in many Government-supervised projects indicate that we need freedom from political control. Such a condition is bad for America. It is indefensible. It is trading bread for votes. It is playing politics with human misery. That it does exist cannot be denied. Any political party that will be a part of such a dastardly scheme deserves the severest condemnation.

Time and again the unwilling victims of this political tyranny have expressed in private their resentment of such practices and the political party responsible for its perpetration. Time and again, while giving "lip service" to their political overlords, they have denied within their heart the right to be so driven, and with all such there is a firm resolve to assert their right of freemen when they enter the election booth and cast their ballot. In the fulfillment of this intention everyone is entitled to have the encouragement and support of honest citizens who think in terms of what is best for America.

It being apparent and generally acknowledged that the present work-relief projects are not a permanent or satisfactory solution of our unemployment problem, I should like to make a few suggestions that I am confident would result, at least, in a partial solution by supplying jobs of a permanent character at worth-while wages.

In the first place, millions of unemployed could be put back to work today in industry and agriculture if the present administration would permit our farmers and laboring men to enjoy the full benefits of the American market. This country is the best market in the world. The unemployed millions of industrial workers and farmers who are barely able to eke out a living under present conditions are under normal conditions the best potential customers for manufactured and farm products produced in this country. Unemployment will continue to increase and agricultural distress become more aggravated so long as the New Deal pursues the policy of giving our American markets to foreign farmers and cheap foreign labor. We cannot compete with foreign countries in production, for the reason that wages paid to labor in foreign countries are so much below that paid for similar work in this country, and because the standards of living are lower in foreign countries.

Prominent labor leaders have stated that if it were not for the importation of cheaply produced foreign-manufactured products now coming into this country from abroad there could be gainfully employed in private industry nearly 3,000,000 persons who are now out of work and on relief.

An analysis of the agricultural products imported into this country in 1935 from foreign countries will disclose that from 2,500,000 to 3,000,000 persons could have been employed in the United States in the production and processing of the imported farm commodities if the same had been produced here.

Thus, New Deal policies upon the basis of these estimates are directly responsible for a total of approximately 6,000,000 Americans who would have work if we change our policy and save the home market for our American farmers and laboring men.

I will next refer briefly to the great benefits that would result in promoting employment if the Government would start upon an extensive housing and slum-clearance program. For 2 years I, with others, have advocated the adoption of such a plan. It seemed for a while that the Wagner-Ellenbogen bill would be passed at this session of Congress. But, at the last moment, it was not included in the President's "must" list of legislation and was consequently left unacted upon. I can assure you it was a great disappointment to many of us who had given the subject careful study over a period of years, and believe it holds the solution of putting several million unemployed building-trades workers, and others indirectly affected, back to work at their regular jobs.

Recovery cannot advance any further unless we have substantial recovery in the building industry. President Green of the American Federation of Labor has estimated that about 85 percent of the building-trades workers are unemployed, affecting 5,000,000, who depend directly or indirectly upon such industry. Carpenters, bricklayers, electricians, mechanics, and other skilled workers look for jobs in vain. Material-supply houses are ready and willing to go, but some unseen hand or influence withholds the necessary word.

Time and again the administration has announced it was ready to proceed. Millions of dollars have been appropriated first to one agency and then to another. Each started out with high hopes and great intentions. But, in each case activity soon dwindles down and gives place to inactivity. What little that has been accomplished is but a drop in the bucket. It has neither helped to provide housing, slum clearance, or employment for the unemployed on any worthwhile scale.

We need now not only courage to formulate new policies but equal courage to discard some already adopted and found to be deficient. We must seek permanent remedies

for unemployment. We have experimented long enough. It is a time for action. The morale of the unemployed working man has held up under the strain of this economic depression in a most remarkable manner. It should not be carried to a point where it will weaken. His fortitude and courage should be rewarded. New policies and aggressive action should supplant those found by experience to be deficient.

PUBLIC WELFARE

Mr. DUNN of Pennsylvania. Mr. Speaker, according to the statistics of the American Federation of Labor and other statistical organizations there are approximately 12,000,000 people unemployed in the United States today. There is not any necessity for this deplorable situation. The Federal Government should, without any hesitation, start a program of construction. All the slum districts and poorhouses in the United States and its possessions should be eradicated.

The Government should construct at least 5,000,000 homes, and these homes should be made of fireproof material, and should be sold or rented at a reasonable cost.

The Government should provide adequate pensions for the aged, widows with dependent children, disabled veterans, and all those who, because of a physical disability, are unable to obtain employment.

We should adopt the 5-day, 6-hour working week and every person should receive adequate compensation for their services no matter what kind of work he or she is compelled to do.

Sweatshops should be entirely eliminated.

Boys and girls should not be compelled to go to work until they have attained the age of at least 16 years.

Every boy and girl desirous of obtaining a high-school, college, or university education should be assisted by the Government if they are unable to pay for their education.

The Government should construct schools, hospitals, highways, tunnels, bridges, disposal plants, reservoirs, dams, canals, and other necessary projects. The reservoirs, canals, and dams should be used for the prevention of floods, droughts, dust storms, forest fires, and for other purposes.

Our rivers and streams should not be polluted with debris which is injurious to the health of the people.

The Government should own and control all public utilities and natural resources. Of course the Government should not confiscate these properties, but should purchase them.

No person should be deprived of water, gas, electric power, or other necessities if they are unemployed or for any other just reason. Dangerous places on the highways and grade crossings should be eliminated.

We should have uniform lighting systems and traffic regulations throughout the country.

All banking institutions should be nationalized. The people's money in the banks should be guaranteed. Only Congress should have the right to coin and regulate the value of money.

All chain-gang systems should be abolished. Dungeons in prisons should be disposed of and the inhuman treatment of prison inmates should be discontinued. Jails and prisons should always be kept in a sanitary condition.

The laws governing our people should be national and not State.

State senates and also the United States Senate should be abolished because they are unessential. When the Supreme Court of the United States declares that a law is unconstitutional, a two-thirds vote of the Members of Congress should be required to decide the question involved.

Appropriations should also be made for reforestation, soil erosion, airports, parks, playgrounds, development of our natural resources, the saving of the farm lands, and also for the development of medical, surgical, dental, biological, astronomical, geological, and all other arts and sciences which will promote the welfare and happiness of mankind.

The money which would be appropriated to carry out the construction program herein mentioned would be returned to the Government with interest.

End poverty in the United States.

MY REPORT TO THE PEOPLE OF THE THIRD CONGRESSIONAL DISTRICT OF NEBRASKA

Mr. STEFAN. Mr. Speaker, on January 3, 1935, pursuant to the mandate of the people of the Third Congressional District of Nebraska, given at the ballot box, I stood on the floor of this House and took the oath to well and faithfully discharge the duties of a Representative in Congress for the term ending January 3, 1937. It was a very happy occasion for me when I thus entered into this field of service for my fellow citizens, and I freely express my gratitude for the honor bestowed upon me. I deeply appreciate the responsibilities and obligations of the trust that my people have placed in me.

Now that the second and final session of the Seventy-fourth Congress is nearing its close, I feel it my duty to stand on this same floor and report to my people on the work that I have done as their Representative in Congress. Let me begin by acknowledging the considerate cooperation of my people. I fully realize that the record would not be complete if it neglected to give grateful recognition of the advice, the counsel, the support, and interest of my constituents. I have welcomed and shall continue to welcome the thoughtful aid of my constituents in the discharge of my duties.

Since I have come to Congress, I have furnished my district with a newspaper column, in an effort to keep the people continuously informed of what is taking place in their Nation's Capital. Every citizen is entitled to know what is going on in his Capital, and I thank those editors who cooperated in passing this material on to their readers.

Before a bill is considered by the House of Representatives, it is first introduced and then referred to the committee having jurisdiction over the subject matter. There are about 50 standing committees of the House of Representatives that initially handle all proposed legislation. These committees study the bills referred to them, and bills reported to the House from committees are placed on the appropriate House calendar for consideration.

I am a member of three committees in the House of Representatives—namely, the Committee on Education, the Committee on Insular Affairs, and the Committee on Public Buildings and Grounds.

In my work as a member of the House Committee on Education, I secured help for our Nebraska school system. I helped secure appropriations for vocational training, and through several speeches, called attention to the help needed by those ready to pursue their education in colleges. I likewise fought for keeping the real schools, the rural and town schools, open.

From a report of the United States Office of Education, I learned that a number of large factories are moving their facilities to the Southern States, chiefly because of their desire for an abundant supply of cheap labor. In these factories, workers are trained on production without pay for 6 to 12 weeks, and then transferred to the pay roll at learners' wages. The goods manufactured in this manner are then sold on the open market, coming into direct competition with other manufactured goods paying standard wages. I learned that the superintendents of the factories and foremen have been appointed as teachers and paid at the expense of the taxpayer. And, in addition to all this, the good name of the public school was used to cloak such schemes for commercial gain. After learning about this practice, I offered the following amendment to the Deen Bill, H. R. 12120: "A bill to provide for the further development of vocational education":

SEC. 6. No part of the appropriations herein authorized shall be expended in industrial-plant training programs, except such industrial-plant training be bona-fide vocational training and not a device to utilize the services of vocational trainees for private profit.

My amendment was unanimously accepted by the members of the Committee on Education, was incorporated in the bill, and is now a part of the act approved June 8, 1936.

The purpose of this section is to protect the taxpayers' money from use in the promotion and maintenance of sweatshops.

As a member of the House Committee on Public Buildings and Grounds, I succeeded in blocking a move by contractors and builders to alter the Nation's Capitol Building, thus saving over $3,000,000 to the taxpayers of the United States.

Likewise, as a member of this important committee, I was successful in stopping the destruction of historic buildings and the removal of historic trees, with resultant preservation of valuable historic architecture for present-day Americans.

On April 8, 1936, I sponsored the planting of a white-pine tree on the Capitol Grounds, in memory of the late J. Sterling Morton, the father of Arbor Day, former Secretary of Agriculture, and distinguished Nebraskan.

As a member of the House Committee on Insular Affairs, I assisted in stopping an effort on the part of foreign importers to remove the 3-cent excise tax on coconut oil coming into our country from our offshore islands. This tax removal, if successful, would have meant a loss of over $245,000,000 to the American farmer and producer.

When I discovered that blackstrap molasses was being imported into the United States and blended into alcohol, I fought against this cheap importation, which was coming into competition with the product of our American grain farmer, who, in the days preceding prohibition repeal, had been promised the market for his grain in the manufacture of alcohol. Accordingly, I introduced H. R. 10933, a bill making it unlawful to sell certain spirits containing alcohol produced from materials other than cereal grains, and for other purposes, and so forth. This bill was accorded a hearing by a subcommittee of the Committee on the Judiciary in the House and succeeded in making a favorable impression upon the membership of the subcommittee.

As a member of the Insular Affairs Committee, I, along with other Members of the House and Senate, was selected to go to the Philippine Islands to attend the inauguration of the new Commonwealth, and while there was made an honorary colonel in the Philippine Volunteers. While in the islands your Congressman was the single member of the official party to place flowers on the graves of Americans who are buried there.

During this trip to the Philippines, China, Japan, and Hawaii I made a careful study of labor conditions in these foreign countries, with the result that on my return to the United States, and during the second session of the Seventy-fourth Congress, I made addresses on the floor of the House against the cheaply made foreign goods which, when imported into the United States, come into direct competition with American-made products.

During my term in the House of Representatives I was a member of the prairie States farm group, composed of Members from the farming States. As part of my work in this group I labored for a lower rate of interest for farmers and was the first signer of the petition to force the Frazier-Lemke farm-mortgage refinance bill to debate and vote under the discharge rule of the House.

As a member of this group I was selected chairman of the subcommittee which worked on cereal-grain protection and I became the author of the cereal-grain bill.

During the Seventy-fourth Congress I consistently fought against all useless expenditures in an effort to safeguard the taxpayers' money.

By a speech on the floor regarding the importation of foreign products and resultant curtailment of consumption of domestic commodities, I brought to the attention of the House the importance of Nebraska as one of the chief hay-producing and hay-marketing areas of the world.

During the first session of the Seventy-fourth Congress I was the first of the Nebraska House delegation to make a speech on the floor of the House of Representatives, and was several times called upon by the national broadcasting chains to address the radio world.

Also, during the first session, your Congressman introduced the idea of installing a loud-speaking system in the House Chamber, that the proceedings of the House might be more easily heard and understood by visitors and Members alike.

Due to the fact that I thought the Army and Navy were costing the taxpayers too much money during peacetime, I suggested that administration of the Army and the Navy be combined for economy and for the sake of efficiency. On account of that suggestion, I received the commendation of President Nicholas Murray Butler, of Columbia University.

I have been opposed to the patronage system of employment now used in the post offices of the United States and, therefore, with Senator NORRIS, of Nebraska, I introduced a bill in the House to take the post offices out of politics and to place the Post Office Department upon a basis of efficiency and economy.

Not only was I opposed to the patronage system being used in post-office employment but also in appointments of cadets and midshipmen in the United States Military and Naval Academies. Therefore, I made all my appointments to these two schools following competitive civil-service examination, based on the merits of the candidates regardless of party politics.

I was placed on a committee to work out a program for farm-to-market roads. I was associated with Congressman BERT LORD, the father of the idea, and with him and the rest of the committee I personally interviewed President Roosevelt and other high officials, with the result that for the first time some of the relief money was brought to the rural areas and many millions of dollars were spent in actual farm-to-market road work.

This resulted eventually in placing farm-to-market roads as a permanent feature of the Federal highway system administered by the Bureau of Public Roads with authorization for direct, specific appropriations in lieu of merely administrative allocations from lump-sum emergency appropriations.

Until appropriations for the permanent set-up become available, another idea developed by this committee is being followed, to wit, that farm-to-market road improvement shall be a part of the relief program, financed out of emergency relief appropriations.

Your Congressman succeeded in securing additional funds for Nebraska works projects to keep unemployed men busy on meritorious projects, such as, for instance, the river revetment project at Niobrara, Nebr.

I fought against the hog processing taxes on the ground that the producer was paying the bill. My arguments met with the favor of farmers and many in the Department of Agriculture, but the powerful interests succeeded in keeping the $2.25 per 100 pounds processing tax on hogs for the duration of the A. A. A.

In the interest of the Nebraska farmer, I introduced a bill to allow debt-burdened farmers to repay their feed and seed loans, bushel for bushel, in kind.

One of my first acts after coming to Congress was to introduce a bill directing the appointment of a commission by the President to make a study of the "farm dollar" to the end that there might be discovery of the material factors contributing to the disparity between the prices commanded by agricultural commodities and the prices of commodities which must be purchased from the proceeds of the sales of agricultural commodities, with resultant impairment of the purchasing power of the so-called "farm dollar", and recommendation of curative steps.

I have assisted in legislation which carries the consent of the United States to the construction, operation, and maintenance of bridges across the Missouri River at Niobrara, South Sioux City, and Decatur.

I have introduced bills for the relief and assistance of the Indians resident in the district, and my service to them has been both legislative and departmental.

I thank the people of the Third District of Nebraska for their kindness in allowing me to serve as their Representative in the Congress of the United States. I have endeavored to please my constituents by working hard, earnestly,

and honestly, to render fair and impartial service to everyone regardless of partisanship. Likewise, regardless of partisanship, I voted for those measures which, in my opinion, would benefit Nebraska people, and against those things would I felt would have a different result.

A MESSAGE TO YOUNG VOTERS

Mr. WOLVERTON. Mr. Speaker, there has never been a time in our history as a Nation when it was more necessary for young men and women to study and give serious consideration to the conflicting forces striving to fix and determine our present and future policies of government.

The intensity of effort as well as the fundamental theories of government that are under discussion challenge attention. No young man or woman can afford to treat lightly the seriousness of the issues involved. To do so would show a lack of interest or concern as to the kind of government under which it will be necessary for them to live in the years that are ahead.

There are some individuals who express fear for the future. I am not one of such. I have an abiding faith in the conscience and good sense of our citizenship. My confidence is increased as I consider the fine type of intelligent young men and women who are coming into political activity.

Political parties use every endeavor to attract the attention of the young voter; they seek to interest them in the party welfare and gain their support for party principles and candidates. It is well that they should do so. Party virility is increased by the new ideas, independence, and aggressiveness so characteristic of youth.

As a result of the depressing conditions that have existed for the last few years, it is not hard to realize that many a young man and woman will ask: Is it all worth while? What is the use?

They see distress, failure, discouragement, dissatisfaction; an unparalleled economic condition resulting in paralysis of business, finance, industry, and agriculture, creating widespread unemployment, destitution, and need. Again they say, What has the future for us? My answer is: Today, as I look into the future, I can see a new order of things. The present may be dark and discouraging, but the light will break as surely as the rising run comes to us after a night of darkness. The spirit of America is not dead. It lives and will rise again to a new and more glorious day. But we must have the vision that will enable us to recognize that new conditions create new obligations and the necessity for the application of new and different policies of government. We must have not only the vision as to the necessity but also the courage to do things which a few years ago would have been unthought of because contrary to accepted theories of what is a proper field of governmental activity. Nor should we be deterred from this course through fear that to depart from what has been to what should be is in any way detrimental to our well-being as a nation. New conditions require new remedies.

Constitutional objections, made by some, to increased activities by the Federal Government in promoting the welfare of our people, overlook the fact the Constitution is a living, not dead, instrument of government. It has survived because the interpretation of its powers and restrictions has been wisely considered in the light of changing conditions.

The intent and purpose of the framers of the Constitution to confer wide power in the effort to form a more perfect Union is made clear and emphatic by the broad and strong language used in the preamble to the Constitution. It says:

> We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

These words are fraught with meaning. They constitute the master phrase of the Constitution. They represent the ideals and the dominating thought of the framers of the Constitution as to the fundamental purposes of our Government. All that follows in the several provisions of the Constitution as adopted gathers importance as means to accomplish the aims and purposes set forth in the words of the preamble.

Well, planning "to promote the general welfare" is not new in America. The greatest plan for social well-being that the world has ever known is the Constitution of the United States, and America's first "brain trust" was that little group of 55 men who put that plan on paper. When they signed that document of experiment they joined the immortals.

A few words about these illustrious men might be appropriately spoken at this time when "brains" and "youth" are subject to attack by those who are interested in the maintenance of the old order of things. Of those 55 men, 24, or nearly half, were college graduates, several with highest honors—truly a remarkable record when we consider the conditions prevailing when they were in their "teens" and "twenties"—more than a century and a half ago; 6 of their number were, had been, or were to become college professors, 3 college presidents, and 7 founders or trustees of colleges.

And then, as to their age, we think of them as old men of grave demeanor, venerable with experience and wisdom. But what are the facts? Only 13 of the 55 had passed their fiftieth birthday; 22, or nearly half, were under 40; Madison, the "Father of the Constitution", was 36; Hamilton was 30; 1 of the Nation's fathers had reached the ripe old age of 26; and 3 more were tottering around in their "twenties."

These men, averaging 43 years young, wrote the Constitution of the United States. These young men when they wrote the Constitution deliberately "planned" to meet a great emergency. We must do the same. Our struggle today is not to overthrow their work. It is to keep their work from being overthrown. It is to redefine and recapture the benefits and liberties they intended to guarantee in perpetuity to every American. Today we are at one of the great turning points in human affairs. We are experiencing a travail of soul in our struggle to "establish justice" and "promote the general welfare", but America will triumph, and with the victory will come a more genuine sense of justice, a greater recognition of rights of individuals, a more certain guarantee of opportunity for all, a new order that will make for the youth of today a future filled with possibility of achievement.

Young men and women face the future with a responsibility resting upon them to give their best endeavor to promote the future welfare of their country.

Active participation in public affairs is the duty of all. How can this obligation be most effectively fulfilled—by acting singly and alone or in unison with others?

The division of the American people into political parties is the result of many years of trial and experiment in government. Experience has proved that two parties are necessary for good government.

Political parties were created not by law but by necessity. Some method of ascertaining the will of the majority on important governmental policies had to be found. Thus parties came into existence as the instrumentality by which the people could express their conviction on declared principles and programs.

For more than a century our Government has been carried on by party machinery. Ours is a government of parties.

Some individuals pride themselves on independence of party obligations, yet thoughtful consideration of what party solidarity has accomplished for the general welfare, which could not have been accomplished by independence of party action, is not only a sufficient justification for our American system of party government but also a clarion call to the young men and women to identify themselves with party activity.

No student of the history of the different political parties in America can help but be impressed with the record of the Republican Party.

For 56 years out of the seventy-five-odd years of its existence it has controlled and directed the destiny of our Nation. During this period only 3 Democrats have been elected President while 11 Republicans have filled that office. Truly, it may be said that the history of the development of the United States, since the Civil War, has been synonymous

with the history of the Republican Party and its accomplishments.

During this long period of service issues have frequently arisen that vitally affected the welfare of our Nation. Conditions were ever changing, the welfare of our people demanding new policies to meet the ever-progressing movement of a great Nation as it forged ahead to become the most outstanding Nation in the world. The Republican Party faced each new issue with courage, fortitude, and intelligence, and solved each upon the theory that the welfare of our people must ever be paramount.

It was in the spirit of service to "human rights" above "property rights" that the Republican Party was born, and that made possible the freedom of all within our borders regardless of race, color, or previous condition of servitude, and that guaranteed the right of suffrage to all.

It was recognition of the "public interest" as above "private property rights" that through the Republican Party found expression in the Sherman Antitrust Act, the Clayton Act, the Hepburn Act, the Mann-Elkins Act, the Interstate Commerce Act, the Transportation Act, and numerous other acts supplementing the original acts for the purpose of bringing great aggregations of wealth under governmental control in the interest of the public welfare.

It was recognition of fundamental principles promoting the general welfare that brought forth, through Republican activity, the income-tax amendment to the Constitution, the amendment providing for the direct election of United States Senators, and the submission of the child-labor amendment to the States for ratification.

It was likewise under Republican leadership that joined the waters of the Atlantic and the Pacific by the cutting through of the Panama Canal—one of the greatest single steps of progress ever taken in the history of the world.

In the promotion of world-wide peace, this Nation, under Republican Party leaders, has taken the lead among the nations of the world. The names of Hay, Root, and Kellogg will ever be outstanding for the fine, high quality of service they rendered to the cause of international peace.

In warding off foreign encroachments in this hemisphere, avoiding entanglements in foreign politics, expanding commerce, maintaining a high standard of living by protecting American industry, agriculture, and labor, building up the Navy and the merchant marine, improving waterways and harbors, restraining monopolies, cultivating pan-American friendship, limiting naval armament, establishing the Federal Budget, protecting workers from an influx of unskilled foreign labor, refusing to cancel foreign debts, renouncing war, promoting treaties to insure world peace, reducing the public debt, keeping the Government out of business, and in all other policies, both domestic and foreign, the Republican Party has constantly aimed to advance the interests of the United States and to provide for the welfare of its people.

While the Republican Party was in no way responsible for the present depression, yet as soon as the depression fell upon the country the Republican President secured an agreement between capital and labor to maintain the standard of living. Next he launched the country on an extensive construction of public buildings, and thereafter prevented further immigration by an Executive order; organized a national committee to relieve unemployment; prevented an international financial collapse through the moratorium; organized a credit corporation to strengthen banking institutions; provided financial help for industry, railroads, and banks by the creation of the Reconstruction Finance Corporation; increased credit facilities by liberalizing the laws affecting the Federal Reserve System; recommended measures to relieve depositors in closed banks, also home-mortgage bank system to aid home owners; aided the farmers through extended mortgage loans and additional funds for livestock and seed planting; and established the national credit by the decision to balance the Budget through increased revenue and drastic governmental economies.

These are not all of the accomplishments of the Republican Party during its history, but they form ample proof of the splendid leadership of the Republican Party in national affairs.

The Republican Party is the party of the future as well as the party of the past. As it was dedicated at birth to "human rights", as it remained true to that ideal of government in the past, so in the changing scene of today it will be true to its original purposes and give expression thereof in the attitude it assumes toward present issues and the policies it recommends as a solution of our economic distress. It is the party through which young men and women can find the greatest opportunities for making progress as public leaders. As it dominated the past, so it challenges the future and calls to its colors with an irresistible appeal the young men and women of America.

BADGERING THE SCHOOL TEACHER

Mr. KELLER. Mr. Speaker, on the 17th of June came the news in all the newspapers of Washington City that Representative THOMAS L. BLANTON, of Texas, had sent out a questionnaire to all the 2,900 school teachers of the District of Columbia, involving their religious beliefs, their academic freedom, and casting suspicion on their loyalty as American citizens.

Even with knowledge of the shameful Blanton "red rider", it was difficult for me to believe such a proceeding as this had actually taken place. I waited until the second day, only to find the newspaper reports fully confirmed, and Mr. BLANTON admitting he had actually written and sent out the questionnaire. Thereupon, I presented the following resolution and asked that it be considered as privileged under the rules of the House:

Whereas the gentleman from Texas [Mr. BLANTON] has directed a letter to each and every school teacher in the District of Columbia seeking certain information, of which the following is an exact copy:

THOMAS L. BLANTON, Member of
17th District Texas Committee on Appropriations
Secretaries:
Louise Kennedy Marx.
Ruby Saylore Whipkey.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 15, 1936.

As chairman of the subcommittee handling the District appropriation bill, to obviate a hearing and to save you the time and inconvenience of coming before us in person, I request that you kindly give us the following information, filled in by you in the blank spaces provided therefore, and signing same, and return promptly in the inclosed addressed envelope, requiring no postage, namely:

Please state: Your present position? _____. School? _____. Salary? _____.

Do you believe in any of the doctrines of communism? _____; if so, which? _____. Do you approve of communism being given any favor or support in the schools? _____.

Do you believe there is a God? _____. Do you believe in some form of religion? _____.

Are you a subscriber to the Social Frontier? _____. Were you asked to subscribe? _____. If so, state by whom? _____.

Are you a member of the N. E. A.? _____. Since when? _____. Who suggested joining? _____.

Have you a copy of Conclusions and Recommendations? _____. Have you read same? _____.

Have you a copy of Counts' Dare the School Build a New Social Order? _____. Have you read same? _____. Do you approve of same? _____. Do you approve of Dr. George S. Counts' writings? _____. Do you approve of Dr. Charles A. Beard's writings? _____. Have you been to Russia? _____. Did you attend school there? _____.

Have you read Boy and Girl Tramps of America by Thomas Mineham? _____. Do you approve it? _____. Are you in favor of high-school girls reading it? _____. Would you read it aloud? _____.

Have you read Made in Russia? ____. Do you approve of it? ____.

Do you approve of Scholastic as a school magazine for high-school students? _____. Do you know why the school committee's recommendation to eliminate it from the Washington public schools has been held up? _____. If so, why? _____.

Very truly yours,

(Signed) THOMAS L. BLANTON.

My answers above are correct:

_____ Position _____
Address _____

Whereas this was done as chairman of the subcommittee handling the District appropriation bill; and

Whereas a franked envelope requiring no postage was inserted in the letter for the purpose of the teacher's reply; and

Whereas the use of the language "to obviate a hearing and to save you the time and inconvenience of coming before us in

person, I request that you kindly give us the following information" would lead the recipient to believe that a failure to answer the questionnaire would result in the issuance of a subpena hauling the teacher before the subcommittee handling the District appropriation bill; and

Whereas this constitutes a thinly veiled threat that a subpena might be issued; and

Whereas the subcommittee does not have authority to force the attendance of anybody at a hearing; and

Whereas the action of the gentleman from Texas [Mr. BLANTON] in directing this letter to the teachers in the aforementioned manner might lead some to believe that the subcommittee and the House of Representatives were joining with the gentleman from Texas [Mr. BLANTON] in demanding this information in this threatening manner; and

Whereas the spread of this belief might tend to greatly lessen the dignity of the House of Representatives and violate the integrity of this House by assuming an authority which had not been delegated to him: Therefore be it

Resolved, That the House deplores the action of the gentleman from Texas [Mr. BLANTON], which was not authorized by the House of Representatives nor by any competent agency thereof, and that his action shall not be construed as being an act authorized by the House of Representatives nor any competent agency thereof.

The resolution was read, and, upon objection of a Member that the motion was not privileged, the Speaker sustained the objection. No discussion of the matter was possible, and the House denied the opportunity of uttering a protest against this outrage.

This resolution is, in fact, a very mild protest, in view of the offense committed by this outrageous questionnaire. Had the gentleman from Texas wanted to do the considerate thing, he would readily have admitted his mistake, corrected it by an apology, and wiped the matter out. Unfortunately, he did not see it that way, regardless of the opinion of the House or of the public sentiment concerning his acts.

Let us note that Mr. BLANTON sent this questionnaire on his official congressional paper. It was sent in a franked envelope, and a franked self-addressed envelope for return of the questionnaire was enclosed, and attention of the school teachers called to that fact. Thus it had every outward appearance of being an official act and was intended to convey that impression to the teachers. Now read the statement preceding the questions and note that Mr. BLANTON stresses the fact that he is chairman of the subcommittee handling the District appropriation bill. Bear in mind that the District bill carries the money to pay the salaries of the school teachers of the whole District of Columbia.

The implication is clear. Next, note the concealed threat "to save you the time and inconvenience of coming before us in person." In short, the implication to the teacher must have been: Unless you fill out this questionnaire about your religious beliefs, your right to teach boys and girls under you the plain facts of history, the political tendencies and developments of our times, unless you shrive yourself of the suspicions of Mr. BLANTON, of Texas, of any and all knowledge of Russia or the political ideas of the Russian people, your salary and your right to teach school in the District of Columbia will be placed in jeopardy. If you do not answer the questions in a way satisfactory to Mr. BLANTON, you will be hauled before an inquisition that will subject you to 'suspicion of treason'."

I have no quarrel with the head hunters of the Communist variety whom the recent controversy has paraded before you. Personally, I have always questioned the results of their tactics, inasmuch as it seems to me that suppression or persecution of a political belief, whatever that belief may be, always results in more benefit than harm to the movement. The gentleman from Minnesota [Mr. CHRISTIANSON] has discussed that question with fine intelligence, and if you did not hear him, I invite you to read his remarks in the RECORD of June 18, 1936, Seventy-fourth Congress, on page 9980.

I have in my district in the great State of Illinois one of the largest teachers' colleges in the country where annually approximately 2,000 young men and women enroll to prepare themselves as teachers. Their interest in the problems of the past as well as those of the present is ardent, genuine, and admirable. Their ability to study, to learn, and to teach, when they have acceptably completed their work, has never been questioned. Certainly no one in an official position with the authority granted him by his position has ever attempted an inquisition, indictment, or suppression of them. We in southern Illinois would not stand for that. I have taught school. I have known many hundred school teachers personally. I never knew one in my life whose patriotism was not at least equal to that of the gentleman from Texas [Mr. BLANTON].

One of my greatest regrets is that I have been unable to do more toward giving the school teachers of Illinois a great reward for the noble sacrifice many of them have made the last few years in order to keep the schools open for every girl and boy in our State. If you gentlemen have not had occasion to look into this chapter of the story of our national life the last few years, I invite you to do so. It will warm your hearts with admiration for a body of public servants who have never been given the reward that society rightfully owes them.

My interest in the schools and the teachers of my own State has naturally led me to observe with admiration the modern, and highly efficient school system we have here in the District of Columbia. To me that is something in which every Member of Congress who shares any pride in national education ought to rejoice. The Congress has full legislative authority over the District of Columbia, including the schools, and under the many years of encouragement of this body, this magnificent school system has been developed. Up to last year no Member of Congress has ever had the hardihood to interfere with it.

This policy of trustfulness and helpfulness is in keeping with the best traditions of our great country. Thomas Jefferson set out very simply the vital fact that a democratic republic can succeed only in proportion to the scope and extent which general intelligence is developed through the universal education of its citizens. This is peculiarly true because in a republic every public policy must be expressed through political action. The educators of America clearly understood from the beginning that only through academic freedom can the highest state of mental development be attained and the greatest usefulness given expression. The whole search after truth must depend on untrammeled freedom of the men and women who carry it on. Science could not have grown into the tremendous usefulness it has attained without the greatest possible freedom of its teachers and students. Out of this thought the school systems of our States has grown throughout the 150 years of our national existence. The colleges and universities which have grown into such great importance in serving the country have from the start very properly and very consistently insisted on the entire freedom of their teachers. The poorest paid, but greatest and most vital of all professions is teaching school. We must keep it free as it always has been.

I have at no time engaged in personal criticism. I do not now, but to pass over without protest a mistake so vital as this questionnaire which the gentleman from Texas presumed to send out would have meant to condone the act, would have been to stultify myself personally, and would be a failure on my part to fulfill the duty which I owe to the great office I have the honor to hold. To permit the further exercise of an espionage already begun would in the end destroy the spirit of this great corps of 3,000 highly trained, broadly educated, thoroughly prepared builders of youth in the District of Columbia. I cannot join the few friends of Mr. BLANTON in believing he is in any wise infallible. Nor can I agree with them that having done some good, he should be permitted to do much harm without just criticism. It would be the very worst thing we can do to sit supinely by and permit any man in this body to embarrass the public school system of the District of Columbia, whatever may be his motive—whether, indeed, any motive beyond misguided interest could prompt such action.

Let me repeat that the public-school system of Washington is recognized as one of the best in the world. It is properly so held, and whatever is done here by the Congress is reflected in the school systems of our many States. And

what we do as the sponsors of this great school system will be noted as the attitude of the United States Government toward education in its broadest sense. So far the Congress has wisely left the building of this school system to the teachers, to the educators, to the thinkers. This has been done throughout the Nation as well as in the District of Columbia.

There is, indeed, and, in fact, no possible excuse for the sending out of this thoroughly vicious questionnaire—whatever be the motive. Not one of the three gentlemen who so praised the author of it for a moment ever implied that Mr. BLANTON had any authority for doing such a thing—that he had any power to carry out his threat; that he in anywise represented this House. He knew and they knew that he had no authority, no power, no mandate from the House. He knew and they knew it was a presumption seldom equaled in public or private life. If you remove from consideration the psychological red herring now being exercised overtime by all our perspiring politicians—that of communism—not a single one of this trio would dare to justify his act. It is the world-old game of justifying one folly by charging a worse one. They overlook the fact that the questionnaire itself grossly outrages the third paragraph of article VI of the Constitution, which says:

> But no religious test shall ever be required as a qualification to any office or public trust under the United States.

Now, let us repeat some of these questions—set them out alone—and see how they look.

> Do you believe there is a God? Do you believe in some form of religion?

Read those two questions over again. Read the third paragraph of article VI of the Constitution again. Ask yourself if that is not a religious test, what would constitute a religious test? It may occur to you to wonder why a Congressman should have the effrontery to attempt to require a religious test here in this twentieth century. Let me call to your attention the question Congresswoman NORTON asked Mr. FISH, of New York. I quote from the RECORD:

> Mrs. NORTON. I just want to ask one question. Has the gentleman any evidence that communism has ever been taught in the schools of the District of Columbia?
> Mr. FISH. Absolutely none whatever.

In short, no one charges, no one ever has charged, no one can truthfully charge that there is, or ever has been any teacher in the District of Columbia teaching communism to his pupils.

The whole questionnaire has as its basis nothing more substantial than the suspicion in Mr. BLANTON's mind that some teacher might be teaching communism. And he accepts the naive conclusion that if such there be that the BLANTON questionnaire will bring forth the culprit.

Equally unfortunate are the questions about the political beliefs of the teachers. Mr. BLANTON seems to glory in showing his own great knowledge of the bad books and bad magazines of alleged communistic lore. He furnishes a list that will naturally stir the curiosity of most normal-minded boys and girls.

This whole situation in this questionnaire is but the culmination of the "red rider", which has continued to disgrace this Congress for the past year. The school teachers of the District of Columbia are compelled by law to sign this statement each month before they can draw their salaries:

> I, _____, a teacher of the District of Columbia schools, hereby state that I have knowledge of the provision appearing in the act of Congress approved June 14, 1935 (Public, No. 138), as follows:
> "That hereafter no part of any appropriation for the public schools shall be available for the payment of the salary of any person teaching or advocating communism."
> and further state, without reservation and for the purpose of obtaining payment of salary otherwise due me, that I did not at any time during the period _____ to _____, 193__, in any school of the District of Columbia, or elsewhere, teach or advocate communism.

This is known as the "red rider." It was sponsored as an amendment to an appropriation bill by this same Mr. BLANTON. It is charged that this was put into the appropriation bill "when nobody was looking." Be that as it may, it is certainly true that Mr. BLANTON, through the use of dilatory parliamentary tactics, has prevented the consideration of a bill to repeal that infamous provision. He and his cooperatives are aware that when that question comes before the Congress this "red rider" will be wiped off the statute books. Only through the misuse of the rules of the House has consideration of it and a vote on that question been prevented.

To show the idiocy of such a law it is only necessary to point out that if a teacher of current events should call the attention of his class to the fact that the Government of Russia, in an attempt to get away from the mistakes which communism has so far made—it is now proposing a constitution somewhat along the lines of our own—it would be questionable, at least, whether that teacher could draw his salary the next month. If that teacher should then proceed to instruct his class that all democratic government should, and usually does, grow out of the experience of the people governed, as Thomas Jefferson so well pointed out should be the case, and should the teacher express the opinion that the great Russian people would likely in due course work out their own salvation, even though it might not be exactly like our own, that teacher would lose another month's salary for teaching communism.

To students of politics, as all Americans should be—and outside the District of Columbia are—political intolerance is as deadly to political progress as is religious intolerance to growth of religion. Here is a censorship already established "over the mind of man", over academic freedom of the school teachers of the District of Columbia, the fruit of BLANTON's "red rider." He now seeks a religious censorship through his most obnoxious questionnaire.

The "red rider" implies a suspicion that the teachers of the District of Columbia are teaching communism. It is an insult to the character and American patriotism of these men and women. It is a disgrace to the Congress that this "red rider" has not been repealed at this the first session of Congress after its questionable method of enactment. It insults the integrity of the members of every board of school directors and board of education in our land. The wisdom and patriotism of these unpaid thousands of public-spirited men and women have contributed largely to the success of the greatest school system in the world. They have not needed and would not have tolerated the interference of the politicians of the country in the building of this Nation into the best-educated people on earth.

This is the center of the Nation educationally. The question involved in the Blanton questionnaire and in the Blanton "red rider" is a national question. It involves the freedom from political influence over the schools of the whole country. It involves the academic freedom of all educational institutions. It reaches out and touches every teacher in every school in the United States. Both the "red rider" and the Blanton questionnaire should be known to and considered by every teacher and educator, every man and woman with a progressive mind, who knows what academic freedom has done for the world.

I am interested in only one thing insofar as the conduct of the gentleman from Texas is concerned. That is, he shall not, with my consent or acquiescence, place the school teachers of the District of Columbia on trial without at least producing a warrant to justify his actions.

I serve notice on Mr. BLANTON that the "red rider" must go, and that there shall be no more "questionnaires."

I serve notice on Mr. BLANTON and any supporters he may have, that any attempt to continue the present political interference in the schools of the District of Columbia, or to extend that influence, will meet with every possible resistance of which I am capable.

He shall not insinuate a charge against the teachers or members of the school board without stating it clearly, so its truthfulness may be put to the test.

He shall not establish any inquisition before which to bring any school teacher, without the full authority of this House legally granted.

He shall not be permitted to further bluff and bulldoze the teachers under the pretense that his membership in this body gives him any right, power, or authority further to persecute them, without denunciation of his pretension on the floor of this House.

He shall not apply any religious test without challenge of his right or any man's right to do that thing forbidden by the Constitution.

THE NEW DEAL AND ITS ALTERNATIVE—RESTORATION, RELIEF, AND RECOVERY VERSUS REFORM AND CHAOS

Mr. SNELL. Mr. Speaker, when the gavel falls today upon this session, it marks the end of the Seventy-fourth Congress and the last of the New Deal sessions, four in all.

The people of this country will now have before them for approval or disapproval the strange, fantastic perversion of their Government, known as the New Deal.

They will be called upon in November to pass judgment upon what has been done and what is proposed to be done under the New Deal. A mere recapitulation of the outstanding features of the New Deal would fill a large volume. I shall not attempt this recapitulation.

But it is my duty, as I see it, to point out to my countrymen the dangers that await them in case the Government of the United States is perverted further by New Deal objectives and theories. In order to throw light upon the future we must consider what has been done and undone, and what is unmistakably intended.

First and foremost, let us bear in mind the situation that confronted this country when the New Deal became the rule of government, and what remedies the New Dealers attempted to apply. Let us separate, if we can, genuine efforts from false political propaganda. Let us make allowance for unforeseen contingencies which forced changes of policy and made campaign pledges worthless. Let us follow the course of the New Deal through these four eventful sessions to the present hour, so that we can make an accurate forecast of what is to come, based upon what has been done and what is declared to be the coming New Deal program.

In a single word, the United States in 1933 was suffering from the consequences of the World War, which threw the whole world into acute distress. Ten million active men had been killed and additional millions disabled. More than $250,000,000,000 of the wealth of nations had been destroyed. Normal relations were disrupted and commerce ruined.

All patriotic Americans deemed it necessary to stand by President Roosevelt in taking heroic measures to lift the United States out of the depression. Like other Members of Congress, I was proud to sink partisanship and support the President. With practical unanimity, although with rising doubts, Congress enacted the laws desired. You all know what these laws were.

The two chief objectives were relief and recovery. Relief was twofold—relief of unemployment and relief of agriculture.

Unfortunately for the New Deal, and unfortunately for the prestige of Congress as a maker of laws, the two ambitious projects adopted for recovery of industry and relief of agriculture were declared unconstitutional and invalid. But in the meantime the people of the United States—the individual millions—were busily at work extricating themselves, and the country as a whole went forward. Industry seemed to do better after escaping from the rigors of the N. I. R. A., and agriculture suffered no setback when the A. A. A. was scrapped.

Early in the New Deal history we discovered that the President of the United States was not satisfied with attempting to accomplish relief and recovery. He adopted strange theories of "reform", originating God knows where, and aimed at God knows what. Mixed in with these reform projects was an insatiable lust for power. It was difficult to determine whether reform or power was the chief objective. No doubt the President believed that the reforms he had in mind could not be accomplished unless he was granted unprecedented power. At any rate, he demanded practically unlimited power, and in order to obtain it he employed tactics which destroyed the confidence of many men in Congress who had theretofore supported him.

As the New Deal program unfolded it was seen that the lust for power, the determination to effect vast experimental "reforms", and discreditable political methods (including debauchery of the civil service) were accompanied by astounding absence of any sense of responsibility for the safeguarding of public money against waste, extravagance, and graft.

The solemn decisions and warnings of the Supreme Court, responsible under God for faithful enforcement of the Constitution ordained by the people as their supreme law—supreme over Presidents, Congresses, and courts—were flouted and derided by New Dealers. The country was dismayed by the unmistakable purpose of the President to execute his program of experimental "reforms" in spite of these decisions and warnings. He sent bills to Congress which were intended to circumvent the Constitution and the Supreme Court; and the obedient majority passed these bills over the protest of those who now saw all too clearly the deadly consequences that would follow adoption of the President's program.

Along with the passage of these disloyal and destructive laws came renewed demands for stupendous sums of money, to be spent at the discretion of the President, ostensibly for relief and recovery, but actually to carry forward his mysterious program of "reforms." Congress handed over the purse of the Nation to Franklin D. Roosevelt.

Now we have reached the time for judgment—the day of reckoning is nearly at hand.

What do we find? We find that most of the important New Deal laws have been thrown upon the ash heap. We find a sinister and vindictive determination to punish all American industry under the pretense of punishing malefactors. We find a fixed purpose to fasten experimental "reforms" upon the people at a time when they are struggling to get upon their feet. We find them staggering under a crushing load of debt and taxes at the very time when all their energies are spent in trying to recover, when their resources are low and their businesses deranged by unwise laws and threats of direct competition by the Government itself. We find billions spent without reducing the number of the unemployed or putting into effect any plan for employing them except by further spending of public money. We find decision after decision by the lower courts, based upon Supreme Court decrees, all pointing to the inevitable invalidation of laws which the New Deal is vainly attempting to execute.

In a nutshell, we find the American people heroically striving to recover, and that their greatest handicap and most dangerous antagonist is the New Deal government, which professes to be trying to aid them.

The people need certainty of values in their daily transactions and commitments. They are struggling against the uncertainty of values. No one knows what the dollar will be worth tomorrow. Who dares to make a long-term contract which would furnish employment for men now maintained by public money?

The people need certainty in the honest transaction of their business—certainty against Government competition and arbitrary bureaucratic interference with honest trade.

The people need certainty in Government policy. They have enough to do now, without being subjected to experiments that would involve added taxes and changes in their system of living and doing business.

The people need certainty as to the absorption of the unemployed by normally operating industry, agriculture, and commerce. They are given uncertainty.

The people need certainty—reasonable certainty—as to the taxes they must pay. They are not only given uncertainty, but are under notice that debts, taxes, and deficits will go higher in order to finance the mysterious "reforms" that are planned by the New Deal.

The people need certainty against disastrous foreign competition in their own market. They have uncertainty and growing competition that injures industry, labor, and agriculture.

The people need certainty and stability in government. They have uncertainty and instability, manifested by persistent attempts to evade the Constitution and plain declarations that the Constitution must be upset if necessary to accomplish experimental reforms.

The sublime paradox of the New Deal, the crowning triumph of absurdity, is that both the promises and the acts that broke the promises were made in the name of the public welfare. The promise of economy and the frenzied squandering of billions—both for the public welfare. The promise of sound money and the adulteration of the dollar—both for the public welfare. The promise of adherence to the civil service and the filling of tens of thousands of jobs by political hirelings—both for the public welfare. The promise of lopping off useless agencies and the creation of more than 40 larger and more extravagant ones—both for the public welfare. The promise of a breathing spell for bedeviled American industry and the declaration of war to the knife—both for the public welfare. The promise of obedience to the Constitution and the frantic appeal to Congress to disregard the Constitution—both for the public welfare. The promise that $4,880,000,000 would restore employment, and the demand for $1,500,000,000 more, with no decrease in unemployment—both for the public welfare. The promise that there would be no new taxes, and the new law imposing $800,000,000 in taxes—both for the public welfare.

Is it any wonder that industry has failed to employ more men while it held its breath, wondering what would happen next? Is it any wonder that the people have been bewildered by the wild gyrations of their government? The only certainty that the people have had during this paroxysm has been the certainty that any promise made would be broken. By discounting administration promises 100 percent in advance some men have got near the truth and the facts.

There it stands, sir, the record of the New Deal. In all the annals of our country, there is no parallel to the wreckage piled up by the New Deal—the wreckage of invalid laws; the wreckage of financial and economic stability; the wreckage of Federal finances; the wreckage of futile efforts to abolish unemployment; the wreckage of public and private confidence in the President's promises and pledges; the wreckage of protection against the waves of pauper-labor imports that drive down the American standard of living; the wreckage of individual and teamwork enterprise, destroyed by bureaucracy armed with usurped power.

On this gigantic pile of wreckage it is proposed that we shall plan and build for the next 4 years. What a foundation upon which to build the hopes and labors of the American people.

Apologists of the New Deal ask: "What alternative do you propose? How could the Republican Party do any better?"

The reply is to be found in the Republican platform and the Republican candidate for President of the United States. The platform declares and the candidate personifies the Republican program in one word: "Restoration."

First of all, we would restore the stability of the Government by removing all danger of subverting or violating the Constitution. We would restore the people's confidence in their Government by stabilizing its finances, abolishing extravagance and graft, reducing its expenditures, and avoiding new and costly experiments. We would reassure every honest businessman that he will be unmolested by the Government, by crooked competitors, or by foreign monopolists of his market. We would restore confidence in the independence of Congress, to the end that fair and wise laws shall be enacted that will encourage industry, agriculture, and labor to recover and prosper. We would restore confidence in the Presidency by squaring performance with promises. We would restore confidence in the minds of millions who combine their efforts in honest teamwork by organizing and operating corporations.

It was teamwork that won the independence of the United States. It was teamwork that established the Union. It was teamwork that devised and ordained the Constitution. It was teamwork that saved the Union. It was teamwork that won the War with Spain and the World War.

By restoring the security of honest men honestly cooperating through corporations, labor unions, farm co-operatives or otherwise, the Republican Party would restore employment and prosperity.

As against the program of the New Deal, which arraigns one set of citizens against another and the Government dictating to all, the Republican Party proposes to restore the simple and practical rule of cooperation between the Government and the people. By the teamwork of Government and people, all striving for restoration of confidence, stability, and prosperity, the havoc wrought by the New Deal can be wiped away, the trend toward ruin stopped, and the threat of new wrecks removed.

That, sir, is the alternative offered by the Republican Party.

LANDON OR ROOSEVELT IN 1936?

Mr. ENGEL. Mr. Speaker, the Republican and New Deal conventions are over. Landon and Knox are the candidates of the Republican Party, and Roosevelt and Garner are the candidates of the Democratic Party. Both platforms have been adopted. The Republican Party boasts of the most progressive candidate and platform in its history since the days of Theodore Roosevelt.

The Democratic platform was necessarily a defense of the administration policies as followed during the last 3½ years and of its abandonment of the platform of 1932, upon which the President was elected. We now look forward toward the election, and political prophets are beginning to predict results. These predictions are usually biased and influenced by the desire of the person making them to have his party win. He tries to instill confidence into the adherents of his party by making his party's chances to win look as favorable, and the opposite party's chances look as unfavorable, as possible. He knows that lack of confidence means lack of morale, and lack of morale is always a great factor in determining who gets the most votes.

Occasionally political landslides occur. Politicians and those who have failed to keep in touch with public sentiment are surprised. The people themselves and those who have analyzed before the election the forces that have brought about the landslide are not surprised. They knew what was likely to happen.

Let us analyze the forces that brought about the Democratic landslide of 1932. Let us take a political inventory of those forces as they existed in 1932. Let us see whether there is enough change in sentiment to affect the results and whether anything has occurred to bring back to the folds of the Republican Party the millions of voters who, for some cause or another, deserted that party and joined what they thought was the Democratic Party but what proved to be a New Deal party. Let us determine from the facts what forces the Republican Party has in 1936 that it did not have in 1932 and try to reach some conclusion based upon these facts.

LEADERSHIP

The first factor in any campaign is leadership. Without casting any reflection on the quality of past leadership, the Republican Party will have in the coming campaign in John Hamilton the most dynamic and forceful leader it has had in recent years. Mr. James Farley, the New Deal leader, had everything pretty much his own way during the past 2 or 3 years. He kept saying things about the Republican Party and its leadership, and not much was said in reply. When the new chairman, Mr. Hamilton, took the helm Mr. Farley began his usual broadcasting of political wahoo and immediately attacked the red-headed leader of the Republican Party. When the old Tammany cluck got through with the brown leghorn game rooster from Topeka, he found his feathers scattered far and wide; found himself ready for the bathtub as far as bareness was concerned, and does not know yet just what happened to him. Already we hear New Dealers who formerly praised Farley criticize him. They say that, like the proverbial parrot, "he talks too much." So far as leadership is concerned, even the new dealers admit that Hamilton is just a little too much for Farley.

VETERAN VOTE

There are 4,000,000 World War veterans in the United States. These veterans, together with their wives, fathers, mothers, sisters, and brothers, have a potential voting power of from eight to ten million votes. In 1932 they were extremely antagonistic toward Mr. Hoover and the Republican Party. Hoover had vetoed their pet measure, the bonus bill. Justly or unjustly, he was accused of having driven their comrades, the bonus marchers, out of Washington with tear gas and bayonet. During the 1932 campaign, if you wanted to get into an argument without support from anyone, all you had to do was to go to a veterans' clubroom and start to defend Mr. Hoover and the Republican Party, and the fight was on. This group of voters constituted a force which in itself was able to and did bring about Democratic victory in 1932—a force that can in itself bring about Republican victory in 1936.

Where does the veteran group as a class stand in the campaign of 1936? On the one side, we have Mr. Roosevelt twice vetoing the bonus. Time and again Mr. Roosevelt used language, and especially in his veto messages, which was highly antagonistic toward the veteran. This was particularly noticeable and uncalled for in his message when he finally signed the bill restoring the pensions of the Spanish-American War veterans. Not only is he being charged with vetoing the bonus but he is being charged with having taken $600,000,000 a year out of the disabled veteran on the plea of economy and then spending extravagantly and wastefully twenty or thirty billions of dollars. The veteran is peeved, to say the least. Go to any veterans' clubroom today and try to defend Mr. Roosevelt. Chances are 10 to 1 that some veteran whose pension was cut will leap to his feet and give you a mouthful to carry away. And what has the Republican Party to offer for 1936? On the Republican side the veteran is given his first opportunity of voting for a comrade and veteran for the Presidency of the United States. Not only has he a chance to cast his vote for a comrade for President but he also has his opportunity of casting a vote for a comrade for Vice President. Between Roosevelt and Landon there can be no doubt where these potential eight or ten million votes are going. Landon will carry the veteran vote by a tremendous majority.

And how about the thousands of Spanish War Veterans? They still feel that Roosevelt owes them the pension he took away from them by the economy bill. On the Republican side is Knox, a Rough Rider, who followed Teddy Roosevelt in going over the top at San Juan Hill. The Spanish War veteran will go unanimously for Landon and Knox.

NEWSPAPER SUPPORT

In 1932 it is estimated that the Democratic Party and Roosevelt had the support of 67 percent of the newspaper circulation. Today it is estimated that from 75 to 80 percent of the newspaper circulations, particularly in the Northern and pivotal States, are against Roosevelt and the New Deal party. A great many of these newspapers have been hammering the administration and its policies from day to day and from month to month during the past 2 years. This force cannot be ignored. It is a power in creating and crystallizing public sentiment. No man has ever been elected to the Presidency on any ticket in the face of such tremendous opposition on the part of the public press and no man ever will.

PUBLIC-UTILITY STOCKHOLDERS

Three million public-utility stockholders have been and are being told daily that the President is creating unfair competition in the power field, and that such unfair competition will ultimately destroy their investments. In hundreds of thousands of cases, this means their bread and butter. They see the T. V. A. and other power dams being built with public moneys, 50 percent of which is charged to flood control, national defense, and what not and not charged against the investment. The other 50 percent is borrowed at the low rate of interest made possible by Government credit. They see these public dams operating tax free without paying their share of the burden of public taxation. The property the Government purchases is taken from the tax roll, reducing the valuation of the taxing unit, and increasing the rate and therefore increasing the amount the other taxpayers of that tax unit have to pay.

On the other side, when they get their balance sheets from their company, they find that they have to furnish 100 percent of the capital, pay commercial rates of interest on all moneys borrowed through bonds or preferred stock, and are expected to pay dividends to their stockholders. They see the tax item year after year showing the tremendous amount paid in taxes to township, county, school district, village, State, and other public treasuries. These 3,000,000 stockholders know that their company cannot exist in the face of this sort of competition and that, if it continues, their investment will and must ultimately be destroyed. The law of self-preservation makes them cast their vote against the New Deal and for the Republican Party. These 3,000,000 stockholders with wives, husbands, brothers, sisters, fathers, mothers, and so forth, constitute another potential 6,000,000 votes. They are scattered, as a rule, through the pivotal States of the North, whereas those supporting the President's power policies are, as a rule, either in the Democratic States of the South, through the Tennessee Valley area, or in the Western States where the electoral votes per State are small. Where can these investors go for protection except to the Republican Party?

THE BUSINESSMAN

In 1932 the Republican Party could not raise a wooden nickel in most of the cities from the American businessman. Why, had not Roosevelt charged the party and Hoover with extravagance? Did not he promise business a 25-percent reduction in governmental expense and accordingly a 25-percent reduction in taxes? Did not Roosevelt say the depression was caused by high taxes, waste, and extravagance of the Republican Party and its leadership? Did not he say that the large public debt and a failure to balance the Budget meant bankruptcy and ruin? The Republican Party could not raise enough money to pay the postage in a reasonably effective Presidential campaign. And what does that same businessman say today? He has been taxed, retaxed, and taxed again. The public debt has climbed to unprecedented heights. Every session of Congress since the present administration took the helm has passed a tax bill on top of the last tax bill. Perhaps the most alarming of all is the bill passed by the present Congress which forces the distribution of surpluses.

You remember the Biblical story about the famine in Egypt; about the dream of Pharaoh of the seven lean kine and seven fat kine, of the 7 years of surpluses followed by 7 years of starvation? You remember the policy followed by Pharaoh on the advice of Joseph in filling the granaries during the fat years so they might eat during the lean years. The business heads of American corporations in the past have followed the advice of Joseph. During the fat years prior to 1929 the wise businessman filled his financial granary with surpluses. During the lean years since 1929 he fed his stockholders and employees out of those financial granaries. It is estimated that 50 percent of the dividends paid by corporations to stockholders, big and small, have been paid out of the surpluses placed in the financial granaries during the prosperous years. The automobile industry today is leading the way back to recovery in spite of desperate handicaps, such as the recent tax bill, with moneys placed in the surplus during the fat years. General Motors alone is spending $50,000,000 this year for new plants and equipment out of the surpluses set aside during those years. Two thousand employees will be placed at work in one city in Michigan where work is needed most by the building of a new factory. According to the report of the Secretary of Labor, we spent $2,000,000,000 in 1934, employing 500,000 men in a public-works program. In other words, it costs $4,000 to keep one unemployed person at work 1 year. If this be true, then it would take $8,000,000 to keep these 2,000 people employed in a public-works program each year. All this is being done by

General Motors with money placed in its financial granaries during the fat years, to be drawn out during the starvation years.

What would have happened had the present tax bill, which will soon become law, and which takes 42 percent from surpluses, been in force and effect during the past 15 years. The American businessman knows that there would have been no surplus. The financial granary would have been empty. We would have wasted our substance during prosperous years to starve during lean years. The American businessman knows all of this. He knows what the principles of sound business are. He knows the advice of Joseph to Pharoah was sound and the policy of the present administration in destroying and making impossible the filling of the financial granaries during fat years to be used during lean years will mean bankruptcy and ruin. He knows that the first lean year and the first substantial loss of his company will mean insolvency unless there is a surplus to offset that loss. Go down the street and ask the average businessman what he thinks of the present administration. The answer you will receive universally over the Nation is the same. "Four years more of this", he tells you, "and there won't be any more business." "If there is any business, the Government and not the owner of the business will run it." One of the biggest assets of the Democratic Party in 1932 was the businessman, big and small. Fear and the law of self-preservation has driven him into the ranks of the Republican Party. He will be found there working desperately for Republican victory because Republican victory is his only chance of self-preservation.

THE FARMER

After 3½ years chasing will-o'-the-wisps the farmer is beginning to realize that no policy based upon a philosophy of scarcity is sound. The recent Soil Conservation Act is conceded by administration officials to be merely an attempt to carry out the unsound policies of the unconstitutional A. A. A. The administration farm policy reads something like this: "We are going to raise $400,000,000 (one-half of the amount raised by the recent tax bill) to pay the farmer for taking out of production 50,000,000 acres of land. By doing so we are eliminating farm-crop surplus and increasing the price the farmer received. The farmer, having more money, will buy more of the city's manufactured goods, thereby creating more employment." All of this sounds good until we begin to ask: "What are you going to do with the men who plowed, harrowed, planted, cultivated, and harvested these 50,000,000 acres of land that now will not be plowed, harrowed, cultivated, and harvested? What are you going to do with the man who worked in the warehouses that stored the crop harvested on these 50,000,000 acres of land? What about the railroad men employed in transporting this crop to markets in the cities and the thousands of men who found employment in the distribution of this crop?"

Have not you created more unemployment on the farmer's end than you have created employment on the manufacturer's end of the production line? Undoubtedly this accounts at least in part for the fact that after 3½ years of boondoggling and of spending the most tremendous sums in the history of the country we have still eleven or twelve million men on the unemployed lists, a number which is larger than when Mr. Hoover went out of office 3½ years ago. The farmer is beginning to realize all of this.

Four years ago he would not believe, and you could not convince him, that Mr. Wallace, the Secretary of Agriculture, meant what he said in his pamphlet, "America Must Choose."

He refused to believe that the time would or could come in free America when, as Mr. Wallace said, "Every plowed field will have a license nailed to a post." Today he is willing to believe that will be done which has at least in part already been done. He has been conservative as a rule. The mortgage he has been struggling to pay and the interest he has been compelled to pay for years make him realize as no other citizen realizes that this gigantic public debt must be paid. Not only must that debt be paid but the annual interest must be paid with money earned by the sweat of some taxpayer's brow. While he is scraping and saving pennies to enable him to pay his yearly taxes and interest on his mortgage, he sees all around him extravagance and waste. Men are being paid wages far above the wages he can pay on his farm. He tries to employ help only to find that no one will help him, and when they do, they ask the same wages the Government pays with his tax money but which he cannot pay. They will not leave Government employment with short hours and large wages to work for him at long hours with such pay as he can afford. As one relief worker put it recently, "Why should I get up at 5 o'clock in the morning, milk your cows, work 10 hours, then milk some more cows and do more chores, when I can work 40 hours a week for the Government and get more money?" Four years ago the farmer would not listen to the Republican Party when he was told that the depression was world-wide. Today he listens. Furthermore the northern Republican farmer is at heart a tariff protectionist. It was the Republican tariff policy that kept him in the ranks of that party for years. Today he sees himself placed in competition with cheap foreign labor by the reciprocal tariff policy of the administration. On the one hand, he is being told by the administration that he will not be hurt; on the other, he sees millions of dollars of competitive farm products coming into the country and knows that he is being hurt. With a western liberal candidate who understands the farm problems as few men do the Republican Party will get its share of the farm vote in America.

THIRD PARTY MOVEMENT

Four years ago Father Coughlin was supporting Mr. Roosevelt and the Democratic Party. Sunday after Sunday his voice was heard over the air by millions. "Roosevelt or Ruin" was his thundering battle cry week after week as he attacked Mr. Hoover and the Republican Party and supported Mr. Roosevelt and the Democratic Party. Today those same listeners hear that same voice thundering over the air, "Roosevelt and Ruin." His attack on the Republican Party has been lost in his attack on Mr. Roosevelt and the New Deal Party. The third party is his party. His followers will come from the ranks of the Democratic Party of 4 years ago because that is where they were 4 years ago. The Republican Party cannot lose support it did not have. A prominent man, Democratic Member of Congress, recently stated in my presence that it would mean 50,000 votes in his district alone. If, he stated, Father Coughlin opposed Mr. Roosevelt and the Democratic Party in the coming election it would mean defeat. While the third party may not elect many of its members to office it will in many instances hold that balance of power which means election or defeat to old-party candidates. The Father Coughlin adherents, having added their support to the Democratic Party 4 years ago, that support must be deducted from the strength of the Democratic Party of 4 years ago, regardless as to where it goes.

DISSENTION WITHIN THE DEMOCRATIC PARTY

Those who study politics do not minimize the strength of Governor Smith, Bainbridge Colby, and others who walked out of the Democratic Party. The real Jeffersonian Democrats are dissatisfied to say the least. A remark one hears repeatedly is that this is not the Democratic Party but the New Deal Party which is in power. This is not a democratic but a socialistic form of government we have. Some will stand aside, say and do nothing, hoping for but not daring to do anything to bring about the defeat of Mr. Roosevelt. This feeling is particularly evident in the Democratic South. The doctrine of State rights is a religion with the South. They see that doctrine cast aside and see the New Deal Party doing everything possible to bring about a strong centralized government. They know that this means an abandonment of the cherished States' rights doctrine over which the Civil War was fought.

One must indeed be blind to say that this will not affect results and especially in New York with its 47 electoral votes.

PROHIBITION

In 1932 prohibition was a fundamental issue. Hundreds of thousands of Republican voters cast their vote for Mr. Roosevelt and the Democratic Party because they were not satisfied with the Republican plank on that issue. Today the issue is settled. That voter is satisfied and will without doubt be found back in the ranks of his old party.

CANDIDATES AND PLATFORM

The Republican Party is going into this campaign with the most progressive platform under the most progressive leadership in its history since the days of Theodore Roosevelt. That platform and leadership ought to satisfy the most progressive Republican. Knox followed Teddy Roosevelt not only over San Juan Hill, but he followed him through the Progressive campaign of 1912. Landon has demonstrated his progressive leadership in the part he took in writing the most progressive platform in the history of the party.

RESULTS OF THE ELECTION

A careful and close analysis of the forces that are responsible for victory and defeat point in no uncertain terms to a Republican landslide in 1936. The politician will claim victory for his side because he tries to instill confidence in his followers, and lack of confidence means defeat. The analyst, considering cold facts, will not be surprised at the outcome when he considers the facts. To verify this a recent Washington press dispatch carried the confidential report of Emil Hurja, who has been the New Deal administration's political analyst. He has been Farley's chief statistician and first assistant. Naturally his report would be as optimistic as possible to satisfy his chief, and yet, according to the Hurja report, the New Dealers can lay claim legitimately to only 222 electoral votes, which is 44 less than enough to insure reelection of the national ticket. The press report says that Hurja's figures would have created something less than the sensation they did had he not in the past been so uniformly correct.

In addition to the 222 electoral votes he is now claiming, Hurja has itemized approximately 100 more votes, by States, out of which he reports the New Dealers have an even chance of gaining the necessary 44 for victory. The 222 votes claimed as certain for Roosevelt by Hurja include 113 votes in the solid southern block. Hurja's list of doubtful States from which it is hoped the New Dealers will be able to gather in 44 votes, include California, Minnesota, Maryland, Oklahoma, Missouri, Wisconsin, Tennessee, West Virginia, and Iowa. Taking Hurja's figures and estimates, and giving the Democratic Party the 222 votes plus an even break in 100 doubtful electoral votes, which would be 50 votes, then according to Hurja's own figures Roosevelt would be elected by six electoral votes. Certainly not a vote which would justify Mr. Farley's recent utterances as to the number of States they will carry. However, when this estimate was made the third party was not in the field. With Mr. Lemke, from North Dakota, running it will be conceded that both North and South Dakota will either be carried by Mr. Lemke and the new party or the split in the Roosevelt ranks will throw those two States into the ranks of the Republican Party. Among the States with the larger number of electoral votes to which Hurja at this time makes no claims save to list them as "bad news" for Farley are: New York, 47 votes; Massachusetts, 17; Michigan, 19; Ohio, 26; and Pennsylvania, 36.

When you take into consideration the fact that the Hurja report is based upon election returns and figures obtained prior to the nomination of Landon and Knox, and the adoption of the most progressive platform in the history of the Republican Party; when you take into consideration the further fact that the veteran vote could not have been considered in those reports, his analysis, which practically predicts defeat for the administration, must be considered exceptionally optimistic.

CONCLUSION

Can Roosevelt be elected?

First. With eight to ten millions of veteran votes as a class against him, including the Spanish-American War veterans.

Second. With 80 percent of the newspaper circulation opposed to him.

Third. With three to six millions of public-utility stockholder votes opposed to him.

Fourth. With the businessman against him.

Fifth. Without the solid support of the farmer the Nation over.

Sixth. With the opposition of Father Coughlin and the new third party, who were for him 4 years ago.

Seventh. With dissension within his own party and with the opposition or half-hearted support of men like Governor Smith, Governor Ely, Bainbridge Colby, and many more leaders, all of whom, with the possible exception of Governor Smith, supported him in 1932.

Eighth. With prohibition not an issue.

Can he win against the most dynamic leadership, with the most progressive platform and candidates since the days of Theodore Roosevelt?

The answer is an emphatic "no." The political analyst will say that the above means an overwhelming defeat for the New Deal party and a landslide back to the Republican Party in 1936.

My prediction is that there will be an exodus of New Dealers out of Washington next January like the children of Israel leaving Egypt, and they will not be on their way to the promised land.

THE COLORED CITIZEN ADVANCES UNDER THE ROOSEVELT NEW DEAL ADMINISTRATION

Mr. COCHRAN. Mr. Speaker, the New Deal administration's recognition for the past 3½ years of a large number of distinguished colored citizens by appointment to positions of trust and importance in the Federal Government at Washington has demonstrated beyond question that merit and not color has been the rule of President Roosevelt, the members of the Cabinet, and the Congress.

Under the last national Republican administration there were only six Negro citizens who held positions of a superior nature in the Federal Government, through either Presidential or Cabinet officer's appointment, to wit: Municipal Judge James A. Cobb; Hon. Arthur G. Froe, recorder of deeds; Attorney Perry W. Howard, Department of Justice; Attorney William Houston, Post Office Department; William Jackson, Department of Commerce; and Karl Phillips, conciliator in the Department of Labor.

The official record reveals more than 40 outstanding places to which colored citizens have been appointed by the Roosevelt New Deal in order that they, too, might have a place at the head of the table in determining the policies of the present administration in its unprecedented plan and program for social justice and security to all alike, regardless of race, creed, or color.

These persons and the positions now held by them in the Federal Government are alphabetically listed below:

Allen, L. R., statistician, Works Progress Administration.

Anderson, Anthony H., junior engineer, Rural Resettlement Administration, Newport News, Va.

Atkins, James A., field assistant, Educational Department, Works Progress Administration.

Bethune, Mrs. Mary McLeod, director, Colored Activities, National Youth Administration.

Bond, Max, supervisor of recreation and training, Tennessee Valley Authority, Wheeler Dam, Ala.

Bailey, Walter T., architect, participating in a Chicago housing project.

Brown, Edgar G., C. C. C. adviser on Negro affairs, and special assistant to the director of Emergency Conservation Work.

Clarke, Thomas H. R., deputy recorder of deeds, District of Columbia.

Davis, John A., research assistant, Department of Labor.

Duke, Charles S., planning engineer, Rural Resettlement Administration.

Edwards, Mrs. Thyra J., assistant to rehousing supervisor, P. W. A., Chicago.

Evans, Joseph H. B., adviser on Negro affairs and administrative assistant to the Rural Resettlement Administration.

Ferguson, Arthur, junior engineer, Inspection Division, Public Works Administration.
Gammon, John, R. R. A. community and project manager.
Hall, Charles E., specialist in Negro statistics, Department of Commerce.
Hamilton, Bertram, special assistant to the Attorney General, Department of Justice.
Harsh, F. W., Jr., land purchaser, Chicago Housing Project, Public Works Administration.
Hastie, William H., assistant solicitor, Department of the Interior.
Houchins, Joseph R., assistant business specialist of Negro Affairs Division, Department of Commerce.
Hubert, Giles A., project analyst, R. R. A. (Summer leave of absence to study cooperatives in Europe.)
Hunt, Henry A., assistant to the Governor, Farm Credit Administration.
Jackson, Sydney M., Special Chief Clerk at Large, Post Office Department.
Jones, Dewey R., associate adviser on Negro affairs, Department of the Interior.
Jones, Eugene Kinckle, adviser on Negro affairs, Department of Commerce.
King, Dr. Louis E., junior historian, National Park Service, Gettysburg, Pa., C. C. C. Camps.
Mann, Theophilus M., legal staff, Public Works Administration Regional Office, Chicago, Ill.
McKissack & McKissack (architectural firm), Consultants, Nashville Housing Project (Tennessee).
McNeill, William C., R. R. A. Junior Engineer.
Melby, John A., architectural draftsman, Department of the Interior.
Millender, LeRoy (St. Louis), foreman Rural Resettlement Administration.
Moron, Alonzo, Commissioner of Public Welfare, Virgin Islands.
Oxley, Lawrence A., chief, Division of Negro Labor, Department of Labor.
Prescott, J. Parker, associate supervisor in management branch, P. W. A. Housing.
Reed, R. R. (Chicago, Ill.), assistant executive secretary, Code Authority for Funeral Industry.
Reid, Ira DeA., director Negro white-collar survey, W. P. A. (Administration Department of the Interior).
Reid, Orleanis, Jr., field planner, R. R. A.
Roberts, Lewis R., community project manager, R. R. A., Bricks, N. C.
Robinson, Hilyard R., architect, Department of the Interior.
Scott, Hon. Ormand J., judge of the Municipal Court of the District of Columbia, Presidential appointment, confirmed by the United States Senate unanimously.
Smith, Alfred E., Federal Emergency Relief Administration, administrative assistant Works Progress Administration.
Smith, C. V., resident engineer in charge, R. R. A., Newport News, Va.
Stanton, Robert, R. R. A. Field Service.
Tandy, Vertner R., consultant to Robinson, Williams & Porter (architectural firm), Langston Terrace Project, Washington, D. C.
Thorne, Frank, rehousing assistant, Housing Division, Public Works Administration.
Thornton, William F., assistant engineer, R. R. A., Washington, D. C.
Thompkins, Dr. William J., recorder of deeds of the District of Columbia. Presidential appointment, confirmed by the United States Senate.
Vaughn, Ralph, architectural draftsman, Resettlement Administration, Department of Agriculture.
Wilkes, Charles, community project manager, R. R. A., Mound Bayou, Miss.
Wilson, John, one of principal architects, New York City housing project.
Weaver, Dr. Robert C., adviser on Negro affairs, Department of the Interior.
Williston, O. M., landscape architect, Langston Terrace Project, Washington, D. C.

This list does not include 132 colored educational advisers in the C. C. C. in more than 30 States of the Union, colored case workers, administrative assistants in the W. P. A., P. W. A., N. Y. A., and A. A. A. in the States, nor secretarial, stenographical, clerical, or subclerical appointments (of which there have been several hundred colored) in the Federal Government at Washington, D C., during the Roosevelt New Deal administration.

Something of the character, participation, and success of these New Deal policies are graphically reflected in the figures below of the Civilian Conservation Corps popularly known as the C. C. C., as to what the Civilian Conservation Corps is doing for colored youth under the emergency-conservation work.

Approximately 35,000 young colored men and war veterans, one-tenth of the total C. C. C. enrollment, are engaged on work projects throughout the country; $700,000 a month is allotted by colored C. C. C. boys to their parents and dependents back home; 150,000 colored C. C. C. boys have served in the corps and many have gained from 7 to 15 pounds in weight during the past 3 years; 132 colored college graduates are serving C. C. C. camps as educational advisers; 25 colored Medical Reserve officers and chaplains of the United States Reserve Corps are on active duty in the Nation's C. C. C. camps; 300 colored typists are assigned to C. C. C. headquarters of the commanding officers and supervisory forces; 1,200 colored cooks are steadily employed in C. C. C. mess halls; 10,000 colored C. C. C. enrollees in the past 3 years have completed courses in first-aid through cooperation of the emergency conservation work and the National Red Cross.

To summarize the report of Mrs. Bethune, director, colored activities, to the President on the National Youth Administration, we find 28 colored leaders are members of the State N. Y. A. advisory committees, North and South. An equal number of colored assistant State directors and trained college men and women of the colored race are filling high executive positions in New York, Pennsylvania, Florida, Virginia, Kentucky, Illinois, Tennessee, Indiana, Ohio, Missouri, Georgia, Colorado, California, and Texas; which State programs have had the largest participation of young colored men and women.

The National Youth Administration is helping approximately 26,000 colored youth to continue in school through payments for part-time work under supervision of school authorities. These young people range in age from 16 to 25. There are approximately 5,000 of these colored students in the undergradute class and 70 graduate college students in both the strictly Negro institutions and the leading universities. The average monthly rate per college student is $15, while the graduate students receive from $25 to $30 monthly. Those students of high-school classes are being paid a maximum of $6 per month.

Of the $50,000,000 expended by the N. Y. A. organization during the past year, it is conservatively estimated that the financial benefits to the colored youth is about one-tenth of the amount set aside.

It is important to note here that recent surveys reveal that the educational facilities, length of school term, and salaries of colored teachers in the South have been advanced more than 30 percent since the Federal Government stepped into this program and the advent of the Roosevelt New Deal.

The physical equipment and health benefits to the colored race and the Nation as a result of the erection of new school buildings, playgrounds, swimming pools, gymnasiums, auditoriums, and recreation centers under the P. W. A., F. E. R. A., and W. P. A. programs are incalculable to present and future generations. Millions of dollars in wages have come to colored workmen and great stimulus has been given to the heavy industries and business has picked up generally through purchases of materials by the Government for this emergency construction. In production plants, steel mills, and factories, thousands of Negroes have again been gainfully employed.

It is estimated that nearly 30,000 otherwise unemployed colored school teachers have been given work in all parts of the country. Better salaries in the South, as well as the North, have been reported. It should be noted that the minimum salary rate approved by Administrator Hopkins for all W. P. A. workers has meant payment of a much higher scale of wages for the hundreds of thousands of colored persons on State and Federal projects. A far larger number of colored citizens have been employed under the Federal Government's emergency public-works program in capacities commensurate with their specialized training than heretofore in private industry.

Hundreds of research technicians, administrative officials, supervisors, skilled workmen, foremen, and other white-collar workers of the Negro race have had equal opportunity under the Roosevelt administration.

Nearly $2,000,000 was specially earmarked by President Roosevelt for surveys on the occupational opportunities for Negroes, State vocational and educational aid, and a Nation-wide household workers' project to train the tens of thousands of persons on relief for gainful employment. Colored instructors and personnel workers, men and women, have been employed to prosecute this important job of training and placing competent household workers.

While projects beneficial to Negroes have been adopted in many States, I make special mention of an estimated expenditure of $2,000,000 for a new colored high school and repairs and additions on 13 existing structures through the form of grants and Federal aid by the Public Works Administration in my own State, Missouri. This, of course, was only the Government's share, the State and cities adding a much larger amount to the total cost of the improvements.

The new city hospital in St. Louis sought for the past decade by colored citizens of St. Louis, my home city, has been completed through Public Works Administration financial support.

Reports received by H. A. Hunt, Negro assistant to the Governor of the Farm Credit Administration, indicate not only colored farmers are receiving this important Federal service but that they are paying back and meeting their obligations promptly and fully. It is important, also, to note that without exception the annual conference of the local and State associations are attended by the farmers in the South of both races. The local borrowers from the F. C. A. automatically become members of the association.

Credit unions under the jurisdiction of the Farm Credit Administration, not only appeal to rural communities but also to urban sections, and here, too, the participation of colored citizens in such group organizations as the railway clerks, waiters, school teachers, et cetera, are general, and many colored officers are represented on the governing boards of these organizations in all sections of the country.

It should be apparent to all that this brief summary shows beyond question that the Roosevelt administration has done more for the Negro in 3½ years than the Republican Party did since its inception. The Negroes of this country will not be misled by the efforts of Republicans to misrepresent the unprecedented recognition of the Negro during the present administration.

PRESERVE THE CONSTITUTION—A DEFENSE OF TRADITIONAL AMERICAN LIBERTY AND INDIVIDUAL OPPORTUNITY BY THE MAYOR OF PHILADELPHIA

Mr. FENERTY. Mr. Speaker in extending a welcome to the delegates and visitors attending the Democratic convention in Philadelphia, our old historic city displayed the true cordiality and hospitality that have become synonymous with the name of Philadelphia. Without a trace of partisan feeling, the people of the city, a vast majority of whom are Republicans, did all in their power to make comfortable and happy the visit of the Democratic sojourners in our midst.

Following a dinner tendered to the Governors of the States by the City Administration, a celebration was held at Independence Hall, the birthplace of the world's grandest political documents, the Declaration of Independence and the Constitution of the United States, where the mayor of the city, the Honorable S. Davis Wilson, delivered an address emphasizing the sacredness of the Constitution under which America has grown great, and urging upon his hearers the necessity in these distressful days of preserving those eternal principles of constitutional liberty to which it gives eloquent expression, and which are now so insidiously assailed as outworn and old-fashioned from so many un-American sources. In this, while the mayor vigorously and without political bias enunciated principles that are inseparable from those of the Republican Party which elected him, he was also as a Republican mayor expressing his adherence to doctrines that are likewise essentially and eminently American. Although Philadelphia is enthusiastically devoted to its Republicanism, I feel that many of the Democrats visiting us would also like to retain the text of the address to which the mayor of Philadelphia gave utterance on that occasion, and it therefore follows in its completeness.

ADDRESS OF MAYOR S. DAVIS WILSON, OF PHILADELPHIA, AT THE RECEPTION TO THE GOVERNORS OF THE 48 STATES, CABINET MINISTERS, SENATORS, AND MEN OF NATIONAL LEADERSHIP, PRECEDING THE OPENING OF THE DEMOCRATIC NATIONAL CONVENTION AND HELD IN INDEPENDENCE HALL WITH A NATION-WIDE BROADCAST, MONDAY EVENING, JUNE 22, 1936

My fellow countrymen, where, with greater force, with greater meaning, or with more genuine fervor could Americans participate in an assemblage of such distinguished Governors and National leaders than in this hallowed spot, Independence Hall? In a world held in the grip of doubt and confusion because of the conflicts of the day, we of America should pause for a moment and be deeply conscious within our very souls of the freedom and the liberty inherent in the fabric of our great Nation, the early concepts of which first saw the light of day at this very spot upon which I now stand.

In the complicated industrial, economic, and governmental affairs of our country today, strong and often violent differences of opinion are disturbing our minds. It is gratifying and a source of the highest hope that at the very root of these differences with respect to matters of policy and philosophy of government the motivation behind those who are for and against the vital issues of the day, is a jealousy and a zeal for that trusted freedom and liberty of action which have always represented the foundation stone of American greatness. The spectacle of great nations across the sea, struggling under aged rivalries and hatreds, points the way for America. Here in Independence Hall the courage and the vision of the founders of the Republic charted out the course of a free Nation, destined for all that we have become.

In the midst of our struggle for a return to economic security and material well-being, let us not be unaware of the blessings that our system of government and our mode of life continue to sustain. Let us ever be vigilant to protect our institutions and our basic system of government so that whether it is given over into the hands of one party or of another party, we shall not swerve from tried and true precepts which have stood the test of time and marked the growth and the wealth of the greatest Nation on earth.

I am happy to receive the Governors of most of the States of our Union here at the shrine of liberty. No man enters and gazes upon this ancient bell, sanctified with the sacrifices and the bloodshed of those who died that we might live and grow, without becoming deeply aware of his part in the pattern of this great country. It seems to me that the very circumstances of this occasion reflect more eloquently than any word could express the wondrous consummation of the dreams of men, of the pioneers who braved this forest to chart out a course which generations have followed.

Here on this hallowed spot, against the power and the domination of a crowned head of Europe, a little handful of great men announced their defiance of a rule that would deny them freedom. With a wisdom that has remained the marvel of man, they framed the greatest document ever conceived—the Constitution of the United States. Through years of struggle that witnessed stalwart courage, dauntless enterprise, and endless sacrifice, we come to the present moment when, through the wonder of science, it is made possible for all practical purposes to bring to this gathering, by the turn of a simple dial, the millions of men and women who constitute America.

I am moved to look upon this momentous occasion as one great all-inclusive meeting; one great outpouring of the hearts of 120,000,000 of people who must soon determine in which direction our Government must follow. In my mind's eye I see that awesome army facing America's most prized possession, our cherished Liberty Bell. The principles announced at the early town meetings in this city, where liberty was founded, tonight find their modern counterpart in the listening millions who await the sound that will go forth to you from this precious bell.

It is a happy augury that we are upon the eve of the one hundred and fiftieth anniversary of the adoption of the Constitution in Philadelphia. This is a preliminary celebration of that event. The actual celebration of the one hundred and fiftieth anniversary of the adoption of our Constitution will occur next year, in 1937, and the principal celebration will be held in Philadelphia, here—in the very room in which we now stand, for it was in this sacred chamber that the Constitution of the United States was proposed and debated, and here it was adopted.

We of Philadelphia are very proud, in a reverent way, of the possession of the historic treasures which are bound up in and around this room and Independence Hall, but we are not selfish about it. There is so much that is awe-inspiring in the never-to-be-forgotten events which occurred here, which excites our deepest feelings of reverence and profound sentiments of humility, that there is no room for so narrow and base a thought as selfishness in the hearts of any true Philadelphian who is first and foremost a true American. We feel, therefore, that in the possession of Independence Hall, the Liberty Bell, and the many other shrines connected with the launching of our great Nation we are but trustees for all Americans the country over.

It is with this thought in mind that I propose a national committee to carry out our great constitutional anniversary celebration next year to be made up of people from one end of America

to the other, throughout its length and breadth, who desire to have a part in the Philadelphia celebration of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States.

To that end I here and now cordially invite all who may be within sound of my voice in this Nation-wide broadcast to write to me, addressing me at Independence Hall, Philadelphia, and by so doing you will become a member of this national committee, so that the great constitutional anniversary celebration in Philadelphia in 1937 shall in truth be one in which the people of the whole country shall participate and all patriotic Americans have an active part.

The event is one the importance of which I cannot too strongly stress. It will mark the gratitude of Americans of today to the founders of our Nation for that great charter of a free people and the formation of a new idea in Government under which our Nation has grown and thrived as has no other in the whole history of the world. From a pioneering adventure of a few hundred men and women of intrepid courage and dominating determination who landed on a foreign shore inhabited by suspicious and unfriendly savages, landed in inhospitable primitive forests without any other means of shelter or of sustenance than they themselves should provide, we have grown in the short space of two centuries to a Nation unexcelled by any other in history.

Then, when the enterprise and thrift of these hardy pioneers, meeting and overcoming terrifying obstacles and opposition, had expanded the population along the eastern seaboard to several hundred thousand who were housed as comfortably and adequately as any in the Europe of that day; when business and commerce had been founded and built up, with budding institutions of learning and culture, and when men of professional status and genius equal to any then existing in the world had come to be a part of our life, the meanness and cupidity of a foreign government sought to check and control us to its profit and our loss.

It was at this critical juncture that the issue arose, whether to submit and curtail our national existence, to curb our expansion and submerge our national individuality and culture; or, to fight for independence and a right to develop along our own lines as a free people. These patriotic founders accepted the challenge and fought the War of the Revolution to a successful conclusion. Then they sat down in the peace they had won to form the Government under which they and their descendants should live.

The inspired wisdom of the patriotic men and the time gave birth to the Constitution of the United States, admired and commended, even studied and copied, by the statesmen of the world from that day to this.

Under this charter we have become a foremost power in the affairs of the world; a people approaching two hundred million in population and constituting a Nation of wealth, of material, artistic, scientific, cultural, commercial, industrial, and maritime development and achievement which have not been exceeded by any people in recorded history.

The Government under which we have attained this remarkable result is charted in that Constitution. The precepts which have made it possible for a young nation to progress and go forward to the extraordinary achievements the United States of America has to its credit in the short period of 150 years of endeavor were conceived by the writers of the Constitution and are embodied in that great instrument. These are precepts of government which assuredly have stood the test of time, and equally assuredly they are precepts to which all true Americans will adhere with loyal fervor to the end of time.

We wish all people well, including those of foreign nations, and we derive no satisfaction from the misfortunes of other friendly peoples. Yet we cannot fail to observe that the United States is one of the few countries of the world in which its original form of government has survived in the titanic political, social, and economic upheavals which have followed the World War. Here democracy sits enthroned upon foundations firm and secure. Let nothing undermine or uproot those foundations.

To have sustained for a century and a half the incalculable progress, to have attained the enlightenment in so short a time with which America has been blessed under the Constitution, is indeed the occasion for celebration. We are not without our troubles, of course, but it could only have been by Divine guidance that this great charter of liberty was framed. We find Europe threatened with war; we find millions upon millions of people dominated by dictatorships and suffering from exploitation, with its resultant waste and poverty. As I gaze upon this old bronze bell, strong, incorruptible, eternal, I see in it a symbol of the power and the sturdy strength of a people destined for still higher and greater things.

In the tapping of this bell, its voice and its ancient message must echo into the home of every citizen of this country and imbue him and inspire him with a consciousness of his public duty, of the necessity for realizing the part he must play in the future of our Nation. Yes, it might well echo its eternal message around the world, leaving in its path the same vision and strength that it has held for my fellow Americans for over 150 years. Its first ringing marked the deliverance of an entire people into freedom. It is like some permanent sentinel that has stood through the years. There is in it a stolid reminder of how temporal we are and how inevitable it and its great symbolic truth will go on and on and on.

Let us then breathe in again tonight the spirit of this historic bell; let us rededicate ourselves to eternal warfare against all enemies of our Government; let us reaffirm our determination to carry out the duty which falls upon every American citizen—to guard this unique Government of ours and its basic principles.

We are only passing figures. We have no exclusive rights in the common heritage of liberty endowed to us from this very spot. We are merely trustees; we have merely borrowed for a little while the privileges and licenses that America extends to those who live within her borders. Indeed, more than a license and a privilege; a guarantee of full liberty of action, to worship God in one's own way, to live and breathe and have one's being as a free man. In the last analysis these are the treasures of life. From them can be and have been developed all that modern life has to offer. The danger has always been and always will be that we hold such priceless things too lightly. Before this great dedication ends let there be a reaffirmance of our allegiance to this bell, to this hallowed spot, to those principles marking a new epoch in our national affairs. With the tapping of this priceless heirloom of liberty, my last fervent hope is that a new and powerful consciousness of national unity shall enfold us all, leading us, under Divine guidance, into complete fulfillment.

THE INVINCIBLE JEW

Mr. FENERTY. Mr. Speaker, under leave to extend my remarks, I include the following copy of an address to be delivered by me under the auspices of the Jewish War Veterans of the United States, from Philadelphia, over the stations of the National Broadcasting System on July 4, 1936.

THE INVINCIBLE JEW

My fellow citizens, it is with genuine happiness that I have accepted the cordial invitation of my war comrades, the Jewish War Veterans of the United States, to speak to the people of the Nation concerning the tremendous part that those of Jewish blood have played in the drama of American independence and of world progress. And it is eminently fitting that this message should go forth across mountain and river and prairie from this historic city whose Liberty Bell still enshrines in letters of bronze the injunction of Leviticus: "Proclaim liberty throughout the land and to all the inhabitants thereof."

For liberty is a word that is sacred to every human heart. It is the shibboleth of nations, the magic call from the angel's trumpet of resurrection, a ray of God's own uncreated light penetrating the shadows of this vale of darkness. Only he who has felt the lash of oppression can justly evaluate the blessings of that freedom without which all labor becomes painful, all bread is bitter, all drink becomes gall. Ask him upon whose brain tyranny has forged a shackle, upon whose tongue dictatorship has placed a bridle, upon whose ambition paternalism has set restraining bonds, and he will tell you that, under God, freedom is the sweetest word that the lips can utter or the thoughts contain.

It is not surprising, then, that the race which has contended with the idolatry and luxury of ancient dynasties, and through war, captivity, and reproach, has preserved for us the writings of Moses and David, the recitations of Job and the mingled wailings and thunderings and jubilant anticipations of Isaiah, Jeremiah, and the Prophets, should naturally be imbued with the very spirit of freedom and loftiest patriotism.

From the deepest recesses of Jewish history we hear voices raised in a patriotic ardor and triumphant fervor that vie in brightness with the song of Deborah and move across the heartstrings with the majestic sweep with which the hosannahs of Moses and of Miriam announced for generations yet to be the first national independence of a delivered people. Indeed, the lyric piping of the shepherd's reed upon the hilltops of the Holy Land, the joyous outburst of the music of youth and maidens as they danced in the Palestinian fields, the swelling octaves of full-hearted gratitude for the Divine bounty of the harvest—all resound with the love of Israel for freedom and for freedom's God.

It is impossible to exaggerate the effect on human liberty and on progressive action and cultural thought of the Jewish contribution as evidenced merely by the Hebrew Bible itself. For it is a truism to state that Genesis stands as the fountainhead of the literature of the world. The earliest writings that compete with it in antiquity are those recovered by recent research from the dust of Ninevah and the tombs of Egypt, but neither the Euphrates nor the Nile has given to us anything that can compare in manifold value or in spiritual grandeur with the Hebrew relic which affords us glimpses of ancient life more than a thousand years before Herodotus, the father of history, was born—and these are corroborated by every advance of knowledge from extraneous and collateral sources. And, in the history disclosed by Genesis, there is nothing of the pompous inscriptions of equal antiquity left in Egypt or in Babylon, but rather is it the ordinary, everyday life of the people, the sunshine and shadow of human hopes and fears, of loves and aspirations, the flesh and blood of beings who differ in no essential from ourselves, though separated from our time by the lapse of 40 centuries.

The essential unity of all history in its recognition of patriotic service is made manifest through the explorations of science, imparting newer dignity and value to discovery and crowning with fresh endorsement the historical records which form so great a portion of the Hebrew Bible. The treasures written into the Scriptures become ever more precious with each new modern identification of lost cities, characters, and customs, with deciphered hieroglyphics, papyri, and exhumed ruins, for the civilized world cannot separate its accepted conception of the history and dignity of man from the narrative, the philosophy, and the development of Biblical records. That which the most brilliant of statesmen, philanthropists, and poets have found to be an inexhaustible source of material from which to guide men to better living and a more exalted patriotism cannot be ignored in a proper expression of national life or individual sacrifice.

For through all the pagan centuries of tyranny and terror, of decadence and loathsome worship of a thousand marble deities, the Jew alone adhered to the doctrine of one Supreme God. Contrasted with the inane and frequently vicious beliefs of the heathen world, the religion of the Jew shone in indescribable splendor like a burst of sunshine illuming the clouds of a storm-swept sky above a sea of blood.

It was this faith in God which enabled Israel meekly to bear that persecution which is the badge of the race. Survey the centuries that have gone, explore the dark caverns of pagan ignorance where, ever ready to strike, lurked the coiled serpents of intolerance, cruelty, and crime, and you will find hatred and persecution of the invincible Jew. Because, 30 centuries ago, he scorned to abandon his belief in God, he was made the victim of the vilest fanatacism. For this was he driven captive into the land of Egypt. For this were his cities destroyed, his temples demolished, his altars desecrated, his garb defiled, his wounded butchered, his dead mangled. For this was his country devastated by Syrian and Babylonian despots and the lands of his bondage strewn with the whitening bones of his slaughtered children. But through it all, the Jew clung faithfully and lovingly to the horns of his altar, cherished his synagogue, and worshiped Jehovah, the God of his fathers. Through the oppressions of Egypt, the wanderings in the desert, the life in Canaan, the noblest ideas of liberty found a home in the pages of Scripture and these fostered the spirit of national independence which rendered the household of Israel, though often overpowered, indissoluble, and unconquerable.

Today the custodian of the Alexandrian library is mute and his records vanished. The names of the Pharaohs and of Titus have been effaced from the most enduring of marble and live only in the researches of historical scholarship, but the heroism and patriotism of Moses, of Joshua, of Deborah, and David have survived Babylon and Nineveh and Egypt and imperial Rome, as examples for all times and races that fidelity to country and to God embraces in its purest exercise every principle that can make a people great among the nations of the earth.

And when, into the Stygian darkness and slavery that covered the ancient world, there burst the radiance of Christianity, with its gospel of peace and love for our neighbor, and be this remembered by every Christian who today hears my voice, it was the purest and loveliest of Jewish maidens, the rose of Sharon, the lily of Israel, who became the mother of the founder of Christianity and the light of the teaching of the gentle Nazarene was caused to shine first upon the homeland of the Jew.

Enslaved upon the reedy banks of the Nile, the Jew returned centuries later to dominate the land of the pyramids. Led captive into Babylon, he broke his chains to sit in the councils of Cyrus. A mere wanderer in Spain, he became its financial overlord. A sojourner in France, he reached the pinnacles of learning and industrial supremacy. A social outcast in England, he achieved such distinction that even British oppression was compelled to reverse its historic proscriptive policy and admit him to complete rights as a subject of the Empire.

So, from land to land and from age to age, Israel, the graybeard of the nations, has moved on with the Sepher Torah in his arms. He has wandered over deserts and traversed oceans, he has been seared by the fires of hate and beaten by the storms of persecution, but as often as his weary heart and bleeding feet caused him to falter on his thorny road, the radiance of the Torah filled his soul with hope and reinvigoration.

But it remained for our America to accord to the Jewish people the most splendid of opportunity, the most extensive of individual freedom, America, the most luminous illustration in all history of unselfish devotion to the downtrodden and oppressed and forgotten of every nation and of every clime.

For here was opened a new and brilliant chapter in the annals of the Tribe of Judah. And how radiant with splendor is that story of Jewish patriotism and valor in America, let history answer. Let history tell you today of the men of Jewish blood who pledged their lives to the infant republic in those early days when Hayim Solomon, a Polish Jew, contributed to Robert Morris the amazing sum of $300,000 for the cause of Washington and American freedom.

In our second war with England, as in the conquest of Mexico—that land which today denies spiritual and academic liberty to Jew and to Christian—Jewish names are inscribed in characters of living light, while in the Civil War, there were no fewer than 7,000 men of Jewish origin in the ranks of the Blue and the Gray.

So, too, when the battleship *Maine* sank in the Harbor of Habana, 15 Jewish sailors perished at their posts in the tropical waters, while 2,500 of their coreligionists saw valiant service in the brief conflict which made America a power in international affairs.

It was, however, the fires of the World War which became the giant crucible in which were tested the loyalty and devotion of the Jew to the land of liberty. Nearly 200,000 Jewish boys, with 10,000 Jewish officers in Army and Navy, were enrolled in that mighty American military power which saved the allied nations from an otherwise inevitable defeat. Eleven hundred of these were cited for conspicuous courage on the field of battle, 11,000 suffered wounds for their country; over 3,000 young Jewish men fell among the poppies of Flanders and on the trampled hillsides of France, and today, among the white crosses row on row, that mark the untimely harvest fields of war, there is wrought in beautiful and eternal stone the six-pointed star of David as mute testimony to the shining sacrifice of those sons of Israel who loved America better than their own lives.

So, on this day of lofty purpose, we pause amidst our labors and duties and cares to pay tribute to the men of Jewish faith who with their blood have imparted a richer crimson to the glorious stripes of the unsullied banner of liberty and woven into its very fabric that instinctive passion for freedom that has illuminated the soul of Israel from the dawn of the race; and, mindful of these, our own American dead, how much more exalted must become the sense of triumph with which American Jews celebrate the feast of Passover in commemoration of the deliverance of their fathers from the bondage of Egypt. Remembering our own struggle for freedom against alien misrule, how much more radiant in Jewish homes in America must be the glow of victory with which, in a spirit of dedication, are enkindled the festive and increasing lights of the feast of Chanukah, recalling the Maccabean champions of liberty; and, realizing that it is only through love for our Nation's Constitution and courts, for our laws and traditional ideals, that our America can retain her enviable position as the refuge of the persecuted and enslaved, how much deeper must be the sense of Pentecostal reverence with which is observed the feast of Shovuoth in memory of the time when the law was entrusted to Israel to preserve for generations yet unborn.

It is in this spirit that I, as a gentile, have gladly joined with the Jewish War Veterans of the United States to recall on this holy day the memory of those who have gone before us with the light of liberty, and who, like Jacob with the angel, have striven and have prevailed.

Within your hearts, men and women of America, I call upon you today to keep burning, like a Shekinah, the fire of love for our American land. Upon the doorposts of the Nation, I conjure you to set, like the Mezuzah, the indelible seal of the God who molds the character of nations and whose sustaining Providence alone can keep peoples happy, peaceful, and secure. From the gates of the temple of American liberty send forth today the clarion sound of the Shofar that all may be alert to the dangers that now confront freedom in America and the world, as we here, in this birthplace of American Independence, in a spirit of joyous memory and hopeful prophecy, devotedly consecrate ourselves anew to America's mighty and imperishable destiny in the sacred realization that

"The glory of the present is to make the future free,
To love our land for what she is, and what she is to be."

ADJOURNMENT SINE DIE

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn sine die.

The motion was agreed to; accordingly (at 12 o'clock midnight) the House adjourned sine die.

ENROLLED BILL SIGNED SUBSEQUENT TO ADJOURNMENT

The Committee on Enrolled Bills, subsequent to adjournment, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was signed by the Speaker on July 9, 1936, pursuant to House Concurrent Resolution 54:

H. R. 8875. An act to clarify section 104 of the Revised Statutes (U. S. C., title II, sec. 194).

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

The Committee on Enrolled Bills, subsequent to adjournment, on the following dates presented to the President of the United States, for his approval, bills and a joint resolution of the following titles:

On June 22, 1936:

H. R. 2335. An act for the relief of Cora Akins;

H. R. 3777. An act for the relief of the Herald Publishing Co.;

H. R. 3866. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Emanuel Bratses;

H. R. 6719. An act to amend the Canal Zone Code;

H. R. 7736. An act to provide for the establishment of the Whitman National Monument;

H. R. 8107. An act to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the founding of the city of Shreveport, La., and the opening of the Red River of the West to navigation;

H. R. 9191. An act for the relief of dependents of James B. Kiley;

H. R. 11688. An act providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union;

H. R. 12257. An act to extend the jurisdiction of the United States Court for China to offenses committed on the high seas;

H. R. 12324. An act to amend section 723 (a) of the Revenue Act of 1932, as amended;

H. R. 12395. An act to provide revenue, equalize taxation, and for other purposes;

H. R. 12410. An act to amend section 8 of the act entitled "An act to establish a National Archives of the United States Government, and for other purposes", approved June 19, 1934;

H. R. 12455. An act to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes; and

H. R. 12876. An act to waive any exclusive jurisdiction over premises of resettlement or rural-rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes.

On June 23, 1936:

H. R. 6773. An act to provide for an investigation to determine whether the water rights of the United States have been violated in the Clear Lake watershed, California, and for other purposes;

H. R. 8555. An act to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes;

H. R. 10094. An act to amend the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269);

H. R. 12458. An act authorizing a preliminary examination of the Intracoastal Waterway throughout Broward County, Fla.;

H. R. 12796. An act to amend the act entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina", approved May 10, 1928, as amended (U. S. C., 1934 edition, title 28, sec. 179; U. S. C., Supp. I, title 28, sec. 179); and

H. J. Res. 642. Joint resolution to enable the Secretary of Agriculture to apply such methods of control of grasshoppers as in his judgment may be necessary.

On July 11, 1936:

H. R. 8875. An act to clarify section 104 of the Revised Statutes (U. S. C., title II, sec. 194).

BILLS AND JOINT RESOLUTIONS APPROVED SUBSEQUENT TO SINE DIE ADJOURNMENT

The President of the United States, subsequent to the sine die adjournment of the second session of the Seventy-fourth Congress, on the following dates approved and signed bills and joint resolutions of the House of the following titles:

On June 22, 1936:

H. R. 1397. An act to withdraw certain public lands from settlement and entry;

H. R. 4085. An act for the relief of Joseph Watkins;

H. R. 4373. An act for the relief of Albert Gonzales;

H. R. 4707. An act validating certain applications for and entries of public lands, and for other purposes;

H. R. 6702. An act for the relief of Annie E. Daniels;

H. R. 8321. An act for the relief of Julia Long;

H. R. 8322. An act for the relief of Merwin A. Kiel;

H. R. 8455. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes;

H. R. 9153. An act for the relief of Evelyn Harriett B. Johnstone;

H. R. 9484. An act to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended;

H. R. 9485. An act to convey certain lands to Clackamas County, Oreg., for public-park purposes;

H. R. 10356. An act authorizing the Secretary of the Navy to convey a right-of-way over certain lands situated in Solano County, Calif., to the State of California for State highway purposes;

H. R. 10630. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11262. An act for the relief of Brooks-Callaway Co.;

H. R. 11615. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

H. R. 11643. An act to amend certain provisions of the act of March 7, 1928 (45 Stat. L. 210–212);

H. R. 12305. An act to define the jurisdiction of the Coast Guard;

H. R. 12395. An act to provide revenue, equalize taxation, and for other purposes;

H. R. 12410. An act to amend section 8 of the act entitled "An act to establish a National Archives of the United States Government, and for other purposes", approved June 19, 1934;

H. R. 12624. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes;

H. R. 12848. An act to provide an additional place of holding terms of the United States district court in the eastern district of Kentucky and to amend section 83 of the Judicial Code, as amended;

H. R. 12896. An act to provide for the transfer of the surplus decommissioned lightship *No. 82* to United States Ship Constitution Post, No. 3339, Veterans of Foreign Wars; Wars;

H. J. Res. 388. Joint resolution to authorize the issuance of a reentry permit to Tonio Mori Moto and his readmission upon application while such permit remains valid;

H. J. Res. 415. Joint resolution to carry out the intention of Congress with reference to the claims of the Chippewa Indians of Minnesota against the United States; and

H. J. Res. 641. Joint resolution making appropriations for the payment of expenses incurred in an election contest for a seat in the House of Representatives from the Twentieth Congressional District of the State of New York.

On June 23, 1936:

H. R. 1392. An act to extend the provisions of certain laws to the island of Puerto Rico;

H. R. 9654. An act to authorize the purchase by the city of Scappoose, Oreg., of a certain tract of public land revested in the United States under the act of June 9, 1916 (39 Stat. 218);

H. R. 10104. An act to authorize a study of the park, parkway, and recreational-area programs in the United States, and for other purposes;

H. R. 10591. An act to authorize the Secretary of Agriculture to investigate and report on traffic conditions, with recommendations for corrective legislation;

H. R. 10919. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11022. An act for the relief of Ethel Armes;

H. R. 11581. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District

for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 12033. An act authorizing and directing the Secretary of the Interior to sell to the city of Los Angeles, Calif., certain public lands in California; and granting rights-of-way over public lands and reserve lands to the city of Los Angeles in Mono County in the State of California;

H. R. 12353. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925;

H. J. Res. 467. Joint resolution authorizing the erection of a memorial to the late Haym Salomon;

H. J. Res. 606. Joint resolution amending section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1935; and

H. J. Res. 639. Joint resolution to provide certain administrative expenses for the Division of Territories and Island Possessions, Department of Interior, and for other purposes.

On June 24, 1936:

H. R. 2155. An act for the relief of Francisco M. Acayan;

H. R. 3866. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Emanuel Bratses;

H. R. 4364. An act for the relief of Andrew Johnson;

H. R. 5078. An act for the relief of Mrs. Charles F. Eikenberg;

H. R. 5752. An act for the relief of May Wynne Lamb;

H. R. 5754. An act for the relief of Emma M. Pearson;

H. R. 5829. An act for the relief of Daniel J. Hagerty;

H. R. 6719. An act to amend the Canal Zone Code;

H. R. 6951. An act for the relief of Thomas J. English;

H. R. 7642. An act for the relief of the estate of Frank W Trick;

H. R. 7818. An act for the relief of Caroline M. Hyde;

H. R. 7839. An act for the relief of C. E. Rightor;

H. R. 8373. An act for the relief of James Fitzgerald;

H. R. 8502. An act for the relief of Theresa Link, Wencel Link, Edward Block, and John Meyers;

H. R. 8521. An act for the relief of Elsie O'Brine;

H. R. 8643. An act for the relief of Mr. and Mrs. Frank Daley;

H. R. 8688. An act for the relief of Grace Schultz;

H. R. 8720. An act for the relief of Louis Manzumin;

H. R. 8799. An act for the relief of John N. Hunter, Edmund M. Cook, Fred C. Putnam, Merchants National Bank of South Bend, Ind., and St. Joseph Loan & Trust Co., of South Bend, Ind.;

H. R. 8841. An act for the relief of Estelle Mary MacDonald and Marilyn MacDonald;

H. R. 9313. An act for the relief of the estate of Hans Ditmanson, deceased;

H. R. 9314. An act for the relief of the estate of Henry Coople, deceased;

H. R. 9315. An act for the relief of the estate of Fred Wilkins, deceased;

H. R. 10044. An act for the relief of Lt. Col. Fernand H. Gouaux;

H. R. 10101. An act to amend the Federal Farm Loan Act and the Farm Credit Act of 1935, and for other purposes;

H. R. 10168. An act for the relief of Arch A. Gary;

H. R. 10225. An act for the relief of W. D. Lovell;

H. R. 10439. An act for the relief of John B. Ricketts;

H. R. 10527. An act for the relief of Harris Bros. Plumbing Co.;

H. R. 11140. An act to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States;

H. R. 11379. An act for the relief of William H. Milton;

H. R. 11538. An act for the relief of the Orland reclamation project, California;

H. R. 11597. An act for the relief of L. A. Peveler;

H. R. 11926. An act to provide for a term of court at Durham, N. C.;

H. R. 12257. An act to extend the jurisdiction of the United States Court for China to offenses committed on the high seas;

H. R. 12758. An act to increase the pension to certain veterans of the Regular Establishment on the rolls March 19, 1933;

H. R. 12796. An act to amend the act entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina", approved May 10, 1928, as amended (U. S. C., 1934 ed., title 28, sec. 179; U. S. C., Supp. I, title 28, sec. 179);

H. R. 12799. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundred and fiftieth anniversary of Sir Walter Raleigh's colony on Roanoke Island, N. C., known in history as the Lost Colony, and the birth of Virginia Dare, the first child of English parentage to be born on the American continent;

H. R. 12971. An act to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.;

H. J. Res. 366. Joint resolution for the establishment of a game management supply depot and laboratory, and for other purposes;

H. J. Res. 532. Joint resolution for the establishment of a commission in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg in 1938; and

H. J. Res. 642. Joint resolution to enable the Secretary of Agriculture to apply such methods of control of grasshoppers as in his judgment may be necessary.

On June 25, 1936:

H. R. 2335. An act for the relief of Cora Akins;

H. R. 4900. An act to amend the naturalization laws in respect of residence requirements, and for other purposes;

H. R. 5730. An act to amend section 3 (b) of an act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934;

H. R. 6668. An act for the relief of S. John Hegstad;

H. R. 7727. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of George B. Marx, Inc.;

H. R. 7864. An act for the relief of Edward P. Oldham, Jr.;

H. R. 8107. An act to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the founding of the city of Shreveport, La., and the opening of the Red River of the West to navigation;

H. R. 8316. An act to modify section 20 of the Permanent Appropriation Repeal Act, 1934, with reference to individual Indian money;

H. R. 8368. An act to enforce the twenty-first amendment;

H. R. 8597. An act to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea; to maintain discipline on shipboard; and for other purposes";

H. R. 9078. An act for the relief of Bertha W. Lamphear;

H. R. 9191. An act for the relief of dependents of James B. Kiley;

H. R. 11331. An act to authorize the sale and conveyance by the Department of the Interior to the State of Minnesota of the southwest quarter northwest quarter section 3, township 159 north, range 35 west, fifth principal meridian, in the State of Minnesota;

H. R. 12002. An act to authorize a preliminary examination of the Lackawanna River with a view to the control of its flood;

H. R. 12007. An act to authorize a preliminary examination of the Penobscot River, Maine, and its tributaries, with a view to the control of their floods;

H. R. 12008. An act to authorize a preliminary examination of the Androscoggin River, in Maine and New Hampshire, and its tributaries, with a view to the control of their floods;

H. R. 12144. An act for the relief of the Federal Enameling & Stamping Co.;

H. R. 12490. An act authorizing a preliminary examination of the Levisa Fork of Big Sandy River in the vicinity of the Breaks of Sandy; and

H. R. 12599. An act to provide more adequate protection to workmen and laborers on projects, buildings, constructions, improvements, and property wherever situated, belonging to the United States of America, by granting to the several States jurisdiction and authority to apply their State workmen's compensation law on all property and premises belonging to the United States of America.

On June 26, 1936:

H. R. 255. An act to provide for the commemoration of the Battle of Eutaw Springs, in the State of South Carolina;

H. R. 6773. An act to provide for an investigation to determine whether the water rights of the United States have been violated in the Clear Lake watershed, California, and for other purposes;

H. R. 9111. An act for the relief of Evanell Durrance;

H. R. 9185. An act to insure the collection of the revenue on distilled spirits, wines, and malt liquors; to provide for the more efficient and economical administration and enforcement of the law relating to the taxation of distilled spirits, wines, and malt liquors; to amend the Federal Alcohol Administration Act; and for other purposes;

H. R. 10094. An act to amend the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes"; approved June 28, 1934 (48 Stat. 1269);

H. R. 11176. An act increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark.;

H. R. 11180. An act to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes;

H. R. 11555. An act to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission;

H. R. 11688. An act providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union;

H. R. 12458. An act authorizing a preliminary examination of the intracoastal waterway throughout Broward County, Fla.;

H. R. 13001. An act to eliminate unnecessary expense in the administration of estates of deceased and incompetent veterans, and for other purposes; and

H. J. Res. 608. Joint resolution extending for 2 years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1938, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter.

On June 29, 1936:

H. R. 1962. An act for the relief of Albert H. Jacobson;

H. R. 3777. An act for the relief of the Herald Publishing Co.;

H. R. 3943. An act for the relief of D. E. Wooldridge;

H. R. 4641. An act authorizing the President to present a gold medal to George M. Cohan;

H. R. 7256. An act for the relief of Perry H. Callahan and Malcolm W. Callahan;

H. R. 7736. An act to provide for the establishment of the Whitman National Monument;

H. R. 8555. An act to further the development and maintenance of an adequate and well-balanced American merchant marine, to promote the commerce of the United States, to aid in the national defense, to repeal certain former legislation, and for other purposes;

H. R. 10279. An act for the relief of the Pocahontas Fuel Co., Inc.;

H. R. 11123. An act for the relief of Edward A. Foote, Jr., and others;

H. R. 12220. An act to authorize the adjustment of the boundary of the Fort Marion National Monument, Florida, in the vicinity of Fort Marion Circle, and for other purposes;

H. R. 12324. An act to amend section 723 (a) of the Revenue Act of 1932, as amended;

H. R. 12869. An act to liberalize the provisions of Public Law No. 484, Seventy-third Congress, to effect uniform provisions in laws administered by the Veterans' Administration, to extend the Employees' Compensation Act with limitations to certain World War veterans and other persons, and for other purposes;

H. R. 12876. An act to waive any exclusive jurisdiction over premises of resettlement or rural rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes; and

H. R. 12494. An act to provide for the establishment of a Coast Guard station on Lake St. Clair, Mich.

On June 30, 1936:

H. R. 12455. An act to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes.

On July 13, 1936:

H. R. 8875. An act to clarify section 104 of the Revised Statutes (U. S. C., title II, sec. 194).

ANTIETAM CELEBRATION COMMISSION

Pursuant to the provisions of Public Resolution 132, Seventy-fourth Congress, and pursuant to a special order agreed to on June 20, 1936, the Speaker appointed Mr. LEWIS of Maryland and Mr. PLUMLEY members on the part of the House of the United States Antietam Celebration Commission.

EXECUTIVE COMMUNICATIONS, ETC.

877. Under clause 2 of rule XXIV a letter from the Chairman of the Securities and Exchange Commission, transmitting the results of the Commission's study of the feasibility and advisability of the complete segregation of the functions of dealer and broker, in pursuance of section 11 (e) of the Securities Exchange Act of 1934, was taken from the Speaker's table and referred to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of useless papers in the Agricultural Adjustment Administration (Rept. No. 3074). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of useless papers in the Federal Communications Commission (Report No. 3075). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of useless papers in the United States Department of the Treasury (Rept. No. 3076). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of useless papers in the Federal Trade Commission (Rept. No. 3077). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of useless papers in the United States Veterans' Administration. (Rept. No. 3078). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of useless papers in the United States Department of the Interior. (Rept. No. 3079). Ordered to be printed.

Mr. COLDEN: Committee on the Disposition of Executive Papers. A report on the disposition of useless papers in the United States Department of Commerce. (Rept. No. 3080). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. S. 670. An act for the relief of Eliza Boykin; without amendment (Rept. No. 3081). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2827. An act for the relief of Margaret Scott Bayley; without amendment (Rept. No. 3082). Referred to the Committee of the Whole House.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 10570. A bill for the relief of A. Sereiskis (Maxwell A. Rittenberg); without amendment (Rept. No. 3085). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 11338. A bill for the relief of Ruth Radin; without amendment (Rept. No. 3086). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. H. R. 10443. A bill for the relief of Joseph Harris (Joseph Hersh); without amendment (Rept. No. 3087). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FLETCHER: A bill (H. R. 13021) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public education; to the Committee on Education.

By Mr. JONES: A bill (H. R. 13022) to establish and promote the use of uniform standards for the classification, grading, and marking of the fresh products of dressed beef and veal in commerce, and for other purposes; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FARLEY: A bill (H. R. 13023) granting a pension to Adele Evans; to the Committee on Invalid Pensions.

By Mr. SNYDER of Pennsylvania: A bill (H. R. 13024) for the relief of the L. J. Houze Convex Glass Co.; to the Committee on Claims.

Also, a bill (H. R. 13025) granting a pension to Mary Harriet Hook; to the Committee on Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 13026) for the relief of the Guamoco Mining Co.; to the Committee on Claims.